Fairfax County, Virginia

FY 2018

ADOPTED BUDGET PLAN

(INCLUDES MULTI-YEAR BUDGET: FY 2018 - FY 2019)

VOLUME 2:

Capital Construction and Other Operating Funds

www.fairfaxcounty.gov/budget

Fairfax County, Virginia

Fiscal Year 2018
Adopted Budget

Volume 2:
Capital Construction and
Other Operating Funds

1742

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The County of Fairfax 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 703-324-2391, TTY 711. Special accommodations/alternative information formats will be provided upon request. Please allow five working days in advance of events in order to make the necessary arrangements.

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Board of Supervisors' Goals & Priorities

Adopted by the Board of Supervisors in December 2009. Reaffirmed by the Board of Supervisors in February 2012.

By **engaging** our residents and businesses in the process of addressing these challenging times, **protecting investment** in our **most critical priorities**, and by **maintaining strong responsible fiscal stewardship**, **<u>we must ensure</u>:**

✓ **<u>A quality educational system</u>**
Education is Fairfax County's highest priority. We will continue the investment needed to protect and enhance this primary community asset. Our children are our greatest resource. Because of our excellent schools, businesses are eager to locate here and our children are able to find good jobs. A well-educated constituency is best able to put back into their community.

✓ **<u>Safe streets and neighborhoods</u>**
Fairfax County is the safest community of our size in the U.S. We will continue to invest in public safety to respond to emergency situations, as well as efforts to prevent and intervene in destructive behaviors, such as gang activity and substance abuse.

✓ **<u>A clean, sustainable environment</u>**
Fairfax County will continue to protect our drinking water, air quality, stream valleys and tree canopy through responsible environmental regulations and practices. We will continue to take a lead in initiatives to address energy efficiency and sustainability and to preserve and protect open space for our residents to enjoy.

✓ **<u>Livable, caring and affordable communities</u>**
As Fairfax County continues to grow we will do so in ways that address **environmental** and **mobility** challenges. We will encourage housing that is affordable to our children, seniors and members of our workforce. We will provide compassionate and efficient services to members of our community who are in need. We will continue to protect and support our stable lower density neighborhoods. We will encourage and support participation in community organizations and other activities that address community needs and opportunities.

✓ **<u>A vibrant economy</u>**
Fairfax County has a well-earned reputation as a business-friendly community. We will vigorously pursue **economic development** and **revitalization** opportunities. We will support the business community and encourage this healthy partnership. We will continue to be sensitive and responsive to the needs of our corporate neighbors in the areas of **workforce development** and **availability, affordable housing, regulation and taxation.**

✓ **<u>Efficient transportation network</u>**
Fairfax County makes it a priority to connect People and Places. We will continue to plan for and invest in transportation improvements to include comprehensive bicycle and pedestrian initiatives, bus and para transit, road and intersection improvements and expansion of Metrorail and VRE.

✓ **<u>Recreational and cultural opportunities</u>**
A desirable community is one where there is a lot going on that residents can enjoy. Fairfax County will continue to provide for athletic, artistic, intellectual and recreational activities, in our communities, parks, libraries and schools.

✓ **<u>Taxes that are affordable</u>**
The property tax is Fairfax County's primary source of revenue to provide services. We will ensure that taxes are affordable for our residents and businesses, and we will seek ways to diversify County revenues in order to make our tax base more equitable. We will ensure that County programs and services are efficient, effective and well run.

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 workforce, 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.

Exercising 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.

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Volume 2 Overview

Volume 2 contains information on non-General Fund budgets or "Other Funds." A fund accounts for a specific set of activities that a government performs. For example, refuse disposal is an activity and therefore, a fund that is classified as a Special Revenue Fund. These other funds, such as Special Revenue Funds, are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. Volume 2 also features the County's *proprietary* funds, i.e. Enterprise Funds and Internal Service Funds. These funds account for County activities, which operate similarly to private sector businesses inasmuch as they measure net income, financial position and changes in financial position. Enterprise Funds are used to account for operations in which costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges. Internal Service Funds are used to account for the financing of goods or services provided by one County department or agency to another on an allocated cost recovery basis for items such as telecommunications charges, printing, data processing, etc. The County also has several *fiduciary* funds, better known as Trust and Agency Funds, in which funds are used to account for assets held by the County in a trustee capacity or as an agent for other individuals, entities and/or other funds.

Fund Narratives

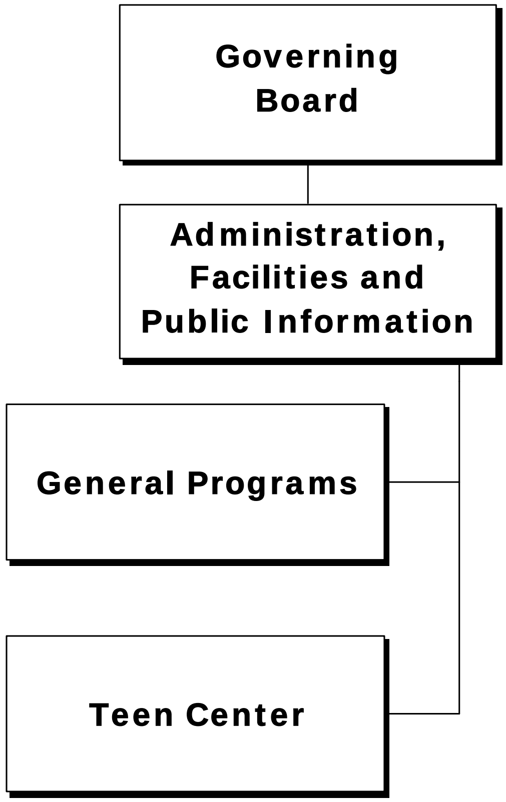
Each County fund is represented with its own narrative that contains programming and budgetary information. The narratives have several elements including:

- Organization Chart
- Agency Mission and Focus
- Agency Dashboard (included only for a select number of General Fund Supported funds)
- Budget and Staff Resources
- FY 2018 Funding Adjustments/Changes to the FY 2017 Adopted Budget Plan
- Cost Centers (funding and position detail)
- Cost Center Specific Goals, Objectives and Key Performance Measures
- Performance Measurement Results
- Fund Statement
- Summary of Capital Projects
- Summary of Grant Funding

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

Organization Chart

The organization chart displays the organizational structure of each fund. An example depicting the organizational structure of Fund 40060, McLean Community Center, is shown below.



Agency Mission and Focus

The McLean Community Center supports the following County Vision Elements:

Maintaining Safe and Caring Communities

Creating a Culture of Engagement

Building Livable Spaces

Exercising Corporate Stewardship

The agency mission is a broad statement reflecting intended accomplishments for achievement of the agency's public purpose. It describes the unique contribution of the organization to the County government and residents receiving services and provides a framework within which an agency operates. The agency focus section includes a description of the agency's programs and services. The agency's relationship with County boards, authorities or commissions may be discussed here, as well as key drivers or trends that may be influencing how the agency is conducting business. The focus section is also designed to inform the reader about the strategic direction of the agency and the challenges that it is currently facing. This section also includes a listing of one or more of seven "Vision Elements" that the agency supports. 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. These Vision Elements provide a strategic framework to guide agency operations and improvements.

Agency Dashboard

Each General Fund Supported fund, such as Fund 40040, Fairfax-Falls Church Community Services Board (CSB), includes an agencywide dashboard which includes various key metrics, including in some cases a combination of key outputs, budget drivers, statistics, and other meaningful indicators illustrating key agency initiatives and work. The purpose of these drivers is to keep decision-makers aware of this key data and how they are changing over time. The dashboard includes data from the three prior years (FY 2014 through FY 2016). This dashboard does not replace the agency's performance measures, but rather provides an additional snapshot of relevant statistics. Other operating funds, such as the McLean Community Center (Fund 40060), do not feature an agency dashboard.

AGENCY DASHBOARD

Key Data	FY 2014	FY 2015	FY 2016
1. Persons served by the CSB	21,249	21,874	22,105
2. Persons served by CSB emergency services*	4,931	5,170	5,253
3. Children served by Infant and Toddler Connection	3,164	3,372	3,559
4. Persons with intellectual disability on Medicaid Waiver waiting list who meet the Urgent Need criteria	733	905	1,039
5. Employment and Day Services			
▪ Persons with intellectual disability served	1,284	1,318	1,383
▪ Annual Special Education Graduates	79	85	91
6. Percent of individuals receiving behavioral health services who reported having a primary care provider	NA	63%	65%
7. Percent of individuals receiving behavioral health services who have Medicaid coverage	32%	36%	39%

* Prior to FY 2015, included general emergency services only.

Budget Staff and Resources

The Budget and Staff Resources table provides an overview of expenditures and positions in each fund. Expenditures are generally summarized in five primary categories:

- ***Personnel Services*** consist of expenditure categories including regular pay, shift differential, limited-term support, overtime pay, and fringe benefits.
- ***Operating Expenses*** are the day-to-day expenses involved in the administration of the agency, such as office supplies, printing costs, repair and maintenance for equipment, and utilities.
- ***Capital Equipment*** includes items that have a value that exceeds $5,000 and an expected life of more than one year, such as an automobile or other heavy equipment.
- ***Recovered Costs*** are reimbursements from other County agencies for specific services or work performed or reimbursements of work associated with capital construction projects. These reimbursements are reflected as a negative figure in the agency's budget, thus offsetting expenditures.
- ***Capital Projects*** are expenditures related to the acquisition, renovation, or construction of major capital items, including facilities (schools, libraries, parks facilities, police and fire stations), transportation improvements, trails/sidewalks, and stormwater management facilities. These activities typically stretch over multiple fiscal years. For funds which contain capital projects, a *Summary of Capital Projects* is provided in the fund narrative listing the funding related to each specific project.

Budget Staff and Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$3,071,878	$3,226,009	$3,226,009	$3,256,251	$3,256,251
Operating Expenses	1,890,306	2,385,888	2,412,872	2,095,628	2,095,628
Capital Equipment	0	0	0	0	0
Capital Projects	479,822	3,179,749	8,175,053	0	0
Total Expenditures	$5,442,006	$8,791,646	$13,813,934	$5,351,879	$5,351,879
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	31 / 28.18	31 / 28.18	31 / 28.38	31 / 28.38	31 / 28.38

The Authorized Positions section of the Budget and Staff Resources table provides the position count of merit positions across fiscal years, including FY 2016 Actuals, the FY 2017 Adopted Budget Plan, the *FY 2017 Revised Budget Plan*, the FY 2018 Advertised Budget Plan, and the FY 2018 Adopted Budget Plan. The table also reflects the authorized hours of each position with the designation of a full-time equivalent (FTE). For example, an FTE of 1.0 means that the position is authorized to be filled with a full-time employee (2,080 hours annually), while an FTE of 0.5 signals that the position is authorized to be filled only half-time (up to 1,040 hours annually).

FY 2018 Funding Adjustments / Changes to the FY 2017 Adopted Budget Plan

The "FY 2018 Funding Adjustments" section summarizes changes to the budget. The first part of this section includes adjustments since the approval of the FY 2017 Adopted Budget Plan necessary to support the FY 2018 program. These adjustments may include compensation increases, funding associated with new positions, internal service charge adjustments, and funding adjustments associated with position movements. Some agency/fund budget narratives, such as Community Services Board (Fund 40040), will also include "Reductions" and associated impact statements in the "FY 2018 Funding Adjustments" section. The sum of all of the funding adjustments listed explains the entire change from the FY 2017 Adopted Budget Plan to the FY 2018 Adopted Budget Plan.

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Employee Compensation** **$43,059**
  An increase of $43,059 in Personnel Services is included for performance-based and longevity increases for non-uniformed merit employees effective July 2017.

- **Other Post-Employment Benefits** **$1,615**
  An increase of $1,615 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Advertised Budget Plan.

- **Budget Alignments Based on Actual Spending Trends** **($304,692)**
  A decrease of $304,692 composed of $14,432 in Personnel Services and $290,260 in Operating Expenses. These adjustments are associated with budget alignments based on actual revenue and spending trends.

- **Capital Projects** **($3,179,749)**
  A decrease of $3,179,749 in Capital Projects is associated with funding provided for the renovation of the McLean Community Center in FY 2017.

The "Changes to the FY 2017 Adopted Budget Plan" section reflects all approved changes in the *FY 2017 Revised Budget Plan* since passage of the FY 2017 Adopted Budget Plan. It also includes all adjustments made as part of the *FY 2016 Carryover Review*, *FY 2017 Third Quarter Review* and all other approved changes made through April 30, 2017.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$5,022,288**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an increase of $5,022,288 due to encumbered carryover of $26,984 in Operating Expenses for repairs, maintenance and professional contractual services, the carryover of unexpended project balances of $1,677,542 and the appropriation of $3,317,762 from the Capital Project Reserve primarily associated with the MCC Renovation Project.

Cost Centers

As an introduction to the more detailed information included for each functional area or cost center, a brief description of the cost centers is included (see example of a cost center from Fund 40060, McLean Community Center). A listing of the staff resources for each cost center is also included, including the number of positions by job classification and annotations for additions, or transfers of positions from one agency/fund to another. In addition, the full-time equivalent status is provided to easily denote a full- or part-time position as well as total position counts for the cost center in this table.

Administration, Facilities and Public Information

The Administration, Facilities and Public Information Cost Center administers the facilities and programs of the McLean Community Center, assists residents and local groups' planning activities and provides information to residents in order to facilitate their integration into the life of the community.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$2,416,009	$5,322,445	$10,321,769	$2,295,835	$2,295,835
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	16 / 13.88	16 / 13.88	16 / 13.88	16 / 13.88	16 / 13.88

Administration		Facilities		Public Information	
1	Executive Director	1	Chief Building Maintenance Section	1	Communications Specialist II
1	Accountant II	1	Facility Attendant II	1	Communications Specialist I
2	Administrative Assistants V	5	Facility Attendants I, 5 PT		
2	Administrative Assistants IV				
1	Administrative Assistant II				

TOTAL POSITIONS
16 Positions / 13.88 FTE

PT Denotes Part-Time Positions

Key Performance Measures

Fairfax County has an established Performance Measurement program, and measures have been included in the County's budget volumes for many years with specific goals, objectives, and performance indicators. Goals are broad statements of purpose, generally indicating what service or product is provided, for whom, and why. Objectives are outcome-based statements of specifically what will be accomplished during the budget year. Ideally, these objectives should support the goal statement, reflect the planned benefit(s) to customers, be written to allow measurement of progress and describe a quantifiable target. Indicators are the first-level data for reporting performance on those objectives.

Where applicable, each narrative includes a table of key performance measures, primarily focused on outcomes. In addition, there is also a web link to a comprehensive table featuring both the cost center performance measurement goal, objective and a complete set of a "family measures," including outputs, efficiency, service quality, and outcomes for each cost center.

Key Performance Measures

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Administration, Facilities and Public Information					
Percent change in patrons using the Center	6.2%	(4.6%)	0.4%/(17.8%)	11.3%	(40.6%)
General Programs					
Percent change in participation in classes and Senior Adult activities	1.3%	(5.8%)	2.7%/0.3%	(7.0%)	(7.7%)
Percent change in participation at Special Events	7.0%	6.8%	(13.2%)/(39.6%)	32.8%	9.5%
Percent change in participation at Performing Arts activities	(10.5%)	(0.8%)	16.0%/(9.3%)	6.6%	(42.3%)
Percent change in participation at Youth Activities	(8.6%)	(10.3%)	(21.3%)/(11.1%)	10.8%	(43.9%)
Teen Center					
Percent change in weekend patrons	54.6%	(26.9%)	23.1%/33.6%	(7.9%)	0.0%
Percent change in weekday patrons	55.9%	(22.2%)	(3.7%)/(32.6%)	12.3%	0.0%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/40060.pdf

In FY 2018, the McLean Community Center will be undergoing a major renovation. The center will be closed from April 2017 through September 2018. All the offices, programs and events will be moved to temporary locations. Efforts are and will be made to serve the community with all programs currently provided.

Fund 40060, McLean Community Center
FY 2018 Adopted Budget Plan: Performance Measures

Administration, Facilities and Public Information

Goal
To administer the facilities and programs of the McLean Community Center, to assist residents and local public groups' planning activities and to provide information to citizens in order to facilitate their integration into the life of the community.

Objective
To achieve the number of patrons attending events, activities and classes at approximately 54,200.

Performance Indicators

	Prior Year Actuals			Current Estimate	Future Estimate
Indicator	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Estimate/Actual**	**FY 2017**	**FY 2018**
Output					
Patrons served	104,449	99,671	100,036 / 81,875	91,221	54,201
Efficiency					
Cost per patron	$20.38	$20.06	$22.33 / $23.06	$24.74	$38.66
Service Quality					
Percent satisfied with service	94%	95%	95% / 95%	95%	95%
Outcome					
Percent change in patrons using the Center	6.2%	(4.6%)	0.4% / (17.8%)	11.3%	(40.6%)

In FY 2018, the McLean Community Center will be undergoing a major renovation. The center will be closed from April 2017 through September 2018. All the offices, programs and events will be moved to temporary locations. Efforts are and will be made to serve the community with all programs currently provided.

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

- Input: Value of resources used to produce an output (this data – funding and positions – are listed in the agency summary tables).
- Output: Quantity or number of units produced.
- Efficiency: Inputs used per unit of output.
- Service Quality: Degree to which customers are satisfied with a program, or the accuracy or timeliness with which the product/service is provided.
- Outcome: Qualitative consequences associated with a program.

Performance Measurement Results

This section includes a discussion and analysis of how the agency's performance measures relate to the provision of activities, programs, and services stated in the agency mission. The results of current performance measures are discussed, as well as conditions that contributed to the level of performance achieved and action plans for future-year improvement of performance targets. The primary focus of this section is on the program's outcomes or results.

Performance Measurement Results

The McLean Community Center (MCC) facilities play an important part in the greater McLean area by providing places for MCC to hold its programs, classes, and meetings; serving as the home for the McLean Project for the Arts and community arts groups; and offering meeting and event space for residents and community organizations. MCC has started the preliminary renovation work, with the Center scheduled to close for renovation early April, 2017 through September, 2018. During this period, the offices will be using rented space.

The total number of patrons attending events at MCC declined 17.8 percent in FY 2016 relative to FY 2015, mainly due to cancellations, associated with inclement weather. FY 2016 Instructional and Senior Class Programs showed a small increase of 0.3 percent over FY 2015 and participation in special events was down 39.6 percent, primarily due to bad weather on McLean Day. Performing Arts experienced a 9.3 percent decrease and Youth Activities experienced an 11.1 percent decrease due to moving the 5th and 6th grade dances to the Teen Center.

In FY 2016, the Teen Center weekend participants increased by 33.6 percent over FY 2015. This was mainly due to McLean Youth Orchestra's rental of the space for practices and performances. Weekday patrons decreased by 32.6 percent from FY 2015, largely reflecting the discontinuation of the Lewinsville Senior Center's (LSC) regular fitness classes during FY 2016, due to a renovation at that facility.

Fund Statement

A fund statement provides a summary of all collected **revenue, expenditures, transfers in and transfers out** for a given fiscal year. It also provides the **total funds available at the beginning of a fiscal year** and an **ending balance**. Some fund statement will include items for "transfers." A transfer is simply the movement of funding from one fund to another, including within the County internal structure. The amount transferred out of one fund is recorded ("Transfers Out") and the amount transferred into another fund is also recorded ("Transfers In"). The following fund statement example includes descriptions of its various components.

A. Revenue Categories

B. Expenditure Categories

C. Ending Balance: Equals Total Funds Available Minus Total Disbursements

D. Reserves: A portion of the fund balance or retained earnings legally segregated for specific purposes. Reserves are lump sum dollars set aside in a budget for unanticipated needs or for specific future needs.

E. Fund Balances: At the end of a fiscal year, if there are more resources than expenditures, the remainder is called "fund balance." This is an important resource because some may be used in combination with revenues to fund new expenses. Fund balance may be restricted or unrestricted, reserved for a specific purpose or unreserved and used for future requirements. Restricted fund balance may be set aside for funding certain programs and activities. A fund balance represents the residual funding on an annual basis from revenues and transfers in less expenditures and transfers out.

F. Tax Rate: Where applicable, the tax rate for the funding and support of the service or facility is cited in the fund statement, e.g., facilities and operations of the MCC are supported primarily by revenues from a special property tax collected from all residential and commercial properties within Small District 1A, Dranesville.

FUND STATEMENT

Fund 40060, McLean Community Center

		FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
	Beginning Balance	$10,441,982	$7,774,657	$10,611,033	$2,534,390	$2,534,390
	Revenue:					
A	Taxes	$4,381,848	$4,393,481	$4,393,481	$4,393,481	$4,393,481
	Interest	33,182	12,000	12,000	25,000	25,000
	Rental Income	94,228	83,100	83,100	18,000	18,000
	Instructional Fees	490,318	535,600	535,600	380,093	380,093
	Performing Arts	133,887	119,060	119,060	37,750	37,750
	Vending	598	0	0	0	0
	Special Events	69,874	115,000	115,000	79,125	79,125
	Youth Programs	109,190	113,850	113,850	128,430	128,430
	Miscellaneous Income	7,151	5,200	5,200	0	0
	Teen Center Income	165,867	215,000	215,000	198,000	198,000
	Visual Arts	124,914	145,000	145,000	92,000	92,000
	Total Revenue	$5,611,057	$5,737,291	$5,737,291	$5,351,879	$5,351,879
	Total Available	$16,053,039	$13,511,948	$16,348,324	$7,886,269	$7,886,269
B	Expenditures:					
	Personnel Services	$3,071,878	$3,226,009	$3,226,009	$3,256,251	$3,256,251
	Operating Expenses	1,890,306	2,385,888	2,412,872	2,095,628	2,095,628
	Capital Projects	479,822	3,179,749	8,175,053	0	0
	Total Expenditures	$5,442,006	$8,791,646	$13,813,934	$5,351,879	$5,351,879
	Total Disbursements	$5,442,006	$8,791,646	$13,813,934	$5,351,879	$5,351,879
C	Ending Balance[1]	$10,611,033	$4,720,302	$2,534,390	$2,534,390	$2,534,390
D	Equipment Replacement Reserve[2]	$111,422	$114,746	$114,746	$107,038	$107,038
	Capital Project Reserve[3]	9,974,611	4,105,556	1,894,644	1,902,352	1,902,352
	Operating Contingency Reserve[4]	525,000	500,000	525,000	525,000	525,000
E	Unreserved Balance	$0	$0	$0	$0	$0
F	Tax Rate per $100 of Assessed Value	$0.023	$0.023	$0.023	$0.023	$0.023

[1] The Ending Balance fluctuates due to adjustments in revenues and expenditures, as well as carryover of balances each fiscal year.

[2] The Equipment Replacement Reserve has been established by the McLean Community Center Governing Board to set aside funding for future equipment purchases at 2 percent of total revenue.

[3] The Capital Project Reserve is primarily for the Renovation of the McLean Community Center (MCC). The MCC Board has authorized utilizing an amount of $8.0 million over a multi-year period for the renovation. The Capital Project Reserve also funds other capital projects for MCC and the Old Fire House Teen Center.

[4] The Operating Contingency Reserve has been established by the MCC Governing Board to set aside cash reserves for operations as a contingency for unanticipated expenses and fluctuations in the center's revenue stream. The amount was increased to $525,000 as part of the *FY 2016 Carryover Review*.

Summary of Capital Projects

> **Total Project Estimate**: A capital project Total Project Estimate (TPE) is composed of funds already expended, currently appropriated, proposed or adopted in the budget year, and proposed for future years. In short, it is the total amount proposed to be expended over the life of the project.

A summary of capital projects is included in all Capital Project Funds, and selected Enterprise Funds, Housing Funds and Special Revenue Funds that support capital expenditures. The summary of capital projects provides detailed financial information about each capital project within each fund, including: total project estimates, prior year expenditures, revised budget plans, and proposed funding levels. The summary of capital projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects, or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project). The example above is a Summary of Capital Projects report for Fund 40060, McLean Community Center.

FY 2018 Summary of Capital Projects

Fund 40060, McLean Community Center

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
McLean Community Center Improvements (CC-000006)	$4,724,578	($145,948.00)	$375,940.20	$0	$0
McLean Community Center Renovation (CC-000015)	8,424,882	625,769.55	7,799,112.79	0	0
Total	**$13,149,460**	**$479,821.55**	**$8,175,052.99**	**$0**	**$0**

Additional Budget Resources

In addition to the availability online of all of the County's published budget volumes, additional budgetary information including quarterly reviews, budget calendars, economic data, and historical files is available on the Department of Management and Budget's website at www.fairfaxcounty.gov/dmb/. The department has focused resources on expanding public access to essential information at all stages of the budget formulation process in order to afford residents a better understanding of their County government, the services it offers, and the role they can play. On the site, residents can access a County Budget Primer, whereby they can look up budget terms and find answers to common budget questions. On each page, residents can also provide feedback on the website itself and offer suggestions of what additional information might be helpful to them in understanding the County's budget.

Transparency Initiative

The County has a useful transparency website at www.fairfaxcounty.gov/transparency/ which enables the public to view amounts paid to County vendors. Visitors can view budgetary data and actual expenditures by Fund or General Fund agency each month. Fairfax County Public Schools also hosts its own transparency website – http://www.fcps.edu/fs/transparency/index.shtml – where data specific to FCPS funds, departments, and schools, can be viewed. Used in collaboration with information already available to residents, such as the County's budget and the Comprehensive Annual Financial Report, the transparency initiative provides residents with an additional tool to learn more about the County's overall finances or focus on specific areas of interest.

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.

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

http://www.fairfaxcounty.gov/budget

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

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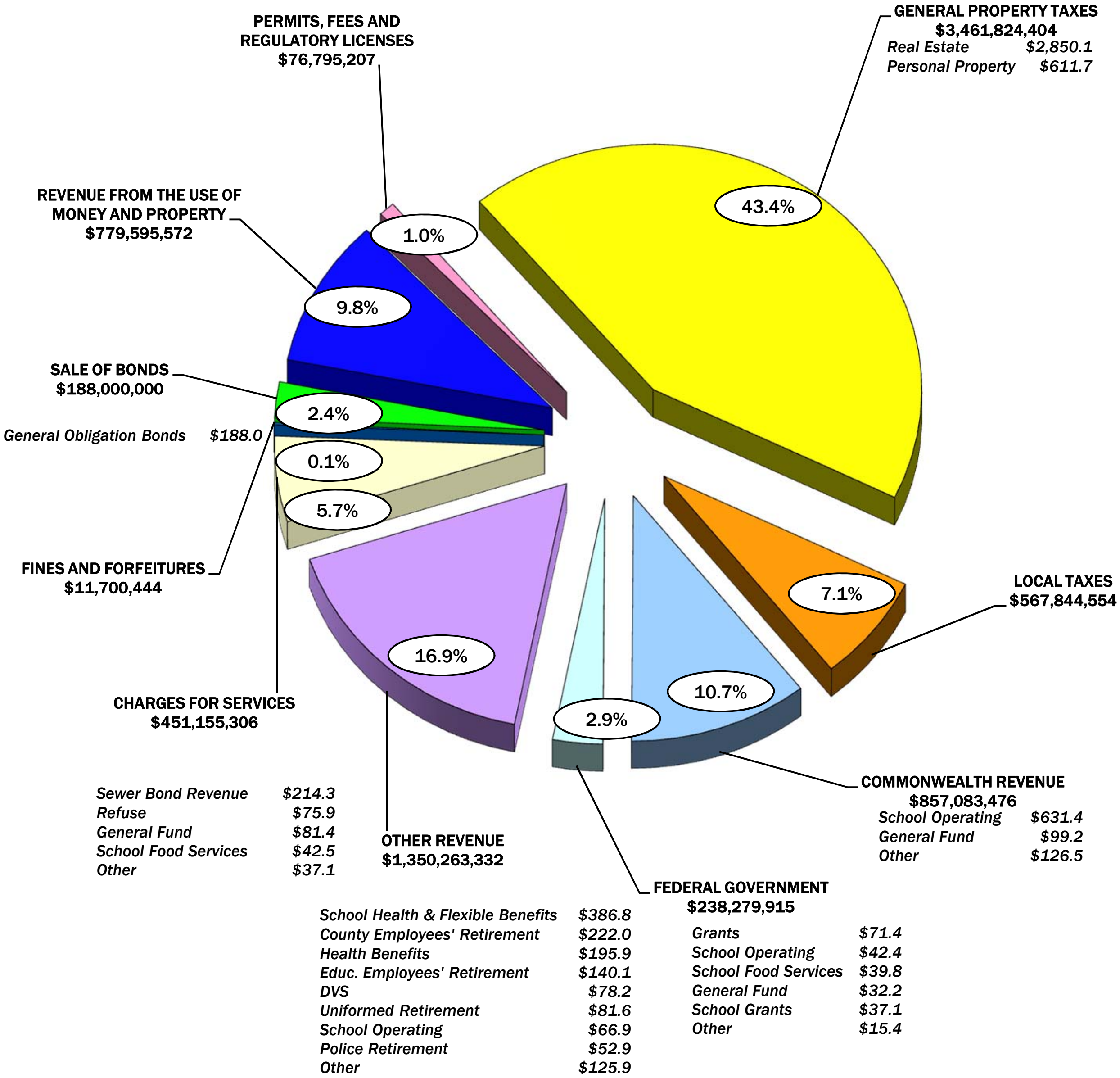
FY 2018 ADOPTED BUDGET PLAN
REVENUE ALL FUNDS

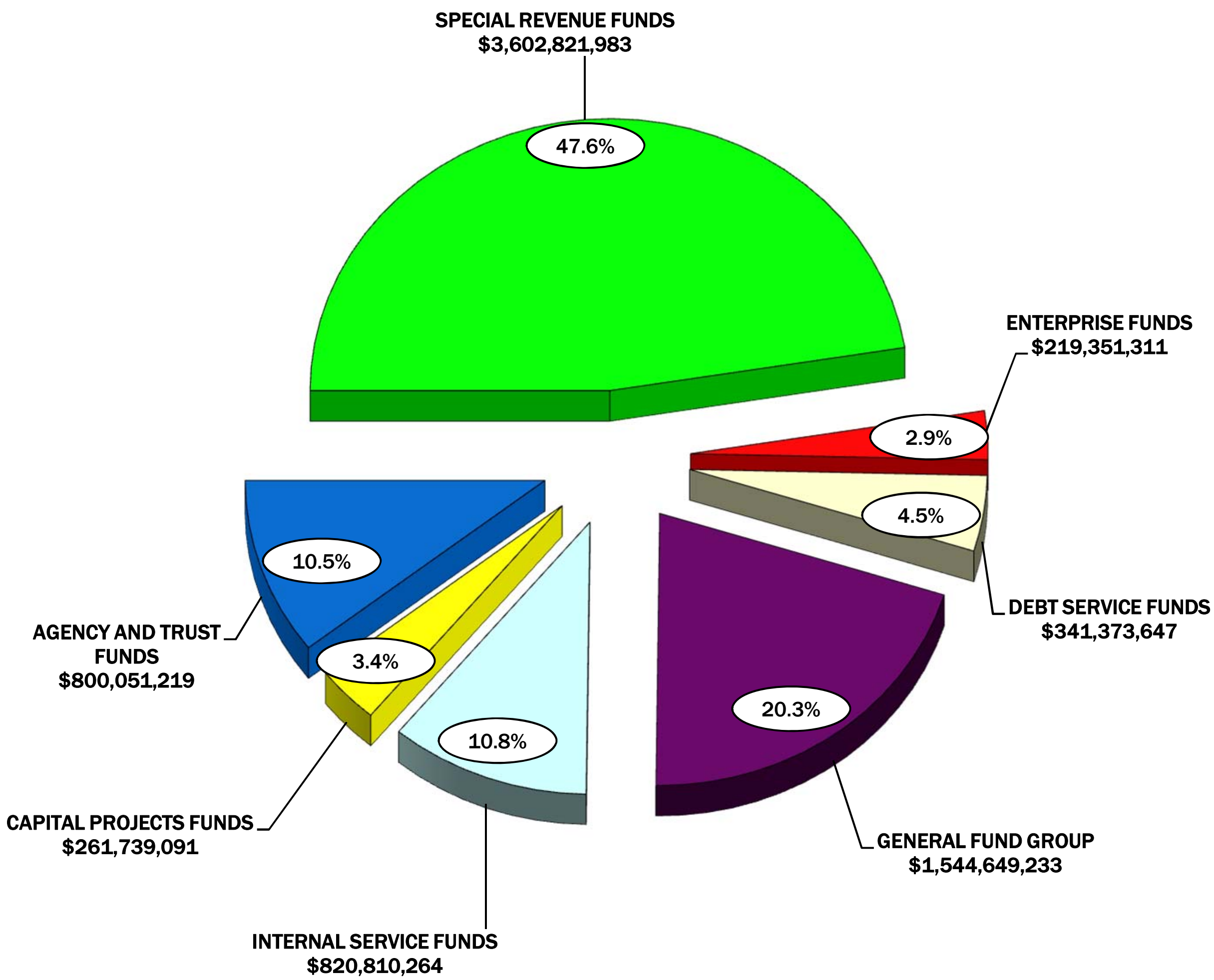
(subcategories in millions)



TOTAL REVENUE = $7,982,542,210

For presentation purposes, Personal Property Taxes of $211,313,944 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 2018 ADOPTED BUDGET PLAN
EXPENDITURES ALL FUNDS



TOTAL EXPENDITURES = $7,590,796,748

FY 2018 ADOPTED REVENUE AND RECEIPTS BY FUND
SUMMARY OF APPROPRIATED FUNDS

Fund	FY 2016 Actual [1]	FY 2017 Adopted Budget Plan [2]	FY 2017 Revised Budget Plan [3]	FY 2018 Advertised Budget Plan [4]	FY 2018 Adopted Budget Plan [5]	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
GOVERNMENTAL FUNDS							
General Fund Group							
10001 General Fund	$3,849,961,927	$4,010,962,074	$4,022,865,163	$4,099,161,290	$4,100,740,177	$77,875,014	1.94%
10010 Revenue Stabilization	572,835	1,000,000	1,000,000	1,000,000	1,000,000	0	0.00%
10030 Contributory Fund	1,000,000	0	0	0	0	0	-
10040 Information Technology	1,547,656	43,760	1,126,002	100,000	100,000	(1,026,002)	(91.12%)
Total General Fund Group	$3,853,082,418	$4,012,005,834	$4,024,991,165	$4,100,261,290	$4,101,840,177	$76,849,012	1.91%
Debt Service Funds							
20000 Consolidated Debt Service	$3,830,727	$2,680,000	$2,680,000	$2,680,000	$2,680,000	$0	0.00%
Capital Project Funds							
30000 Metro Operations and Construction	$23,190,000	$30,000,000	$30,000,000	$30,000,000	$30,000,000	$0	0.00%
30010 General Construction and Contributions	13,065,954	4,575,000	115,943,085	4,575,000	4,575,000	(111,368,085)	(96.05%)
30020 Infrastructure Replacement and Upgrades	467,321	0	0	0	0	0	-
30030 Library Construction	7,000,000	0	19,615,000	0	0	(19,615,000)	(100.00%)
30040 Contributed Roadway Improvements	2,978,000	189,605	408,391	150,380	150,380	(258,011)	(63.18%)
30050 Transportation Improvements	20,000,000	0	118,839,500	0	0	(118,839,500)	(100.00%)
30060 Pedestrian Walkway Improvements	599,923	0	526,690	0	0	(526,690)	(100.00%)
30070 Public Safety Construction	18,547,200	0	202,925,000	0	0	(202,925,000)	(100.00%)
30080 Commercial Revitalization Program	168,030	0	1,029,556	0	0	(1,029,556)	(100.00%)
30090 Pro Rata Share Drainage Construction	2,577,768	0	371,045	0	0	(371,045)	(100.00%)
30300 The Penny for Affordable Housing Fund	16,751,960	12,251,850	12,251,850	17,627,927	17,627,927	5,376,077	43.88%
30310 Housing Assistance Program	0	0	0	0	0	0	-
30400 Park Authority Bond Construction	17,000,000	0	135,960,000	0	0	(135,960,000)	(100.00%)
S31000 Public School Construction	171,969,021	155,806,000	503,970,313	156,106,000	156,106,000	(347,864,313)	(69.02%)
Total Capital Project Funds	$294,315,177	$202,822,455	$1,141,840,430	$208,459,307	$208,459,307	($933,381,123)	(81.74%)
Special Revenue Funds							
40000 County Transit Systems	$23,944,046	$30,652,330	$29,583,953	$28,902,545	$28,902,545	($681,408)	(2.30%)
40010 County and Regional Transportation Projects	104,494,607	95,477,706	212,134,526	97,005,158	97,005,158	(115,129,368)	(54.27%)
40030 Cable Communications	25,644,810	25,863,861	26,013,861	25,819,120	25,819,120	(194,741)	(0.75%)
40040 Fairfax-Falls Church Community Services Board	36,365,644	36,449,287	35,849,287	36,409,287	36,449,287	600,000	1.67%
40050 Reston Community Center	8,101,819	8,330,240	8,330,240	8,476,319	8,476,319	146,079	1.75%
40060 McLean Community Center	5,611,057	5,737,291	5,737,291	5,351,879	5,351,879	(385,412)	(6.72%)
40070 Burgundy Village Community Center	61,851	63,377	63,377	61,614	61,614	(1,763)	(2.78%)
40080 Integrated Pest Management Program	2,251,490	2,334,421	2,334,421	2,378,246	2,378,246	43,825	1.88%
40090 E-911	46,320,993	46,772,354	46,772,354	46,772,354	46,772,354	0	0.00%
40100 Stormwater Services	63,101,009	64,075,000	92,886,687	70,398,306	70,398,306	(22,488,381)	(24.21%)
40110 Dulles Rail Phase I Transportation Improvement District	23,015,682	22,455,503	22,455,503	24,090,847	21,256,630	(1,198,873)	(5.34%)
40120 Dulles Rail Phase II Transportation Improvement District	15,183,292	15,814,410	15,814,410	16,350,924	16,350,924	536,514	3.39%
40125 Metrorail Parking System Pledged Revenues	7,475,746	5,967,000	86,457,948	7,533,430	7,533,430	(78,924,518)	(91.29%)
40130 Leaf Collection	2,277,656	2,316,831	2,316,831	2,112,583	2,112,583	(204,248)	(8.82%)
40140 Refuse Collection and Recycling Operations	18,275,807	18,762,653	17,417,653	17,008,472	17,008,472	(409,181)	(2.35%)
40150 Refuse Disposal	29,749,777	45,557,601	25,894,914	50,428,345	50,428,345	24,533,431	94.74%
40160 Energy Resource Recovery (ERR) Facility	23,588,660	19,716,811	19,716,811	0	0	(19,716,811)	(100.00%)
40170 I-95 Refuse Disposal	8,538,906	9,124,137	5,984,837	9,298,956	9,298,956	3,314,119	55.38%
40180 Tysons Service District	6,420,811	6,947,796	6,947,796	8,691,916	7,243,263	295,467	4.25%
40190 Reston Service District	0	0	0	910,727	910,727	910,727	-
40300 Housing Trust Fund	4,162,366	484,155	742,561	557,932	557,932	(184,629)	(24.86%)
40330 Elderly Housing Programs	1,491,585	1,657,744	1,442,165	1,396,320	1,396,320	(45,845)	(3.18%)
40360 Homeowner and Business Loan Programs	2,202,599	2,276,304	2,250,174	2,001,082	2,001,082	(249,092)	(11.07%)
50000 Federal/State Grants	93,237,481	103,833,552	224,338,828	108,631,874	108,631,874	(115,706,954)	(51.58%)

FY 2018 ADOPTED REVENUE AND RECEIPTS BY FUND
SUMMARY OF APPROPRIATED FUNDS

Fund	FY 2016 Actual [1]	FY 2017 Adopted Budget Plan [2]	FY 2017 Revised Budget Plan [3]	FY 2018 Advertised Budget Plan [4]	FY 2018 Adopted Budget Plan [5]	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Special Revenue Funds (Cont.)							
50800 Community Development Block Grant	$5,708,527	$4,873,926	$9,418,388	$4,923,230	$4,923,230	($4,495,158)	(47.73%)
50810 HOME Investment Partnerships Program	2,261,210	1,431,830	3,496,933	1,509,811	1,509,811	(1,987,122)	(56.82%)
S10000 Public School Operating	696,674,277	699,602,936	723,008,200	740,703,007	740,703,007	17,694,807	2.45%
S40000 Public School Food and Nutrition Services	75,520,738	81,120,244	81,313,606	83,548,199	83,548,199	2,234,593	2.75%
S43000 Public School Adult and Community Education	8,563,514	9,275,462	9,105,726	9,372,850	9,372,850	267,124	2.93%
S50000 Public School Grants and Self Supporting Programs	49,172,654	49,221,210	67,662,519	53,410,108	53,410,108	(14,252,411)	(21.06%)
Total Special Revenue Funds	$1,389,418,614	$1,416,195,972	$1,785,491,800	$1,464,055,441	$1,459,812,571	($325,679,229)	(18.24%)
TOTAL GOVERNMENTAL FUNDS	$5,540,646,936	$5,633,704,261	$6,955,003,395	$5,775,456,038	$5,772,792,055	($1,182,211,340)	(17.00%)
PROPRIETARY FUNDS							
Internal Service Funds							
60000 County Insurance	$970,706	$720,859	$720,859	$1,020,859	$1,020,859	$300,000	41.62%
60010 Department of Vehicle Services	73,643,837	78,656,220	78,829,847	79,924,644	78,165,099	(664,748)	(0.84%)
60020 Document Services	3,130,424	5,453,800	5,453,800	5,482,389	5,482,389	28,589	0.52%
60030 Technology Infrastructure Services	30,001,751	36,815,242	36,815,242	36,915,664	36,915,664	100,422	0.27%
60040 Health Benefits	178,235,719	192,247,034	192,247,034	196,290,983	196,290,983	4,043,949	2.10%
S60000 Public School Insurance	13,521,142	13,081,339	13,081,339	13,081,339	13,081,339	0	0.00%
S62000 Public School Health and Flexible Benefits	369,366,160	391,181,466	379,930,547	404,844,958	404,844,958	24,914,411	6.56%
Total Internal Service Funds	$668,869,739	$718,155,960	$707,078,668	$737,560,836	$735,801,291	$28,722,623	4.06%
Enterprise Funds							
69000 Sewer Revenue	$206,276,973	$224,472,112	$215,199,545	$215,396,358	$215,396,358	$196,813	0.09%
69030 Sewer Bond Debt Reserve	0	5,006,173	5,006,173	0	0	(5,006,173)	(100.00%)
69310 Sewer Bond Construction	2,022,616	104,993,827	125,132,241	0	0	(125,132,241)	(100.00%)
Total Enterprise Funds	$208,299,589	$334,472,112	$345,337,959	$215,396,358	$215,396,358	($129,941,601)	(37.63%)
TOTAL PROPRIETARY FUNDS	$877,169,328	$1,052,628,072	$1,052,416,627	$952,957,194	$951,197,649	($101,218,978)	(9.62%)
FIDUCIARY FUNDS							
Agency Funds							
70000 Route 28 Taxing District	$10,311,414	$11,402,824	$11,402,824	$11,441,307	$11,441,307	$38,483	0.34%
70040 Mosaic District Community Development Authority	4,529,965	5,531,544	5,531,544	5,867,626	5,218,739	(312,805)	(5.65%)
Total Agency Funds	$14,841,379	$16,934,368	$16,934,368	$17,308,933	$16,660,046	($274,322)	(1.62%)
Trust Funds							
73000 Employees' Retirement Trust	$187,846,047	$488,648,836	$488,648,836	$495,287,043	$495,287,043	$6,638,207	1.36%
73010 Uniformed Employees Retirement Trust	68,791,994	199,347,751	199,347,751	194,486,787	194,486,787	(4,860,964)	(2.44%)
73020 Police Retirement Trust	64,044,756	152,606,055	152,606,055	147,700,835	147,700,835	(4,905,220)	(3.21%)
73030 OPEB Trust	14,122,557	2,544,836	8,870,836	2,654,022	2,654,022	(6,216,814)	(70.08%)
S71000 Educational Employees' Retirement	115,843,201	382,697,133	349,071,504	369,458,761	369,458,761	20,387,257	5.84%
S71100 Public School OPEB Trust	21,368,002	27,546,013	27,546,013	32,305,012	32,305,012	4,758,999	17.28%
Total Trust Funds	$472,016,557	$1,253,390,624	$1,226,090,995	$1,241,892,460	$1,241,892,460	$15,801,465	1.29%
TOTAL FIDUCIARY FUNDS	$486,857,936	$1,270,324,992	$1,243,025,363	$1,259,201,393	$1,258,552,506	$15,527,143	1.25%
TOTAL APPROPRIATED FUNDS	$6,904,674,200	$7,956,657,325	$9,250,445,385	$7,987,614,625	$7,982,542,210	($1,267,903,175)	(13.71%)
Appropriated From (Added to) Surplus	$160,594,034	($545,730,236)	$574,791,197	($443,540,091)	($454,547,260)	($1,029,338,457)	(179.08%)
TOTAL AVAILABLE	$7,065,268,234	$7,410,927,089	$9,825,236,582	$7,544,074,534	$7,527,994,950	($2,297,241,632)	(23.38%)
Less: Internal Service Funds	($668,869,739)	($718,155,960)	($707,078,668)	($737,560,836)	($735,801,291)	($28,722,623)	4.06%
NET AVAILABLE	$6,396,398,495	$6,692,771,129	$9,118,157,914	$6,806,513,698	$6,792,193,659	($2,325,964,255)	(25.51%)

FY 2018 ADOPTED REVENUE AND RECEIPTS BY FUND
SUMMARY OF APPROPRIATED FUNDS

Fund	FY 2016 Actual [1]	FY 2017 Adopted Budget Plan [2]	FY 2017 Revised Budget Plan [3]	FY 2018 Advertised Budget Plan [4]	FY 2018 Adopted Budget Plan [5]	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised

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 of the "Expenditure by Fund/Summary of Appropriated Funds," net of any transfers between funds.

[1] Not reflected are the following adjustments to balance in FY 2016:
Fund 60000, County Insurance, net change in accrued liability of $3,726,000.
Fund 69020, Sewer Bond Parity Debt Service, does not reflect non-appropriated amortization expense of ($25,000).
Fund S40000, Public School Food and Nutrition Services, change in inventory of ($323,910).
Fund S60000, Public School Insurance, net change in accrued liability of $1,960,115.

[2] Not reflected are the following adjustments to balance in FY 2017:
Fund 69020, Sewer Bond Parity Debt Service, does not reflect non-appropriated amortization expense of ($25,000).
Fund S40000, Public School Food and Nutrition Services, assumes carryover of General Reserve of $9,033,086.
Fund S50000, Public School Grants and Self-Supporting Programs, assumes carryover of reserves of $2,550,968.
Fund S60000, Public School Insurance Fund, assumes carryover of Allocated Reserve of $9,494,015.
Fund S62000, Public School Health and Flexible Benefits, assumes carryover of premium stabilization reserve of $38,576,888.

[3] Not reflected are the following adjustments to balance in FY 2017:
Fund 69020, Sewer Bond Parity Debt Service, does not reflect non-appropriated amortization expense of ($25,000).

[4] Not reflected are the following adjustments to balance in FY 2018:
Fund 10001, General Fund, does not reflect carryover of FY 2016 Audit Adjustment Reserve of ($677,093), Reserve for Potential FY 2017 One-Time Requirements of ($5,463,153), and FY 2017 Mid-Year Revenue Adjustment Reserve of ($10,351,830).
Fund 40150, Refuse Disposal, assumes balance of $58,616,901 will be moved from Fund 40160, Energy Resource Recovery (ERR) Facility, at year-end FY 2017.
Fund 40160, Energy Resource Recovery (ERR) Facility, does not reflect carryover of ($58,616,901) as any remaining balances at year-end FY 2017 will be moved to Fund 40150, Refuse Disposal.
Fund S40000, Public School Food and Nutrition Services, assumes carryover of General Reserve of $12,994,029.
Fund S50000, Public School Grants and Self-Supporting Programs, assumes carryover of reserves of $446,235.
Fund S60000, Public School Insurance Fund, assumes carryover of Allocated Reserve of $8,382,322.
Fund S62000, Public School Health and Flexible Benefits, assumes carryover of Premium Stabilization Reserve of $39,871,404.

[5] Not reflected are the following adjustments to balance in FY 2018:
Fund 40150, Refuse Disposal, assumes balance of $55,616,901 will be moved from Fund 40160, Energy Resource Recovery (ERR) Facility, at year-end FY 2017.
Fund 40160, Energy Resource Recovery (ERR) Facility, does not reflect carryover of ($55,616,901) as any remaining balances at year-end FY 2017 will be moved to Fund 40150, Refuse Disposal.
Fund S40000, Public School Food and Nutrition Services, assumes carryover of General Reserve of $12,994,029.
Fund S50000, Public School Grants and Self-Supporting Programs, assumes carryover of reserves of $446,235.
Fund S60000, Public School Insurance Fund, assumes carryover of Allocated Reserve of $8,382,322.
Fund S62000, Public School Health and Flexible Benefits, assumes carryover of Premium Stabilization Reserve of $39,871,404.

FY 2018 ADOPTED EXPENDITURES BY FUND
SUMMARY OF APPROPRIATED FUNDS

Fund	FY 2016 Estimate	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
GOVERNMENTAL FUNDS								
General Fund Group								
10001 General Fund	$1,454,186,630	$1,401,670,703	$1,474,556,275	$1,521,733,824	$1,512,272,694	$1,512,844,328	($8,889,496)	(0.58%)
10020 Consolidated Community Funding Pool	10,687,193	10,678,406	11,141,700	11,150,487	11,141,700	11,141,700	(8,787)	(0.08%)
10030 Contributory Fund	15,967,166	15,962,892	13,184,484	13,324,484	13,492,965	13,492,965	168,481	1.26%
10040 Information Technology	42,808,773	14,817,775	6,814,000	37,144,136	7,170,240	7,170,240	(29,973,896)	(80.70%)
Total General Fund Group	$1,523,649,762	$1,443,129,776	$1,505,696,459	$1,583,352,931	$1,544,077,599	$1,544,649,233	($38,703,698)	(2.44%)
Debt Service Funds								
20000 Consolidated Debt Service	$327,588,780	$315,976,456	$320,522,544	$333,285,595	$341,373,647	$341,373,647	$8,088,052	2.43%
Capital Project Funds								
30000 Metro Operations and Construction	$32,950,226	$32,950,226	$41,051,989	$41,031,136	$40,904,941	$40,904,941	($126,195)	(0.31%)
30010 General Construction and Contributions	118,824,283	29,088,067	22,308,427	217,503,787	21,690,923	21,690,923	(195,812,864)	(90.03%)
30020 Infrastructure Replacement and Upgrades	29,955,220	11,981,221	1,408,449	28,944,458	1,825,953	1,825,953	(27,118,505)	(93.69%)
30030 Library Construction	33,305,382	2,916,631	0	32,003,751	0	0	(32,003,751)	(100.00%)
30040 Contributed Roadway Improvements	44,942,247	603,080	0	44,615,987	0	0	(44,615,987)	(100.00%)
30050 Transportation Improvements	149,422,916	16,527,833	0	137,490,083	0	0	(137,490,083)	(100.00%)
30060 Pedestrian Walkway Improvements	4,324,452	946,210	400,000	4,492,714	500,000	500,000	(3,992,714)	(88.87%)
30070 Public Safety Construction	359,364,221	67,933,886	0	292,355,335	0	0	(292,355,335)	(100.00%)
30080 Commercial Revitalization Program	2,108,022	297,328	0	2,023,766	0	0	(2,023,766)	(100.00%)
30090 Pro Rata Share Drainage Construction	3,654,721	2,577,768	0	1,404,866	0	0	(1,404,866)	(100.00%)
30300 The Penny for Affordable Housing Fund	45,979,463	12,165,986	12,251,850	46,783,387	17,627,927	17,627,927	(29,155,460)	(62.32%)
30310 Housing Assistance Program	6,587,519	19,785	0	6,567,734	0	0	(6,567,734)	(100.00%)
30400 Park Authority Bond Construction	58,864,461	10,987,638	0	139,551,823	0	0	(139,551,823)	(100.00%)
S31000 Public School Construction	546,786,302	192,922,672	175,955,030	569,085,033	179,189,347	179,189,347	(389,895,686)	(68.51%)
Total Capital Project Funds	$1,437,069,435	$381,918,331	$253,375,745	$1,563,853,860	$261,739,091	$261,739,091	($1,302,114,769)	(83.26%)
Special Revenue Funds								
40000 County Transit Systems	$114,013,266	$94,719,159	$99,880,480	$108,205,115	$100,485,425	$100,135,425	($8,069,690)	(7.46%)
40010 County and Regional Transportation Projects	326,680,510	46,326,158	63,874,776	358,518,741	62,821,229	62,821,229	(295,697,512)	(82.48%)
40030 Cable Communications	19,709,908	10,420,737	13,488,171	21,955,037	14,500,241	14,500,241	(7,454,796)	(33.95%)
40040 Fairfax-Falls Church Community Services Board	159,369,688	149,422,478	161,326,838	170,790,434	165,740,302	166,878,605	(3,911,829)	(2.29%)
40050 Reston Community Center	9,529,883	7,636,245	8,650,339	9,616,802	10,238,358	10,238,358	621,556	6.46%
40060 McLean Community Center	8,060,467	5,442,006	8,791,646	13,813,934	5,351,879	5,351,879	(8,462,055)	(61.26%)
40070 Burgundy Village Community Center	96,475	74,846	45,711	230,711	45,711	45,711	(185,000)	(80.19%)
40080 Integrated Pest Management Program	3,405,084	2,398,241	3,185,712	3,212,017	3,205,344	3,205,344	(6,673)	(0.21%)
40090 E-911	52,568,278	45,488,304	46,824,921	53,546,669	47,611,893	47,611,893	(5,934,776)	(11.08%)
40100 Stormwater Services	110,130,493	46,025,006	62,950,000	133,325,325	69,273,306	69,273,306	(64,052,019)	(48.04%)
40110 Dulles Rail Phase I Transportation Improvement District	17,341,662	34,740,288	17,345,313	15,890,417	15,569,700	15,569,700	(320,717)	(2.02%)
40120 Dulles Rail Phase II Transportation Improvement District	16,150,000	7,500	500,000	16,150,000	500,000	500,000	(15,650,000)	(96.90%)
40125 Metrorail Parking System Pledged Revenues	8,787,713	8,451,471	8,785,213	102,769,961	8,784,563	8,784,563	(93,985,398)	(91.45%)
40130 Leaf Collection	2,397,156	1,921,070	2,187,182	2,238,978	1,872,293	1,872,293	(366,685)	(16.38%)
40140 Refuse Collection and Recycling Operations	20,725,941	17,162,454	19,292,040	21,630,425	18,725,663	18,478,880	(3,151,545)	(14.57%)
40150 Refuse Disposal	53,033,744	25,493,831	43,892,758	29,113,717	53,514,775	53,514,775	24,401,058	83.81%
40160 Energy Resource Recovery (ERR) Facility	25,924,699	24,197,242	26,805,549	29,818,911	0	0	(29,818,911)	(100.00%)
40170 I-95 Refuse Disposal	16,135,835	7,316,398	8,807,949	16,463,004	10,618,874	10,618,874	(5,844,130)	(35.50%)
40180 Tysons Service District	6,450,000	0	0	6,450,000	0	0	(6,450,000)	(100.00%)
40300 Housing Trust Fund	5,916,924	1,114,980	484,155	9,126,480	557,932	557,932	(8,568,548)	(93.89%)
40330 Elderly Housing Programs	3,962,522	3,171,843	3,580,904	3,276,065	3,233,344	3,233,344	(42,721)	(1.30%)
40360 Homeowner and Business Loan Programs	3,386,229	1,685,610	2,331,087	4,005,576	2,080,081	2,080,081	(1,925,495)	(48.07%)
50000 Federal/State Grants	256,790,556	101,047,125	109,314,388	265,880,518	113,738,873	113,738,873	(152,141,645)	(57.22%)
50800 Community Development Block Grant	10,351,331	5,836,869	4,873,926	9,578,783	4,923,230	4,923,230	(4,655,553)	(48.60%)
50810 HOME Investment Partnerships Program	3,773,138	2,092,925	1,431,830	3,717,547	1,509,811	1,509,811	(2,207,736)	(59.39%)
S10000 Public School Operating [1]	2,597,234,175	2,492,894,761	2,609,766,024	2,701,146,053	2,703,429,288	2,705,137,058	3,991,005	0.15%
S40000 Public School Food and Nutrition Services	87,262,515	74,199,901	90,153,330	94,772,568	96,542,228	96,542,228	1,769,660	1.87%

FY 2018 ADOPTED EXPENDITURES BY FUND
SUMMARY OF APPROPRIATED FUNDS

Fund	FY 2016 Estimate	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Special Revenue Funds (Cont.)								
S43000 Public School Adult and Community Education	$10,133,046	$9,167,702	$9,510,462	$9,369,217	$9,607,850	$9,607,850	$238,633	2.55%
S50000 Public School Grants & Self Supporting Programs	96,410,871	71,046,186	73,629,503	101,441,851	76,090,500	76,090,500	(25,351,351)	(24.99%)
Total Special Revenue Funds	$4,045,732,109	$3,289,501,336	$3,501,710,207	$4,316,054,856	$3,600,572,693	$3,602,821,983	($713,232,873)	(16.53%)
TOTAL GOVERNMENTAL FUNDS	$7,334,040,086	$5,430,525,899	$5,581,304,955	$7,796,547,242	$5,747,763,030	$5,750,583,954	($2,045,963,288)	(26.24%)
PROPRIETARY FUNDS								
Internal Service Funds								
60000 County Insurance	$62,968,566	$28,652,307	$25,827,740	$68,327,740	$26,424,371	$26,424,371	($41,903,369)	(61.33%)
60010 Department of Vehicle Services	82,359,754	73,314,030	80,896,874	85,146,829	83,888,574	82,129,029	(3,017,800)	(3.54%)
60020 Document Services	5,870,611	5,350,832	9,742,167	9,985,121	9,800,756	9,800,756	(184,365)	(1.85%)
60030 Technology Infrastructure Services	38,329,840	36,015,743	42,819,296	43,825,967	41,059,182	41,059,182	(2,766,785)	(6.31%)
60040 Health Benefits	196,717,557	176,332,082	189,292,804	211,674,260	195,216,903	195,216,903	(16,457,357)	(7.77%)
S60000 Public School Insurance	26,846,747	14,615,490	22,575,354	25,752,399	21,463,661	21,463,661	(4,288,738)	(16.65%)
S62000 Public School Health and Flexible Benefits	403,231,566	370,015,613	429,758,354	418,682,578	444,716,362	444,716,362	26,033,784	6.22%
Total Internal Service Funds	$816,324,641	$704,296,097	$800,912,589	$863,394,894	$822,569,809	$820,810,264	($42,584,630)	(4.93%)
Enterprise Funds								
69010 Sewer Operation and Maintenance	$97,560,730	$91,477,954	$98,697,646	$96,144,371	$98,676,187	$98,676,187	$2,531,816	2.63%
69020 Sewer Bond Parity Debt Service	20,906,350	17,662,918	23,510,500	23,510,500	25,550,727	25,550,727	2,040,227	8.68%
69040 Sewer Bond Subordinate Debt Service	26,318,820	26,087,284	26,218,147	26,218,147	25,784,734	25,784,734	(433,413)	(1.65%)
69300 Sewer Construction Improvements	134,052,309	86,272,087	74,650,000	122,430,222	69,339,663	69,339,663	(53,090,559)	(43.36%)
69310 Sewer Bond Construction	27,648,702	16,030,594	104,993,827	138,772,965	0	0	(138,772,965)	(100.00%)
Total Enterprise Funds	$306,486,911	$237,530,837	$328,070,120	$407,076,205	$219,351,311	$219,351,311	($187,724,894)	(46.12%)
TOTAL PROPRIETARY FUNDS	$1,122,811,552	$941,826,934	$1,128,982,709	$1,270,471,099	$1,041,921,120	$1,040,161,575	($230,309,524)	(18.13%)
FIDUCIARY FUNDS								
Agency Funds								
70000 Route 28 Taxing District	$11,047,464	$10,186,839	$11,402,824	$11,529,035	$11,441,307	$11,441,307	($87,728)	(0.76%)
70040 Mosaic District Community Development Authority	4,529,965	4,529,965	5,531,544	5,531,544	5,867,626	5,218,739	(312,805)	(5.65%)
Total Agency Funds	$15,577,429	$14,716,804	$16,934,368	$17,060,579	$17,308,933	$16,660,046	($400,533)	(2.35%)
Trust Funds								
73000 Employees' Retirement Trust	$306,730,875	$291,111,401	$316,052,401	$316,052,401	$340,357,173	$340,357,173	$24,304,772	7.69%
73010 Uniformed Employees Retirement Trust	103,558,966	95,706,315	107,670,019	107,670,019	110,660,617	110,660,617	2,990,598	2.78%
73020 Police Retirement Trust	77,675,496	74,569,771	84,233,227	84,233,227	89,398,036	89,398,036	5,164,809	6.13%
73030 OPEB Trust	14,120,060	18,532,437	10,317,370	16,643,370	11,069,125	11,069,125	(5,574,245)	(33.49%)
S71000 Educational Employees' Retirement	198,323,622	187,974,538	208,671,625	200,143,274	209,642,722	209,642,722	9,499,448	4.75%
S71100 Public School OPEB Trust	16,779,500	16,775,656	17,494,500	17,494,500	22,263,500	22,263,500	4,769,000	27.26%
Total Trust Funds	$717,188,519	$684,670,118	$744,439,142	$742,236,791	$783,391,173	$783,391,173	$41,154,382	5.54%
TOTAL FIDUCIARY FUNDS	$732,765,948	$699,386,922	$761,373,510	$759,297,370	$800,700,106	$800,051,219	$40,753,849	5.37%
TOTAL APPROPRIATED FUNDS	$9,189,617,586	$7,071,739,755	$7,471,661,174	$9,826,315,711	$7,590,384,256	$7,590,796,748	($2,235,518,963)	(22.75%)
Less: Internal Service Funds [2]	($816,324,641)	($704,296,097)	($800,912,589)	($863,394,894)	($822,569,809)	($820,810,264)	$42,584,630	(4.93%)
NET EXPENDITURES	$8,373,292,945	$6,367,443,658	$6,670,748,585	$8,962,920,817	$6,767,814,447	$6,769,986,484	($2,192,934,333)	(24.47%)

[1] Pending School Board approval, FY 2018 expenditures for Fund S10000, Public School Operating, are reduced from the amount shown in the School Board's Advertised Budget to offset the discrepancy between the County's approved Transfer Out from the General Fund to Fund S10000 and the Transfer In from the General Fund reflected in the School Board's Advertised Budget. Final adjustments will be reflected at the *FY 2017 Carryover Review*.

[2] Total Appropriated Funds Expenditures are reduced by Internal Service Fund Expenditures, as the amounts are already included.

FY 2018 ADOPTED CHANGES IN FUND BALANCE
SUMMARY OF APPROPRIATED FUNDS

Fund		Balance 6/30/15	Balance 6/30/16	Balance 6/30/17	Balance 6/30/18	Appropriated From/(Added to) Surplus
GOVERNMENTAL FUNDS						
General Fund Group						
10001	General Fund	$164,916,223	$166,089,457	$106,708,719	$110,895,383	($4,186,664)
10010	Revenue Stabilization	121,140,663	141,620,035	178,012,489	185,038,059	(7,025,570)
10020	Consolidated Community Funding Pool	76,050	8,787	0	0	0
10030	Contributory Fund	123,240	54,985	29,274	3,563	25,711
10040	Information Technology	36,137,773	29,247,894	0	0	0
	Total General Fund Group	$322,393,949	$337,021,158	$284,750,482	$295,937,005	($11,186,523)
Debt Service Funds						
20000	Consolidated Debt Service	$10,213,173	$12,763,051	$0	$0	$0
Capital Project Funds						
30000	Metro Operations and Construction	$889,147	($20,853)	$0	$0	$0
30010	General Construction and Contributions	60,572,840	76,044,318	0	0	0
30020	Infrastructure Replacement and Upgrades	20,371,350	18,441,320	0	0	0
30030	Library Construction	8,305,382	12,388,751	0	0	0
30040	Contributed Roadway Improvements	42,166,106	44,397,201	0	0	0
30050	Transportation Improvements	15,178,416	18,650,583	0	0	0
30060	Pedestrian Walkway Improvements	2,129,077	2,920,453	0	0	0
30070	Public Safety Construction	138,717,021	89,430,335	0	0	0
30080	Commercial Revitalization Program	1,123,508	994,210	0	0	0
30090	Pro Rata Share Drainage Construction	1,033,821	1,033,821	0	0	0
30300	The Penny for Affordable Housing Fund	29,945,563	34,531,537	0	0	0
30310	Housing Assistance Program	6,587,519	6,567,734	0	0	0
30400	Park Authority Bond Construction	(2,420,539)	3,591,823	0	0	0
S31000	Public School Construction	37,924,521	42,737,166	1,628,220	1,628,220	0
	Total Capital Project Funds	$362,523,732	$351,708,399	$1,628,220	$1,628,220	$0
Special Revenue Funds						
40000	County Transit Systems	$11,879,876	$10,158,786	$765,774	$965,774	($200,000)
40010	County and Regional Transportation Projects	168,498,790	189,392,337	7,184,679	7,168,771	15,908
40030	Cable Communications	11,938,592	11,446,566	1,870,255	487,389	1,382,866
40040	Fairfax-Falls Church Community Services Board	11,411,867	14,598,531	5,734,935	5,734,935	0
40050	Reston Community Center	5,938,135	6,403,709	5,117,147	3,355,108	1,762,039
40060	McLean Community Center	10,441,982	10,611,033	2,534,390	2,534,390	0
40070	Burgundy Village Community Center	314,039	301,044	133,710	149,613	(15,903)
40080	Integrated Pest Management Program	2,769,053	2,481,302	1,462,706	494,608	968,098
40090	E-911	7,752,941	8,585,630	1,811,315	971,776	839,539
40100	Stormwater Services	25,612,635	41,563,638	0	0	0
40110	Dulles Rail Phase I Transportation Improvement District	58,589,673	46,865,067	53,430,153	59,117,083	(5,686,930)
40120	Dulles Rail Phase II Transportation Improvement District	50,740,723	65,916,515	65,580,925	81,431,849	(15,850,924)
40125	Metrorail Parking System Pledged Revenues	20,616,004	23,860,792	11,769,292	10,518,159	1,251,133
40130	Leaf Collection	4,134,070	4,490,656	4,568,509	4,808,799	(240,290)
40140	Refuse Collection and Recycling Operations	10,108,717	10,674,070	5,913,298	3,894,890	2,018,408
40150	Refuse Disposal	9,748,504	13,427,450	9,631,647	61,536,118	(51,904,471)
40160	Energy Resource Recovery (ERR) Facility	66,425,583	65,768,001	55,616,901	0	55,616,901
40170	I-95 Refuse Disposal	35,657,796	36,694,304	26,030,137	24,524,219	1,505,918
40180	Tysons Service District	7,279,794	13,700,605	14,198,401	21,441,664	(7,243,263)
40190	Reston Service District	0	0	0	910,727	(910,727)
40300	Housing Trust Fund	5,565,593	8,612,979	229,060	229,060	0
40330	Elderly Housing Programs	2,701,802	2,918,193	3,007,452	3,007,452	0
40360	Homeowner and Business Loan Programs	3,982,076	4,499,065	2,743,663	2,664,664	78,999

FY 2018 ADOPTED CHANGES IN FUND BALANCE
SUMMARY OF APPROPRIATED FUNDS

Fund		Balance 6/30/15	Balance 6/30/16	Balance 6/30/17	Balance 6/30/18	Appropriated From/(Added to) Surplus
Special Revenue Funds (Cont.)						
50000	Federal/State Grants	$39,204,297	$36,803,117	$742,263	$742,263	$0
50800	Community Development Block Grant	288,737	160,395	0	0	0
50810	HOME Investment Partnerships Program	52,329	220,614	0	0	0
S10000	Public School Operating	146,668,729	142,045,745	45,181,842	15,866,438	29,315,404
S40000	Public School Food and Nutrition Services	12,462,035	13,458,962	0	0	0
S43000	Public School Adult and Community Education	397,679	28,491	0	0	0
S50000	Public School Grants and Self Supporting Programs	12,727,348	11,922,007	0	0	0
	Total Special Revenue Funds	$743,909,399	$797,609,604	$325,258,454	$312,555,749	$12,702,705
	TOTAL GOVERNMENTAL FUNDS	$1,439,040,253	$1,499,102,212	$611,637,156	$610,120,974	$1,516,182
PROPRIETARY FUNDS						
Internal Service Funds						
60000	County Insurance	$115,928,812	$117,793,037	$78,074,271	$76,854,840	$1,219,431
60010	Department of Vehicle Services	32,042,703	32,372,510	26,055,528	22,091,598	3,963,930
60020	Document Services	1,066,335	1,124,160	534,670	158,134	376,536
60030	Technology Infrastructure Services	6,699,099	5,306,532	1,841,198	204,123	1,637,075
60040	Health Benefits	47,394,518	49,298,155	29,870,929	30,945,009	(1,074,080)
S60000	Public School Insurance	51,296,268	52,162,035	39,490,975	39,490,975	0
S62000	Public School Health and Flexible Benefits	39,401,484	38,752,031	0	0	0
	Total Internal Service Funds	$293,829,219	$296,808,460	$175,867,571	$169,744,679	$6,122,892
Enterprise Funds						
69000	Sewer Revenue	$113,352,458	$77,112,069	$75,761,614	$71,723,309	$4,038,305
69010	Sewer Operation and Maintenance	11,210,730	6,082,776	88,405	2,218	86,187
69020	Sewer Bond Parity Debt Service	1,948,521	3,260,603	2,625,103	4,376	2,620,727
69030	Sewer Bond Debt Reserve	21,728,541	21,728,541	26,734,714	26,734,714	0
69040	Sewer Bond Subordinate Debt Service	2,874,166	286,882	68,735	9,001	59,734
69300	Sewer Construction Improvements	47,663,309	47,780,222	0	0	0
69310	Sewer Bond Construction	3,220,340	13,640,724	0	0	0
	Total Enterprise Funds	$201,998,065	$169,891,817	$105,278,571	$98,473,618	$6,804,953
	TOTAL PROPRIETARY FUNDS	$495,827,284	$466,700,277	$281,146,142	$268,218,297	$12,927,845
FIDUCIARY FUNDS						
Agency Funds						
70000	Route 28 Taxing District	$1,636	$126,211	$0	$0	$0
70040	Mosaic District Community Development Authority	0	0	0	0	0
	Total Agency Funds	$1,636	$126,211	$0	$0	$0
Trust Funds						
73000	Employees' Retirement Trust	$3,693,354,953	$3,590,089,599	$3,762,686,034	$3,917,615,904	($154,929,870)
73010	Uniformed Employees Retirement Trust	1,525,612,553	1,498,698,232	1,590,375,964	1,674,202,134	(83,826,170)
73020	Police Retirement Trust	1,280,910,163	1,270,385,148	1,338,757,976	1,397,060,775	(58,302,799)
73030	OPEB Trust	224,667,263	241,257,383	247,984,849	250,059,746	(2,074,897)
S71000	Educational Employees' Retirement	2,179,692,115	2,107,560,778	2,256,489,008	2,416,305,047	(159,816,039)
S71100	Public School OPEB Trust	95,899,763	100,492,109	110,543,622	120,585,134	(10,041,512)
	Total Trust Funds	$9,000,136,810	$8,808,483,249	$9,306,837,453	$9,775,828,740	($468,991,287)
	TOTAL FIDUCIARY FUNDS	$9,000,138,446	$8,808,609,460	$9,306,837,453	$9,775,828,740	($468,991,287)
TOTAL APPROPRIATED FUNDS		$10,935,005,983	$10,774,411,949	$10,199,620,751	$10,654,168,011	($454,547,260)

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Overview

The General Fund Group contains funds which are primarily supported through transfers from the General Fund. Fund 10010, Revenue Stabilization Fund was established by the Board of Supervisors during deliberations on the *FY 1999 Carryover Review*. Three funds, Fund 10020, Consolidated Community Funding Pool, Fund 10030, Contributory Fund, and Fund 10040, Information Technology Fund were moved from the Special Revenue Funds group to the General Fund Group for budgetary display purposes as part of the FY 2014 Adopted Budget Plan.

REVENUE STABILIZATION

This fund provides 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.

- **Fund 10010 – Revenue Stabilization**

CONSOLIDATED COMMUNITY FUNDING POOL

These grants enable community-based organizations to leverage their existing program funding to provide services that are most appropriately delivered by non-governmental organizations. The Consolidated Community Funding Pool awards grants on a two-year funding cycle to provide increased stability for the community-based organizations.

- **Fund 10020 – Consolidated Community Funding Pool**

CONTRIBUTORY AGENCIES

These funds were established to reflect the General Fund support of contributory agencies. Funding for the County's contribution to various organizations and/or projects is reflected in these funds.

- **Fund 10030 – Contributory Fund**
- **Fund 10031 – Northern Virginia Regional Identification System (NOVARIS)**

INFORMATION TECHNOLOGY (IT)

This fund supports the critical role of information technology in improving the County's business processes and customer service, and in recognition of the ongoing investment necessary to achieve such improvements.

- **Fund 10040 – Information Technology**

Fund 10010
Revenue Stabilization

Focus

The Board of Supervisors, during deliberations on the *FY 1999 Carryover Review*, approved the establishment of Fund 10010, Revenue Stabilization. The purpose of this fund is 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 Board of Supervisors established the reserve under the directive that 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 a significant economic downturn. Therefore, the Board of Supervisors established a policy for utilizing the Revenue Stabilization Fund that identified three specific criteria that must be met in order to make a withdrawal from the fund:

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

The fund was established with a target level of 3.0 percent of General Fund disbursements, and fully funded status was achieved in FY 2006. As part of the adoption of the FY 2016 Adopted Budget Plan, the Board of Supervisors updated the County's *Ten Principles of Sound Financial Management* to increase the County's reserve targets for both the Revenue Stabilization Reserve and the Managed Reserve. The target level of the Revenue Stabilization Reserve was increased to 5.0 percent of General Fund disbursements. The target level of the Managed Reserve – a separate reserve established in FY 1983 and held in the General Fund – was increased from 2.0 percent to 4.0 percent of General Fund disbursements. In addition, the Board established a new Economic Opportunity Reserve with a target of 1.0 percent of General Fund disbursements, for a total County reserve target of 10.0 percent of General Fund disbursements. More information on the *Ten Principles of Sound Financial Management* can be found in the *Long-Term Financial Policies and Tools* section in the Overview Volume of the FY 2018 Adopted Budget Plan.

It is anticipated that the funding necessary to increase the reserve to its new target level will be accumulated primarily through the identification of one-time revenues and balances. In addition to the funding required to increase the level of the reserve to its new target, adjustments are also required to maintain the current reserve level as a result of adjustments to General Fund disbursements. Maintenance of the current reserve level is accomplished in part by retaining interest earnings. However, if adjustments to disbursements result in a required increase to the fund balance that exceeds the amount of interest projected to be earned by the fund, a General Fund transfer to this fund is required. The FY 2018 projected balance of $185,038,059 is 4.51 percent of the FY 2018 Adopted General Fund Disbursement level.

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **General Fund Transfer**
  A General Fund transfer to this fund in the amount of $5,221,570 is required due to a net increase in General Fund disbursements.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an increase of $10,695,387 in the General Fund transfer to this fund. This amount includes $3,523,091 due to a net increase in General Fund disbursements and $7,172,296 as a result of allocating 40 percent of available year-end balances after funding critical requirements to the Revenue Stabilization Reserve.

- **Third Quarter Adjustments**
  As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved an increase of $909,800 in the General Fund transfer to this fund as a result of the County's policy that any budgeted increase in General Fund disbursements is accompanied by a 10 percent commitment to reserves, with the increase divided between the Managed Reserve and the Revenue Stabilization Reserve.

Fund 10010
Revenue Stabilization

FUND STATEMENT

Fund 10010, Revenue Stabilization

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$121,140,663	$141,697,200	$141,620,035	$177,102,689	$178,012,489
Revenue:					
Interest Earnings[1]	$572,835	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Total Revenue	$572,835	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Transfers In:					
General Fund (10001)	$15,381,802	$10,711,034	$22,316,221	$5,031,906	$5,221,570
Consolidated Debt Service (20000)[2]	4,524,735	13,076,233	13,076,233	804,000	804,000
Total Transfers In	$19,906,537	$23,787,267	$35,392,454	$5,835,906	$6,025,570
Total Available	$141,620,035	$166,484,467	$178,012,489	$183,938,595	$185,038,059
Transfers Out:					
General Fund (10001)	$0	$0	$0	$0	$0
Total Transfers Out	$0	$0	$0	$0	$0
Total Disbursements	$0	$0	$0	$0	$0
Ending Balance[3]	$141,620,035	$166,484,467	$178,012,489	$183,938,595	$185,038,059

[1] It is anticipated that this fund will retain interest earnings in FY 2017 and FY 2018 to continue progress toward its funding target.

[2] Following the financial policies adopted by the Board of Supervisors, one of the mechanisms to achieve higher reserve levels is to allocate savings from County bond refundings. Accordingly, transfers from Fund 20000, Consolidated Debt Service, reflect the allocation of savings from the County's General Obligation Public Improvement Refunding Bonds to reserves.

[3] Fluctuations in the Ending Balance are due to the accumulation of balances in this fund to increase the reserve to its new target level of 5.0 percent of General Fund disbursements. The FY 2018 projected balance of $185,038,059 is 4.51 percent of the FY 2018 Adopted General Fund Disbursement level.

Fund 10020
Consolidated Community Funding Pool

Mission

To provide funding to community-based human services programs through a competitive grant process that is responsive to changing community needs.

Focus

The formation of the Consolidated Community Funding Pool (CCFP) began in FY 1997, when the Board of Supervisors (BOS) approved the development and implementation of a competitive funding process to fund services best provided by community-based agencies and organizations. These organizations were formerly funded through either a contribution or a contract with an individual County agency. In accordance with the Board's direction, this process was operational in FY 1998 and was guided by the following goals:

- Provide support for services that are an integral part of the County's vision and strategic plan for human services;
- Serve as a catalyst to community-based agencies, both large and small, to provide services and leverage resources;
- Strengthen the community's capacity to provide human services to individuals and families in need through effective and efficient use of resources; and
- Help build public/private partnerships and improve coordination, especially within the human services regions of the County.

Fund 10020 was established in FY 1998 to provide a budget mechanism for this funding process. In FY 2000, Community Development Block Grant (CDBG) funding for community-based organizations was incorporated to form the CCFP.

Prior to FY 2000, the CCFP grant process and the CDBG process were similar activities that operated under different timeframes, separate application requirements and different evaluation criteria. In December 1997, the BOS approved the merger of these two processes under the title of Consolidated Community Funding Pool. The CCFP is funded from federal CDBG funds for Targeted Public Services and Affordable Housing; federal Community Services Block Grant (CSBG) funds; and local Fairfax County General Funds. Although the process for setting priorities and awarding funds has been consolidated, Fund 10020 contains only the local Fairfax County General Fund and CSBG portion of the funds. CSBG funding is not detailed separately from the General Fund Transfer. The federal CDBG funds remain in Fund 50800, Community Development Block Grant, for grant accounting purposes.

The CCFP process reflects significant strides to improve services to County residents and to usher in a new era of strengthened relations between the County and community nonprofit and faith-based organizations. First, all programs funded through this process are required to develop and track program outcome measures. To aid agencies in meeting this requirement, the County has provided performance measurement training opportunities for staff and volunteers from all interested community-based agencies. Second, the criteria used to evaluate the proposals explicitly encourage agencies to leverage County funding through strategies such as cash match from other non-County sources, in-kind services from volunteers or contributions from the business community and others. Third, the criteria encourage agencies to develop approaches that build community capacity and involve residents, individuals, and families in the neighborhoods being served. Fourth, the County facilitates interactions between community-based organizations, the business community, the local community and County staff with the goal of strengthening the community's capacity to provide ongoing services to meet the needs of County residents and to support the development of potential CCFP applicant organizations.

FY 2018 Initiatives

- Utilize data from the 2016 Human Services Needs Assessment along with information from public meetings, reports and studies as well as data from County and nonprofit human services agencies to assist in the identification of emerging needs and the development of future funding priorities.

- Continue provision and coordination of relevant training and technical assistance to build community and organizational capacity and expand service delivery to meet the County's human services needs.

- Continue provision of contract oversight, which includes program activities, service delivery, contractual compliance and financial management, to nonprofit recipients of CCFP funds.

- Promote approaches that build community capacity, leadership and the involvement of residents.

- Promote the use of measures and indicators that align with the Human Services Focus Areas to gain insight into the impact of CCFP funding on the health and human services system and to gauge whether the fund is achieving its goals.

FY 2018 is the second year of a two-year funding cycle. The Consolidated Community Funding Advisory Committee (CCFAC) has organized the FY 2017/FY 2018 funding priorities according to four areas and adopted corresponding outcome statements. The CCFAC also recommended target focus areas for each priority area, which represent growing needs within the human services system. The BOS approved these funding priorities on June 23, 2015.

Priority Area	Outcome Statement	Target Focus Areas
Prevention	Families and individuals remain independent and have the tools and resources to prevent future dependence. Communities increase their ability to support their members in preventing dependence.	Behavioral health services for youth and older adults, including suicide prevention. Early childhood development services.
Crisis Intervention	Individuals, families, or communities in crisis overcome short-term problems (generally not more than three months) and quickly move back to independence.	Domestic violence services, particularly those that provide housing opportunities for families affected by domestic violence. Food assistance for families with children. Emergency rental and utility assistance.
Self-Sufficiency	Families, individuals, neighborhoods, and communities attain self-sufficiency over a period of three months to three years.	Healthcare affordability and accessibility services, particularly behavioral health services. Housing needs identified in the Fairfax County Housing Blueprint. English proficiency services.
Long-Term Supportive Services	Individuals who have continuing long-term needs and who therefore may not become self-sufficient, achieve and/or maintain healthy, safe and independent lives to the maximum extent possible.	Affordable and accessible housing with supportive social services, to include employment and mobility assistance, for very-low income individuals with disabilities and very low-income older adults.

The Department of Neighborhood and Community Services (NCS) and Department of Administration for Human Services (DAHS) have administrative oversight responsibility for the CCFP. Together with the Fairfax County Department of Housing and Community Development (HCD), Department of Family Services, and the Office to Prevent and End Homelessness, they are responsible for planning, implementing and overseeing all facets of the CCFP process. DAHS and HCD are responsible for monitoring contract compliance among the funded nonprofit providers.

The FY 2018 General Fund transfer is recommended to remain at the same level as FY 2017. The FY 2018 CDBG funding is projected to be $1,442,985, a small increase of $7,395, or 0.5 percent, over the FY 2017 Adopted Budget Plan and is based on the actual FY 2017 HUD award amount. Combined, the total CCFP FY 2018 funding level is anticipated to be $12,584,685, an increase of $7,395, or 0.1 percent, over the FY 2017 Adopted Budget Plan amount of $12,577,290. A breakdown of this funding is shown in the following table:

Funding Source	FY 2018 Aopted Budget
General Fund Transfer (includes estimated CSBG revenue to General Fund)	$11,141,700
CDBG[1] (shown in Fund 50800, CDBG)	$1,442,985
Total CCFP	**$12,584,685**

(1) The Fund 50800, CDBG award is currently an estimate and is based on the FY 2017 HUD award. Allocation of actual funding, also consistent with the Consolidated Plan One-Year Action Plan for FY 2018, will be made as part of the *FY 2017 Carryover Review*.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Operating Expenses	$10,678,406	$11,141,700	$11,150,487	$11,141,700	$11,141,700
Total Expenditures	$10,678,406	$11,141,700	$11,150,487	$11,141,700	$11,141,700

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- FY 2018 funding remains at the same level as the FY 2017 Adopted Budget Plan.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$8,787**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $8,787 in Operating Expenses due to carryover of unexpended project balances.

Projected Allocations

The FY 2018 Adopted Budget Plan shows the funding allocations for Fund 10020, Consolidated Community Funding Pool (CCFP), the second year of a two-year cycle, as recommended by the CCFP Citizen Selection Advisory Committee and as approved by the Board of Supervisors on April 26, 2016. Allocation of Fund 50800, Community Development Block Grant (CDBG) funding based on the actual FY 2017 HUD award, also consistent with the Consolidated Plan One-Year Action Plan for FY 2018, will be made as part of the *FY 2017 Carryover Review*.

Organization	Program Name	Description	Fund 10020 Award	Fund 50800 Award
Alternative House	Annandale Safe Youth Project	Activities for low-income, at-risk youth including supervised recreation, homework assistance, enrichment activities, counseling, and workshops.	$49,864	
Alternative House	Assisting Young Mothers	Transitional housing, life skills training, and parenting skills services for young women between the ages of 18 and 22.	$66,969	
Alternative House	Culmore Safe Youth	After-school activities for low-income, at-risk youth including supervised recreation, homework assistance, enrichment activities, counseling, and workshops.	$57,520	
Alternative House	Culmore Youth Outreach	Counseling, homework assistance, supervised recreation, and enrichment activities for low-income youth to remain free of risky behavior.	$80,619	
Alternative House	Homeless Youth Initiative	Rental assistance and other supportive services to youth enrolled in Fairfax County high schools that are identified as homeless and do not have the support of a parent or guardian.	$128,670	
Alternative House	Springfield Safe Youth Project	After-school activities for low-income, at-risk youth including supervised recreation, homework assistance, enrichment activities, counseling, and workshops.	$53,246	
Annandale Christian Community for Action (ACCA)	Emergency Financial Assistance Program	Financial assistance for rent, utilities, prescriptions, medical equipment, dental care, and other miscellaneous needs (e.g. gasoline, car repair).	$47,916	
ACCA	Nutrition/ Hygiene	Emergency food and personal care items to low-income individuals and households in the Annandale, Lincolnia, Bailey's Crossroads and Culmore areas.	$28,690	
ACCA	Furniture Program	Collect, donate, and deliver home furnishings to low-income Fairfax County residents in the Annandale, Lincolnia, Bailey's Crossroads and Culmore areas.	$24,176	

Organization	Program Name	Description	Fund 10020 Award	Fund 50800 Award
Asian American LEAD	AA Lead Virginia Program	After-school educational support to low-income Asian Pacific American youth to provide educational empowerment, identity development and leadership opportunities through after-school, summer and mentoring programs.	$144,268	
Beth El House, Inc.	Beth El House Transitional Housing	Safe and secure housing for two years for homeless women and their children, many of whom are homeless victims of domestic violence.	$56,403	
Bethany House of Northern Virginia	Family Assistance Program	Safe housing and comprehensive services to women and children made homeless as a result of domestic violence.	$137,103	
Boys & Girls Club of Greater Washington, Inc.	Great Futures: Educational & Career Development Program	Services that improve the educational, vocational, and financial outcomes for low-income teens and their families with four distinct programs designed to help them develop skills that will prepare them for future success.	$55,467	
Brain Injury Services	Brain Injury Services' Senior Specialist	Specialized case management services to older adults with brain injuries, including information, referrals, educational programs and long-term rehabilitation support services, to maximize recovery and re-integration back to the community.	$60,861	
Brain Injury Services	Department of Assistive & Rehabilitative Therapy	An assistive technology program for survivors of brain injuries to create more accessible housing environments that will allow them to remain in their home communities longer.	$81,758	
Capital Area Food Bank	Family Markets Program	Food distribution program located in schools, providing opportunities for parent-teacher interactions and nutrition education. Distributions are hosted in school communities where more than half of students receive free and reduced lunch support.	$165,915	
Capital Youth Empowerment Program	Fathers in Touch	Fatherhood enrichment services to low-income fathers involved in abuse and neglect cases, child support delinquency, child protective services concerns, and custody and visitation cases. Services are designed to bring fathers closer to re-uniting with their children.	$37,385	

Organization	Program Name	Description	Fund 10020 Award	Fund 50800 Award
Capital Youth Empowerment Program	Project Success	Educational program teaching high school students residing in the Route 1 corridor how to avoid sexually transmitted diseases, AIDS/HIV and unplanned pregnancy; how to make sound choices; increase abstinence; and increase opportunities to eliminate risky behavior.	$24,893	
Catholics for Housing	Virginia Ely Senior Rental Assistance	Rental assistance to low-income seniors.	$182,931	
Christian Relief Services, Inc.	Safe Places Transitional Housing Program	Affordable housing and support services to individuals and families referred to the program from domestic and homeless shelters to help them remain safe and become more self-sufficient.	$94,193	
Community Preservation and Development Corporation	Island Walk After School Support Program	After school tutoring, homework help, and literacy support to students in grades 1 through 12 who often would not be able to receive the same support and resources at home.	$66,131	
Community Preservation and Development Corporation	Stony Brook After School Program	After school tutoring, homework help and literacy support to students in grades 1 through 8 who often would not be able to receive the same support and resources at home.	$57,769	
Community Residencies	LIFT - Living Independently for Tomorrow	Transitional housing and supportive services to homeless and at-risk youth between the ages of 17 and 21. The program will provide stable and safe housing, vocational and educational training, life skills training, and linkages to community resources.	$47,818	
Computer C.O.R.E.	Pathways to Self-Sufficiency Computer Literacy Skills	Assists unemployed, underemployed, and working poor adults gain employment or increased wages through intensive training in basic computer skills and programs, job skills coaching, resume writing, interviewing, and career education.	$65,863	
Cornerstones Housing Corporation (CHC)	Scattered Sites Acquisition Program	Affordable housing rental program serving extremely low-income households by acquiring and rehabilitating additional condominiums located near shopping, employment, and public transportation, as appropriate for residents' needs.	$0	$300,000

Organization	Program Name	Description	Fund 10020 Award	Fund 50800 Award
Cornerstones, Inc.	Affordable Housing PLUS Program	PLUS manages and preserves affordable housing units, acquires additional units, and provides individualized tenant case management services to increase self-sufficiency.	$212,506	
Cornerstones, Inc.	Assistance Services & Pantry	Emergency food and clothing supports, rental or utility assistance, service navigation, and life skills activities.	$205,363	
Cornerstones, Inc.	Cedar Ridge Youth Program	After school support to youth and adults residing in the Cedar Ridge apartment community in Reston. Activities include academic support, summer community center activities and parent/family activities designed to improve youth academic performance and engage parents/families in self-sufficiency improvement activities.	$39,771	
Cornerstones, Inc.	Connections for Hope Partnership	A collective impact initiative providing health and human services to culturally diverse, socioeconomically challenged households in Herndon. Services will include career coaching, job training, and job search skills.	$182,844	
Cornerstones, Inc.	Herndon Youth Program	After school and summer learning programs to economically and academically vulnerable youth in the Herndon area.	$41,575	
Davis Memorial Goodwill Industries	Workforce Training for Fairfax Residents	Workforce training in the hospitality, security, and protective services sectors to low-income residents in order to address barriers to employment and help participants obtain, maintain, and advance in their employment.	$64,403	
Easter Seals Greater Washington-Baltimore Region, Inc.	Early Learning for Autism	An intensive program serving low-income children ages 18-36 months with Autism Spectrum Disorder. The program is designed to change the developmental trajectory and improve behavioral health, acquire improved social skills, and improve family functioning.	$63,285	
Ecumenical Community Helping Others (ECHO), Inc.	Emergency Needs Assistance Program	Emergency financial assistance to cover rent, utilities, or other necessities to avoid disconnection and homelessness.	$36,608	

Organization	Program Name	Description	Fund 10020 Award	Fund 50800 Award
Edu-Futuro	Projects LIFTS (Leading Immigrant Families to Success)	Targeted services addressing barriers to economic success to low-income immigrant families. Service include after-school activities for youth and parent engagement; workforce development for youth and parents; and family support services to help resolve reunification issues.	$318,606	
Empowered Women International	Entrepreneur Pathways for Women	Training, mentoring, business support, social service referrals and community outreach to cultivate economic opportunity and social empowerment for immigrant, refugee and low-income women.	$56,269	
Ethiopian Community Development Council, Inc./African Community Center	Step Project	Provides an array of services to help refugee, asylee and immigrant newcomers overcome barriers to employment and immigration. Services include translation, interpretation and access to social services through outreach and information dissemination, individual needs assessments and service plans, individuals and group training, and referrals to additional resources.	$54,415	
FACETS	Preventing & Ending Homelessness	A continuum of services for low-income and homeless residents ranging from crisis intervention services to self-sufficiency supports.	$123,797	
Fairfax Court Appointed Special Advocates (CASA), Inc.	Advocating in Court for the Best Interests of Children in Crisis due to Abuse and Neglect	Citizen volunteers serve as Court Appointed Special Advocates for children placed under the Court's supervision; conduct independent investigations; submit written reports to presiding judges; provide recommendations regarding the child's best interest; and assist the legal representative for each case.	$195,242	
Falls Church Community Service Council, Inc.	Emergency Assistance	Emergency financial assistance (e.g. rent, utilities, prescriptions, gas and transportation) offered to families and individuals having financial difficulties.	$63,336	
Falls Church Community Service Council, Inc.	Emergency Food Program	Assist area residents with emergency grocery deliveries to alleviate hunger and overcome a crisis.	$17,355	
Family Preservation and Strengthening Services	Family Stabilization and Self-Sufficiency	Intensive case management and rental assistance to homeless individuals and families to help them become stabilized and attain self-sufficiency.	$187,559	

Organization	Program Name	Description	Fund 10020 Award	Fund 50800 Award
Food for Others	Food for Others/Fairfax	Emergency and supplemental food services to low-income residents.	$145,979	
Food for Others	Power Pack	Supplemental weekend food items to elementary school students at-risk of food insecurity over the weekend during the school year.	$85,418	
Friends of Guest House	Residential, Aftercare & Outreach Program	Community-based residential program providing a broad range of health, housing, job and emergency assistance to non-violent female ex-offenders to break the cycle of incarceration.	$52,878	
Good Shepherd Housing & Family Services, Inc.	Emergency Services-Keeping Families at Home	Financial assistance, follow-up housing counseling, and referrals to families facing evictions, disconnection of utilities, and/or homelessness.	$56,031	
Good Shepherd Housing & Family Services, Inc.	Homes for the Working Poor, Disabled and Elderly	Affordable housing stability and supportive services for homeless families and individuals to help them achieve self-sufficiency and permanent housing.	$67,616	$223,573
Good Shepherd Housing & Family Services, Inc.	Mt. Vernon Village VII	An affordable housing capital project for the acquisition funding for eight housing units along the Route 1 corridor to provide affordable rental housing for families at or below 50 percent of the Area Median Income.	$0	$404,500
GRACE Ministries of the United Methodist Church	Integrated Immigrant Services	Emergency assistance through distribution of food and clothing, health screenings and health resource information, job training, and job skills training to ease emergency situations and also provide long-term employment solutions.	$42,763	
HealthWorks for Northern Virginia	Dental Program	A health clinic providing comprehensive dental services and oral health care education to uninsured, low-income individuals.	$56,268	
HealthWorks for Northern Virginia	Primary Medical Services	Comprehensive primary health care to uninsured, low-income individuals. Services include prevention screening, education, medical treatment, and access to medication and referrals.	$115,058	
Herndon-Reston FISH, Inc.	Emergency Assistance, Prevention & Crisis Intervention	Emergency financial assistance for rent/mortgage and utilities to individuals who are experiencing a crisis; holiday food and gift boxes; and financial literacy workshops to develop the skills necessary to manage household budgets.	$181,319	

Organization	Program Name	Description	Fund 10020 Award	Fund 50800 Award
Infant Toddler Family Day Care	Early Child Care Educator Training and Workforce Development	Training and support services to low-income immigrants to develop the skills needed to become childcare providers.	$73,207	
Insight Memory Care Center	Early Stage Engagement Program	Program providing coping mechanisms, group support and socialization opportunities for individuals with a recent diagnosis of memory impairment and their caregivers.	$46,596	
Insight Memory Care Center	SHARE Plan Family Counseling	Multi-session, psycho-educational program designed to help families in the early stages of dementia discuss and plan for the later stages of the illness.	$28,498	
Insight Memory Care Center	Wraparound Family Caregiver Support Program	Support family caregivers of adults with Alzheimer's disease and related dementias by providing a range and breadth of supports to maintain their own well-being, reduce stress, and care for their loved ones appropriately.	$45,540	
The Jewish Community Center of Northern Virginia, Inc. (JCCNV)	JCCNV Special Needs Camps	Summer camps for children with social and communication disorders by providing a therapeutically supported complement of structured opportunities for newly acquired skills with typically developing peers.	$15,660	
Jewish Council for the Aging of Greater Washington, Inc.	Northern Virginia Rides	Volunteer driver transportation and ride coordination for clients of community-based organizations. The overall goal of the program is to increase the availability of driving services to non-driving seniors.	$96,559	
Jewish Social Services Agency	Specialized Employment Services	Employment services for individuals with Autism Spectrum Disorders and other disabilities to help them gain integrated competitive employment through interview and resume guidance, job development and job coaching.	$52,724	
Just Neighbors Ministry, Inc.	Immigration Legal Services	Immigration-related legal services to low-income immigrants to promote self-sufficiency and overall economic and social stability.	$110,169	
Koinonia Foundation, Inc.	Emergency Relief Services	Emergency and self-sufficiency services to at-risk families and individuals in the Greater Franconia/Kingstowne area.	$43,387	

Organization	Program Name	Description	Fund 10020 Award	Fund 50800 Award
Korean Community Service Center of Greater Washington (KCSC)	Financial Self-Sufficiency Project	Job readiness and wraparound case management services to low-income Korean Americans, new immigrant jobseekers and their families to help empower them to become self-sufficient.	$67,706	
KCSC	Mental Health Program	Comprehensive range of direct services including crisis intervention, mental health counseling, psychiatric services, and art therapy aimed at helping low-income Korean clients improve their mental health status.	$62,353	
KCSC	Safety Net Program	Wraparound services and emergency financial assistance to low-income immigrants. The program is designed to help clients overcome the immediate crises in order to become independent, economically self-sufficient, and contributing members of society.	$29,133	
The Lamb Center	Homeless Case Management	Case management, food and personal hygiene services to homeless individuals. Individual counseling services, job placement assistance and transportation assistance are also offered once basic needs are met.	$228,342	
Legal Aid Justice Center	Legal Services for Immigrants - Employment	Legal services, education and advocacy to assist low-wage immigrant workers in preserving their rights in the workplace.	$163,074	
Legal Aid Justice Center	Legal Services for Immigrants - Housing	Legal services and community outreach to assist low-income immigrant tenants who are facing housing-related exploitation to maintain their housing stability.	$134,269	
Legal Services of Northern Virginia	Legal Aid-Families and Consumers	Legal services to low-income families and individuals facing legal problems concerning basic necessities such as food, shelter, medical care, education, and personal safety.	$266,333	
Legal Services of Northern Virginia	Legal Aid-Housing and Employment	Legal services to low-income residents to prevent homelessness, wrongful termination, sexual harassment, and wage garnishments.	$126,419	
Literacy Council of Northern Virginia	Adult Basic Literacy & Beginning English Language Programs	Beginning level literacy and English language adult education.	$95,624	

Organization	Program Name	Description	Fund 10020 Award	Fund 50800 Award
Lorton Community Action Center	Crisis Intervention	Short-term wraparound services providing basic needs assistance to households experiencing a crisis in the form of job loss, household change (e.g. divorce, death), recent immigration, or homelessness.	$56,946	
Lorton Community Action Center	Ongoing Assistance	Long-term wraparound services to households containing seniors and/or disabled family members to ensure their members are safe, healthy, and connected to a variety of services.	$33,489	
Lorton Community Action Center	Self-Sufficiency Program	Provides services, including English as a Second Language, nutrition classes, financial management education, and free legal advice to improve self-sufficiency.	$31,668	
Lutheran Social Services of the National Capital Area	Refugee Self-Sufficiency	Intensive case management, emergency assistance, and employment services to low-income refugee families to stabilize their housing, build or improve job skills, and find a path to employment.	$46,257	
Music for Life	Music for Life Music Partnership	Educational program providing opportunities to low-income youth and assisting at-risk youth to attain the competencies and experiences necessary to become self-sufficient adults.	$35,704	
New Hope Housing, Inc.	Stable Long-Term Housing for Chronically Homeless Adults	Permanent housing with supportive housing to chronically homeless adults with severe disabling conditions in Region 1 and the City of Falls Church.	$95,908	
Northern Virginia Community College Educational Foundation, Inc.	Adult Career Pathways	Connects unemployed/under-employed workers and work-eligible immigrants with career counselors who will assist them in developing an education or training plan to earn a college degree, certification or other credential that may help them to qualify for and secure employment with a path toward greater economic security.	$95,162	
Northern Virginia Dental Clinic, Inc.	Northern Virginia Dental Clinic	Oral health care services to low-income and uninsured adults.	$128,805	
Northern Virginia Family Service (NVFS)	Adult Health Partnership	Health care services, including outreach, enrollment and case management, to low-income, uninsured residents.	$19,208	

Organization	Program Name	Description	Fund 10020 Award	Fund 50800 Award
NVFS	Community Access Integration Services (formerly Vamos Adelante)	Supports for underserved, low-wage immigrants and their families designed to help them navigate crisis, increase financial stability, and plan for greater success and community integration.	$223,102	
NVFS	Fairfax Accessible Medication Program	Intensive targeted assistance in applying to pharmaceutical companies for free, ongoing medication for chronic illnesses.	$32,517	
NVFS	Multicultural Trauma Services (formerly Multicultural Human Services)	Case management, mental health, and legal assistance to immigrants who have experienced trauma, helping them meet basic needs, improve behavioral health and family relationships, and attain durable immigration statuses.	$327,491	
NVFS	Training Futures	Skills training to under- or un-employed low-income adults.	$121,377	
NVFS	Violence Prevention & Intervention Program	Holistic neighborhood-based school-connected services to at-risk immigrant youth and their families designed to ensure they are able to thrive in their community, to succeed academically and socially, and are equipped to prevent future community and family violence.	$320,408	
Northern Virginia Mediation Service, Inc.	Alternative Accountability Program: Repairing the Harm from Youth Offenses in the Community	Integrates services with County resources to address critical issues around juvenile justice, specifically the high number of juvenile arrests in the County. Using the principle of Restorative Justice, the program will guide juveniles, parents and members of the community to address and repair harm caused by juvenile offenses.	$24,852	
OAR of Fairfax County, Inc.	Challenge to Change	Direct assistance, employment services, skills training/educational classes, violence intervention, case management, and mentoring to help ex-offenders and their families to reduce recidivism.	$588,828	
Our Daily Bread, Inc.	Family Assistance	Emergency food, financial assistance, and financial literacy training to working families at or below 200 percent of the federal poverty level.	$200,879	
Pathway Homes, Inc.	Pathways Prevention Program	Supportive housing for individuals suffering from mental illness, comorbid medical conditions and substance use disorders to improve the quality of life for individuals who have graduated to a more independent housing situation.	$32,974	

Organization	Program Name	Description	Fund 10020 Award	Fund 50800 Award
Pathway Homes, Inc.	Pathways Long-Term Supportive Services	Ongoing, non-time limited housing, supportive and rehabilitative services to individuals suffering from mental illness and co-occurring disabilities with the goal of increasing self-sufficiency.	$128,137	
Pathway Homes, Inc.	Pathways to Self-Sufficiency	Housing, supportive and rehabilitative services to persons with serious mental illness and/or co-occurring disorders to increase self-sufficiency.	$180,398	
PRS, Inc.	CrisisLink CareRing Program	Program providing telephone reassurance to at-risk older adults experiencing isolation and increased risk of suicide.	$49,873	
PRS, Inc.	Project HOPE	Supportive home-based services to individuals living with mental illness, substance abuse disorders, and intellectual/developmental disabilities helping them maintain their health, housing, and independent living skills.	$82,659	
Rebuilding Together Arlington/ Fairfax/Falls Church	Volunteer Home Repairs	Organizes volunteers to make critical home repairs at no cost to low-income homeowners who are seniors or persons with physical or intellectual disabilities.	$96,961	
The Safe Children Foundation	SafeSpot Trauma Crisis Counseling	Counseling program providing a child-friendly, culturally-sensitive environment that promotes the safety and well-being of child victims of abuse while facilitating the intervention, investigation, prosecution and treatment of sexual abuse and severe physical abuse.	$54,234	
ServiceSource, Inc.	Autism Initiative (Total Employment Concepts 2000)	Helps individuals with autism achieve improved self-sufficiency, quality of life and community integration through employment.	$56,529	
ServiceSource, Inc.	Seniors Community Inclusion Program	Program providing case management, therapeutic recreation, outreach and person centered service design for seniors with intellectual disabilities to participate and enjoy daily activities alongside seniors without disabilities in Fairfax County Senior Centers.	$51,688	
Shelter House, Inc.	Artemis House	A domestic violence shelter providing crisis intervention to homeless individuals and families after fleeing domestic violence to help clients cultivate self-sufficiency and prepare for a transition to safe and stable housing.	$115,837	

Organization	Program Name	Description	Fund 10020 Award	Fund 50800 Award
Shelter House, Inc.	Community Case Management	Prevention and Rapid Re-Housing services to families experiencing, or at risk of experiencing homelessness in support of Fairfax County's Continuum of Care.	$89,613	
Shelter House, Inc.	Domestic Violence Supportive Housing	Transitional housing program serving victims of domestic violence and their children by providing safe, temporary housing.	$67,790	
Shelter House, Inc.	Employment Services	Employment services for families at risk of homelessness or experiencing homelessness to support Fairfax County's Continuum of Care.	$157,584	
Shepherd's Center of Fairfax-Burke	Transportation for Older Adults Aging in Community	Supportive services to seniors, including accompanied transportation to medical appointments and grocery shopping; outreach to low-income seniors; enrichment and socialization activities; exercise classes; and informal caregiver programs.	$78,246	
SkillSource Group, Inc.	SkillSource - Sheriff Employment Center	Employment counseling to inmates of the Fairfax County Adult Detention Center preparing to re-enter the community to help them gain and retain employment before and after their release.	$87,602	
Specially Adapted Resource Clubs	Pawsome Pet Emporium Learning Labs	Vocational training for adults with physical and/or developmental disabilities providing an adapted experiential program with skill building curriculums modified for a variety of learning styles and levels.	$158,358	
Tahirih Justice Center	Protecting Vulnerable Immigrant Women and Girls Fleeing Gender-Based Violence	Legal services to women and girls fleeing gender-based violence including assistance obtaining visa and asylum applications, assistance reuniting children with mothers, and representation in legal matters.	$66,146	
Unified Prevention Coalition	Parenting for Resiliency: Prevention for Infancy to Young Adult	Community outreach and programming focusing on key substance abuse topics and related risk factors to increase awareness and leverage community resources to bring about change in large targeted groups and the community.	$34,348	
United Community Ministries	Basic Needs	Emergency assistance to individuals and families in need who are facing the threat of homelessness, utility disconnection, hunger and/or poverty.	$166,086	

Organization	Program Name	Description	Fund 10020 Award	Fund 50800 Award
United Community Ministries	Bryant Early Learning Center	Affordable early child care services to families with children between the ages of 6 weeks and 5 years.	$123,371	
United Community Ministries	Forward Steps: A Youth Development Program	After-school programming to youth between the ages of 6 and 18 years, including tutoring, social skills development and parental engagement activities to foster academic achievement and improved social functioning.	$93,304	
United Community Ministries	UCM's Housing Program	Transitional housing and supportive services for low-income victims of domestic violence.	$143,281	
United Community Ministries	Progreso Adult Education & Literacy Program	ESL classes for non-English speakers to develop economic and social self-sufficiency.	$98,792	
Vietnamese Resettlement Association, Inc.	Self-Sufficiency through Health, Housing and Social Services	Assistance to low-income Asians with limited English. Services include preventative health care, and assistance finding affordable housing and accessing social services to promote self-sufficiency.	$76,070	
Wesley Housing Development Corporation	Building Communities of Promise	Supportive services to seniors and persons with disabilities who reside in Herndon and McLean, including case monitoring, crisis intervention, health and wellness programs and screenings, as well as lifelong learning, social, and recreational activities.	$0	$209,140
Wesley Housing Development Corporation	Building for the Future	Social and academic programs and services to pre-kindergarten, after-school and teen youth at community centers in affordable housing communities in Lincolnia and Falls Church.	$0	$185,617
Wesley Housing Development Corporation	Promising Futures	On-site services for adult residents of affordable housing communities in Lincolnia and Annandale. Services include eviction intervention, tax assistance, financial literacy and money management training, and health screenings.	$0	$120,155
Western Fairfax Christian Ministries (WFCM)	Client Emergency Services	Emergency financial assistance to individuals and households at risk of eviction and utility discontinuation.	$191,771	

Organization	Program Name	Description	Fund 10020 Award	Fund 50800 Award
Western Fairfax Christian Ministries	Pathways to Success	Year-long financial mentoring program for low-income households with children providing assistance with debt reduction, family budgeting, and increasing household savings and income.	$65,320	
Western Fairfax Christian Ministries	WFCM Food Pantry	Year-round food pantry to families in areas of Region 4 (zip codes 20120, 20121, 20122, 20124, 20151, 22033 and 22039).	$43,839	
Total FY 2018 Award[1]			**$11,141,700**	**$1,442,985**

[1] Award amounts adjusted from FY2017 Adopted Budget to reflect actual CDBG award

Fund 10020
Consolidated Community Funding Pool

FUND STATEMENT

Fund 10020, Consolidated Community Funding Pool

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$76,050	$0	$8,787	$0	$0
Transfer In:					
General Fund (10001)	$10,611,143	$11,141,700	$11,141,700	$11,141,700	$11,141,700
Total Transfer In	$10,611,143	$11,141,700	$11,141,700	$11,141,700	$11,141,700
Total Available	$10,687,193	$11,141,700	$11,150,487	$11,141,700	$11,141,700
Expenditures:					
Operating Expenses	$10,678,406	$11,141,700	$11,150,487	$11,141,700	$11,141,700
Total Expenditures	$10,678,406	$11,141,700	$11,150,487	$11,141,700	$11,141,700
Total Disbursements	$10,678,406	$11,141,700	$11,150,487	$11,141,700	$11,141,700
Ending Balance[1]	$8,787	$0	$0	$0	$0

[1] The Ending Balance decreases due to the projected expenditure of carryover funds to complete and settle all Consolidated Community Funding Pool (CCFP) contracts.

Fund 10030
Contributory Fund

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Operating Expenses	$15,962,892	$13,184,484	$13,324,484	$13,492,965	$13,492,965
Total Expenditures	$15,962,892	$13,184,484	$13,324,484	$13,492,965	$13,492,965

Contributory Overview

Fund 10030, Contributory Fund, was established in FY 2001 to reflect General Fund support for agencies or organizations that receive County contributions. FY 2018 funding totals $13,492,965 and reflects an increase of $308,481 or 2.3 percent over the FY 2017 Adopted Budget Plan funding level of $13,184,484. The required Transfer In from the General Fund is $13,467,254. Individual contributions are described in detail on the following pages.

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. Contributory agency positions are not part of the County merit system and funding for all contributory agencies is reviewed annually. Each request is reviewed on the basis of the benefit to Fairfax County citizens, contractual or regional commitments, the responsibilities of state agencies, and a prior County commitment of funding. When appropriate, a nonprofit agency that provides specific contractual partnership services may be referred to Fund 10020, Consolidated Community Funding Pool, for funding consideration by the Consolidated Community Funding Advisory Committee.

Since public funds are being appropriated, disbursements 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, requiring designated agencies to accurately describe the level and quality of services provided to County residents, as well as the overall financial strength and stability of the County's contributory agencies. 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.

It should be noted that population is used by several of the organizations as the basis for their requests for FY 2018 funding from Fairfax County. The population figures cited by the individual organizations for Fairfax County may differ somewhat from one another due to the particular projection of service utilized.

The table on the following pages summarizes the FY 2018 funding for the various contributory organizations.

Fund 10030
Contributory Fund

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Legislative-Executive Functions/Central Service Agencies:					
Dulles Area Transportation Association	$15,000	$15,000	$15,000	$15,000	$15,000
Metropolitan Washington Council of Governments	969,114	992,555	992,555	1,039,064	1,039,064
National Association of Counties	21,635	21,635	21,635	21,635	21,635
Northern Virginia Regional Commission	643,861	725,462	725,462	734,481	734,481
Northern Virginia Transportation Commission	168,142	170,160	170,160	173,721	173,721
Virginia Association of Counties	234,966	239,666	239,666	239,446	239,446
Washington Airports Task Force	50,000	50,000	50,000	50,000	50,000
Subtotal Legislative-Executive	**$2,102,718**	**$2,214,478**	**$2,214,478**	**$2,273,347**	**$2,273,347**
Public Safety:					
NOVARIS	$9,577	$9,577	$9,577	$9,577	$9,577
NVERS	0	0	140,000	15,000	15,000
Subtotal Public Safety	**$9,577**	**$9,577**	**$149,577**	**$24,577**	**$24,577**
Health and Welfare:					
Health Systems Agency of Northern Virginia	$108,200	$108,200	$108,200	$108,200	$108,200
Medical Care for Children	237,000	237,000	237,000	237,000	237,000
Northern Virginia Healthcare Center/Birmingham Green Adult Care Residence	2,576,887	2,452,456	2,452,456	2,605,826	2,605,826
Volunteer Fairfax	405,772	405,772	405,772	405,772	405,772
Subtotal Health and Welfare	**$3,327,859**	**$3,203,428**	**$3,203,428**	**$3,356,798**	**$3,356,798**
Parks, Recreation and Cultural:					
Arts Council of Fairfax County	$331,694	$331,694	$331,694	$331,694	$331,694
Arts Council of Fairfax County - Arts Groups Grants	96,900	96,900	96,900	96,900	96,900
Challenge Grant Funding Pool for the Arts	444,125	444,125	444,125	444,125	444,125
Dulles Air and Space Museum	100,000	100,000	100,000	100,000	100,000
Fairfax Symphony Orchestra	261,032	261,032	261,032	261,032	261,032
Fort Belvoir Army Museum	150,000	150,000	150,000	150,000	150,000
Northern Virginia Regional Park Authority	2,137,446	2,149,947	2,149,947	2,158,822	2,158,822
Reston Historic Trust	16,150	16,150	16,150	16,150	16,150
Town of Herndon	40,000	40,000	40,000	40,000	40,000
Town of Vienna Teen Center	32,300	32,300	32,300	32,300	32,300
Wolf Trap Foundation for the Performing Arts	125,938	125,938	125,938	125,938	125,938
Subtotal Parks, Recreation & Cultural	**$3,735,585**	**$3,748,086**	**$3,748,086**	**$3,756,961**	**$3,756,961**

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Community Development:					
Architectural Review Board	$3,500	$3,500	$3,500	$8,200	$8,200
Commission for Women	6,916	6,916	6,916	6,916	6,916
Convention and Visitors Corporation	2,506,188	2,728,925	2,728,925	2,797,148	2,797,148
Earth Sangha	16,150	16,150	16,150	16,150	16,150
Fairfax 2015 World Police and Fire Games	3,000,000	0	0	0	0
Fairfax County History Commission	21,013	21,013	21,013	21,013	21,013
Fairfax ReLeaf	41,990	41,990	41,990	41,990	41,990
Greater Reston Incubator	24,225	24,225	24,225	24,225	24,225
Inova Translational Medicine Institute	500,000	500,000	500,000	500,000	500,000
Northern Virginia 4-H Education Center	15,000	15,000	15,000	15,000	15,000
Northern Virginia Community College	88,418	87,443	87,443	86,887	86,887
Northern Virginia Conservation Trust	227,753	227,753	227,753	227,753	227,753
Southeast Fairfax Development Corporation	183,320	183,320	183,320	183,320	183,320
Women's Center of Northern Virginia	27,023	27,023	27,023	27,023	27,023
Subtotal Community Development	**$6,661,496**	**$3,883,258**	**$3,883,258**	**$3,955,625**	**$3,955,625**
Nondepartmental:					
Employee Advisory Council	$33,000	$33,000	$33,000	$33,000	$33,000
Fairfax Public Law Library	92,657	92,657	92,657	92,657	92,657
Subtotal Nondepartmental	**$125,657**	**$125,657**	**$125,657**	**$125,657**	**$125,657**
Total County Contributions	**$15,962,892**	**$13,184,484**	**$13,324,484**	**$13,492,965**	**$13,492,965**

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **FY 2018 Baseline Adjustments** **$308,481**

  A net increase of $308,481 reflects adjustments associated with contributions based primarily on legal requirements, per capita calculations, contractual or regional commitments or based on membership dues. The following summaries describe these adjustments in more detail by program area.

  The **Legislative-Executive Functions/Central Service Agencies** program area increases $58,869 based on an increase of $46,509 or 4.7 percent for the Metropolitan Washington Council of Governments (COG) based on an increase in the per capita rate from $0.725 in FY 2017 to $0.740 in FY 2018. This increase is also due to an increase of $9,019 or 1.2 percent for the Northern Virginia Regional Commission (NVRC) based on a projected Fairfax County population increase and increases for the Northern Virginia Waste Management program and the Occoquan Watershed Management Program. Other increases include $3,561 for the Northern Virginia Transportation Commission (NVTC). There is a decrease of $220 for the Virginia Association of Counties. It should be noted that population, as determined by the County's Department of Neighborhood and Community Services, may differ from other particular projection services, e.g., Weldon Cooper Center for Public Service, used by various contributory agencies as the basis for their contributions.

The **Public Safety** program area increases $15,000 based on annual membership dues for the Northern Virginia Emergency Response System (NVERS).

The **Health and Welfare** program area increases $153,370 or 4.8 percent due to an increase for the Northern Virginia Healthcare Center/Birmingham Green Adult Care Residence, known collectively as Birmingham Green, based on actual costs and utilization rates at the facility.

The **Parks, Recreation and Cultural** program area increases $8,875 or 0.2 percent due to an increase for the Northern Virginia Regional Park Authority based on a projected County population increase.

The **Community Development** program area increases $72,367 or 1.9 percent due to an increase of $68,223 for the Convention and Visitors Corporation based on projected Transient Occupancy Tax revenue in FY 2018. There is also an increase of $4,700 for the Architectural Review Board to cover the cost of recording the meetings and required training for Board members. This increase is partially offset by a decrease of $556 for the Northern Virginia Community College (NVCC) due to the change in population share among participating jurisdictions.

The **Nondepartmental** program area remains at the FY 2017 level.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$140,000**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved a contribution of $140,000 for the Northern Virginia Emergency Response System (NVERS). NVERS is an organization which serves as a collaborative partnership between local governments, the Commonwealth of Virginia, and the private sector to build emergency management and homeland security capacity through the regional integration of policies, training, resources, information sharing, and program management for the health and welfare of Northern Virginia residents. The contribution included $125,000 for a one-time equity contribution and $15,000 for annual membership dues. The one-time equity contribution will help to create a cash flow reserve to cover three months' worth of grant reimbursable operating expenses, due to lags in receiving reimbursements. The County's annual membership dues of $15,000 are designated to cover non-reimbursed business expenses.

The following pages provide background information and summary budget data for organizations receiving FY 2018 contributory funding.

FY 2018 Contributions

Legislative-Executive Functions/Central Service Agencies:

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Dulles Area Transportation Association	$15,000	$15,000	$15,000	$15,000	$15,000

The Dulles Area Transportation Association (DATA) is a public-private, nonprofit, 501(c) (3) tax exempt transportation management association dedicated to improving transportation in a 150-square mile area around Dulles Airport including Route 28, Route 50, Route 7 and Dulles Corridor (the Greater Dulles Area). Its membership is composed of elected officials of the Commonwealth of Virginia, Fairfax County, Loudoun County, and the towns of Herndon and Leesburg; senior executives of the Metropolitan Washington Area Airports (MWAA); and other employer firms, property owners and business professionals, with membership open to all. DATA currently has over 50 dues-paying individual corporations and businesses, and governmental or quasi-governmental organizations. Also, there are an additional 50 non-paying local representatives to the General Assembly, representatives of citizen associations, and affiliate members (e.g., Fairfax County Chamber of Commerce), none of whom are obligated to pay dues but allow similar memberships in their organizations.

DATA provides a neutral public forum for identifying transportation needs within the Greater Dulles Area, as well as generating solutions to meet them. DATA plans and conducts transportation seminars in support of efforts to improve transportation in the greater Dulles area in conjunction with regional members of the Commonwealth Transportation Board and other local governing bodies. Other programs emphasize congestion management and mobility approaches including heavy and light rail, bus rapid transit, and highway improvements and the effects of greenhouse gases and climate change will be explored further. DATA staff also works with the County's Department of Transportation to execute targeted projects aimed at raising employer and citizen awareness of the challenges and possible solutions to traffic congestion in the region.

The FY 2018 Fairfax County funding amount for the Dulles Areas Transportation Association is $15,000, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Metropolitan Washington Council of Governments	$969,114	$992,555	$992,555	$1,039,064	$1,039,064

The Metropolitan Washington Council of Governments (COG) is the regional planning organization of the Washington, D.C. area's local governments. COG works toward solutions to regional problems such as transportation, affordable housing, emergency preparedness and environmental issues. Currently, 22 area jurisdictions are members, including Fairfax County. Funding for COG is provided through federal and state grants, special contributions (fees for services) and local government contributions.

Annual COG contributions are based on the per capita rate multiplied by the population estimates provided by member jurisdictions. The FY 2018 per capita rate is $0.740, compared to the FY 2017 rate of $0.725.

Fund 10030
Contributory Fund

The FY 2018 Administrative Contribution totals $848,250, an increase of $38,972 over the FY 2017 Adopted Budget Plan of $809,278. COG calculates each jurisdiction's share based on the region's estimated population. In addition to the Administrative Contribution of $848,250 and Special Contributions of $190,814 ($150,895 for the Regional Environmental Fund and $39,919 for Water Resources), for a total Fund 10030 contribution of $1,039,064, an amount of $12,000 is budgeted in Fund 40170, I-95 Solid Waste Disposal, and $316,045 ($245,220 for Water Resource Planning, $60,000 for Blue Plains Users, and $10,825 for the Community Engagement Campaign) is budgeted in Fund 69010, Sewer Operation and Maintenance. The total FY 2018 County contribution to COG is $1,367,109.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
National Association of Counties	$21,635	$21,635	$21,635	$21,635	$21,635

The National Association of Counties (NACo) is an organization that represents and informs participating governments of current developments and policies that affect services and operations. NACo acts as a liaison with other levels of government, works to improve public understanding of counties, serves as a national advocate for counties and provides them with resources to find innovative methods to meet the challenges they face. NACo is involved in a number of special projects that deal with issues such as homeland security, energy, environment, housing and land use, among others.

An amount of $21,635 is included for FY 2018 dues, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Northern Virginia Regional Commission	$643,861	$725,462	$725,462	$734,481	$734,481

The Northern Virginia Regional Commission (NVRC) is a regional council of local governments in Northern Virginia created in 1969 pursuant to the Virginia Area Development Act and a regionally-executed charter. In 1995, the Virginia Area Development Act was amended and renamed the Regional Cooperation Act. It sets forth the purpose of planning district commissions as follows: "…to encourage and facilitate local government cooperation in addressing, on a regional basis, problems of greater than local significance. The cooperation resulting from this Act is intended to assist local governments in meeting their own problems by enhancing their abilities to recognize and analyze regional opportunities and take account of regional influences in planning and implementing their public policies and services."

NVRC's policies and programs are established by a 25-member Board of Commissioners composed entirely of elected council and board members of NVRC's 14 member localities. The work of the Commission is supported in part by contributions from the member local governments and by appropriations from the Virginia General Assembly.

NVRC serves as a neutral forum for decision-making; provides member governments with the information and analyses necessary to make sound local and regionally beneficial decisions; provides professional and technical services to enable member governments to plan for their future individually and as a region; and carries out programs and functions at the request of member governments to supplement their own capacities or to achieve economies of scale through regional approaches. NVRC's services are divided into regional policy programs such as the legislative program; demographics and information services; environmental and land use; and human services programs.

The total FY 2018 Fairfax County contribution is $734,481, an increase of $9,019 or 1.2 percent over the FY 2017 Adopted Budget Plan contribution of $725,462. This amount provides for the annual contribution of $652,944, as well as special contributions of $48,110 to support the Occoquan Watershed Management Program, $13,081 for the Northern Virginia Waste Management Program, and $20,346 for the Four-Mile Run Watershed Management Program. The FY 2018 per capita rate of $0.60 is unchanged from FY 2017.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Northern Virginia Transportation Commission	$168,142	$170,160	$170,160	$173,721	$173,721

The Northern Virginia Transportation Commission (NVTC) is the executive agency of the Northern Virginia Transportation District. It was established by state statute as a political subdivision of the Commonwealth of Virginia. The principal business activity of the Commission is to manage and control the functions, affairs and property of the Northern Virginia Transportation District, as defined in the Transportation Act of 1964. It represents its constituent jurisdictions (Alexandria, Falls Church, Fairfax City, Arlington County, Fairfax County and Loudoun County) on the Washington Metropolitan Area Transportation Authority (WMATA) Board.

Each NVTC jurisdiction is assigned a percentage of the local portion of NVTC's administrative budget based on the jurisdiction's share of state aid received by NVTC in the previous year. This is determined by the application of a subsidy allocation model that projects the total amount of state aid received by the region and local jurisdictions. This model contains seven formulas including such variables as Metrorail construction costs, Metrorail service costs, ridership volume and population. These calculated percentages for each jurisdiction are applied to NVTC's remaining administrative budget after other revenue sources such as state aid, interest earned and project chargebacks have been applied.

Based on its share of revenue received by NVTC on behalf of Fairfax County, the total FY 2018 County contribution is $173,721, an increase of $3,561 or 2.1 percent over the FY 2017 Adopted Budget Plan contribution of $170,160.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Virginia Association of Counties	$234,966	$239,666	$239,666	$239,446	$239,446

The Virginia Association of Counties (VACo) is an organization dedicated to improving County government in the Commonwealth of Virginia. To accomplish this goal, the Association represents Virginia counties regarding state legislation that would have an impact on them. The Association also provides conferences, publications and programs designed to improve county government and to keep county officials informed of recent developments in the state, as well as across the nation.

The FY 2018 Fairfax County contribution to VACo is $239,466, a decrease of $220 or less than one percent from the FY 2017 Adopted Budget Plan contribution of $239,666. The funding level is based on an assumed population increase of two percent annually. The per capita rate of $0.21 remains unchanged.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Washington Airports Task Force	$50,000	$50,000	$50,000	$50,000	$50,000

The Commonwealth of Virginia, Fairfax County, the private sector and other local governments support the Washington Airports Task Force. Its purpose is to develop markets, as well as promote domestic and foreign usage of the Metropolitan Washington airports. It has yielded hundreds of millions of dollars in economic return for the Washington region and the Commonwealth of Virginia, including investment, tourism income, trade opportunities and jobs. Both Dulles and Washington National airports continue their significant impact on Fairfax County's economy.

The FY 2018 Fairfax County contribution is $50,000, which is consistent with the FY 2017 Adopted Budget Plan. The contribution will be used to maintain a comprehensive, proactive marketing and sales program to promote the region's air service opportunities to the world's airlines and other air service providers; encourage improvement of airport access; ensure adequate air traffic control, homeland security and customs support services from the federal government; and support the Metropolitan Washington Airports Authority's capital development.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Subtotal Legislative-Executive	**$2,102,718**	**$2,214,478**	**$2,214,478**	**$2,273,347**	**$2,273,347**

Public Safety:

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
NOVARIS	$9,577	$9,577	$9,577	$9,577	$9,577

The Northern Virginia Regional Identification System (NOVARIS) utilizes state-of-the-art computer equipment to identify criminals by categorizing and matching fingerprints. It enables police to match a fingerprint found at the scene of a crime with any individual who has been arrested in the Washington Metropolitan area by comparing the print or partial print with all prints in the database.

Participating Washington metropolitan area jurisdictions share costs associated with NOVARIS based on the sworn police population of each jurisdiction as approved by the NOVARIS Advisory Board on July 30, 1997. As of FY 2008, Montgomery and Prince George's counties no longer participate in NOVARIS as those jurisdictions have joined a Maryland regional fingerprint system. However, Loudoun County and the Virginia State Police joined NOVARIS in FY 2008. The system is housed in Fairfax County and is staffed by personnel contributed by the participating jurisdictions. Fairfax County exercises a fiduciary responsibility for the financial management and operation of NOVARIS, with the County contribution made through the Contributory Fund.

The total Fairfax County FY 2018 funding is $9,577, which is consistent with the FY 2017 Adopted Budget Plan. The contribution consists of the County's annual share of costs associated with operations and upgrades of NOVARIS.

Fund 10030
Contributory Fund

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
NVERS	$0	$0	$140,000	$15,000	$15,000

The Northern Virginia Emergency Response System (NVERS) is an organization which serves as a collaborative partnership between local governments, the Commonwealth of Virginia, and the private sector to build emergency management and homeland security capacity through the regional integration of policies, training, resources, information sharing and program management for the health and welfare of Northern Virginia residents. Active participants in NVERS include representatives from fire and rescue, emergency medical services (EMS), hazardous materials, law enforcement, emergency management, hospital, public health, public information, and information technology.

As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $140,000 for NVERS. The contribution included $125,000 for a one-time equity contribution and $15,000 for annual membership dues. The one-time refundable equity contribution helped to create a cash flow reserve to cover three months' worth of grant reimbursable operating expenses, due to lags in receiving reimbursements. The County's annual membership dues of $15,000 are designated to cover non-reimbursed business expenses.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Subtotal Public Safety	**$9,577**	**$9,577**	**$149,577**	**$24,577**	**$24,577**

Health and Welfare:

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Health Systems Agency of Northern Virginia	$108,200	$108,200	$108,200	$108,200	$108,200

The Health Systems Agency (HSA) of Northern Virginia is a regional body charged with coordinating and improving the health care system for Northern Virginia. To accomplish this, the agency establishes short-term objectives and long-range goals, as well as prepares annual implementation plans. In addition, HSA promotes and assists in community-oriented planning among and within local health care systems, documents and evaluates the need for new services in the region, and reviews health service and facility capital expenditure proposals subject to certificate of public need regulation filed by health service provider organizations in the region. Member jurisdictions include the counties of Fairfax, Arlington, Loudoun and Prince William, as well as the cities of Fairfax, Alexandria, Manassas and Falls Church. Funding contributions to HSA from local jurisdictions are encouraged but are not required.

The FY 2018 funding amount for the Health Systems Agency is $108,200, which is consistent with the FY 2017 Adopted Budget Plan. The contribution is based on a per capita rate of $0.10 and Fairfax County's 2010 Census population figures. In FY 2018, revenue of $221,770 is projected to be received from three sources: local government contributions, $178,970 or 81 percent; contracts and grants, $30,000 or 13 percent; and contracts and fees of $12,800 or six percent. Fairfax County is the largest local government contributor in FY 2018, providing $108,200 or 60 percent of the support received from the local government units.

Fund 10030
Contributory Fund

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Medical Care for Children	$237,000	$237,000	$237,000	$237,000	$237,000

The Medical Care for Children Partnership (MCCP) program provides medical and dental care to children of the working poor in Fairfax County. In January 2009, members of the Medical Care for Children Advisory Council and private citizens concerned about health care for children in Fairfax County formed the Medical Care for Children Partnership which is dedicated to conducting fundraising support on behalf of the County for the care of uninsured children in Fairfax County.

MCCP receives funding from Fairfax County as its sole local government source. The Fairfax County FY 2018 contribution is $237,000, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Northern Virginia Healthcare Center/Birmingham Green Adult Care Residence	$2,576,887	$2,452,456	$2,452,456	$2,605,826	$2,605,826

Birmingham Green, a collective name, was founded in 1927 as a District Home under legislation passed in 1918 by the General Assembly. The District Home legislation encouraged jurisdictions to join together to establish facilities for indigent persons who need a permanent home and also require assistance with daily living activities. Fairfax was one of five jurisdictions that agreed to participate in the District Home in Manassas.

The property, which is located on 54 acres, includes an original building from 1927, a 180-bed nursing facility, and two joint apartment-type buildings for 92 assisted living residents. The counties of Fairfax, Fauquier, Loudoun and Prince William, as well as the City of Alexandria established the Northern Virginia Healthcare Center Commission in 1987. Each jurisdiction is represented by a member on the Commission.

The present nursing home, Birmingham Green Healthcare Facility, opened in May 1991. The nursing facility accepts residents who are eligible for long-term care Medicaid and who are referred by the five participating jurisdictions. In Fairfax, social workers from the Department of Family Services screen and refer eligible individuals. A few persons are admitted for only rehabilitation and their care is paid for by Medicare or private insurance. For diversification of funding, but in keeping with the mission of serving indigent persons, a limited number of persons who pay privately are admitted.

The old District Home, a licensed assisted living facility, adjacent to the nursing facility, now accepts private pay residents with moderate incomes. The District Home continues to operate under the auspices of the Commission. This facility provides room and board, along with assistance in activities of daily living for older adults and adults with disabilities.

Willow Oaks, a 92-unit licensed assisted living facility replaced the original 64-bed District Home in 2008. Funding for the new facility was primarily provided through the U.S. Department of Housing and Urban Development. As with the nursing facility, individuals are referred by the five participating jurisdictions. To be admitted, individuals must be eligible for auxiliary grants, which supplement the individuals' incomes. Medicaid provides for needed medical care.

Operating costs for Birmingham Green are partially covered through the Medicaid and General Relief programs at the maximum rates established by the state. To the degree that these funds, along with some additional funds from Medicare, other insurance, and private pay, are inadequate to cover the full costs of the operation of the facility, the sponsoring jurisdictions then subsidize Birmingham Green on a user formula basis. Each jurisdiction pays for Personnel Services and Operating Expenses at a level proportionate to the number of the jurisdiction's residents.

The total FY 2018 Fairfax County funding for these facilities is $2,605,826, an increase of $153,370 or 6.3 percent compared to the FY 2017 Adopted Budget Plan contribution of $2,452,456. The increase is based on actual costs and utilization rates at the facilities.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Volunteer Fairfax	$405,772	$405,772	$405,772	$405,772	$405,772

Volunteer Fairfax is a private, nonprofit corporation created in 1975 and incorporated in the Commonwealth of Virginia. The center promotes volunteerism through a network of over 1,000 nonprofit and public agencies by mobilizing people and other resources to improve the community. Its primary goals are: to assist private nonprofit and public agencies in developing strong, efficiently managed organizations and volunteer programs; to increase corporate and citizens' direct involvement in the community; to provide programs and services through partnerships that contribute to the resolution of community issues; and to increase the public's awareness of both the need for and the benefits of volunteer service to the community. The scope of the center's work also includes active participation in emergency preparedness activities and coordination through its support of the Citizen Corps, the County's Emergency Management Coordinating Council and Emergency Operations Center, the Northern Virginia Voluntary Organizations Active in Disaster, and the Metro Coalition of Volunteer Centers.

The center receives funding from Fairfax County as its sole local government source. In addition to the annual contribution, Fairfax County provides in-kind office space to the center. The Fairfax County FY 2018 contribution is $405,772, which is consistent with the FY 2017 Adopted Budget Plan contribution.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Subtotal Health and Welfare	**$3,327,859**	**$3,203,428**	**$3,203,428**	**$3,356,798**	**$3,356,798**

Parks, Recreation and Cultural:

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Arts Council of Fairfax County	$331,694	$331,694	$331,694	$331,694	$331,694

Established in 1964, the Arts Council of Fairfax County is a private, nonprofit organization whose goals are to encourage, coordinate, develop and meet the needs of County residents and organizations for cultural programs. It develops and maintains a broad range of visual and performing arts programs designed to contribute to the growth of an integrated area-wide cultural community. It also supports and encourages the development of local artists and organizations by providing opportunities to reach new audiences through participation in Arts Council-sponsored activities.

In FY 2018, the Arts Council will continue the planning and implementation of the County's Master Arts Plan. The FY 2018 Fairfax County contribution is $331,694, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Arts Council of Fairfax County - Arts Groups Grants	$96,900	$96,900	$96,900	$96,900	$96,900

In 1980, the Arts Council Advisory Panel was established to institute a grant system for County arts organizations. The Advisory Panel is the official entity established by the Arts Council for evaluating and ranking all art requests for funds, support services and facilities support from the Fairfax County government. This panel reviews all applications from local arts organizations, and based on eligibility and evaluating criteria, makes recommendations for approving grants. It also encourages County arts organizations to seek contributions from a wide range of sources.

The total FY 2018 funding included for the Arts Council of Fairfax County - Arts Groups Grants is $96,900, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Challenge Grant Funding Pool for the Arts	$444,125	$444,125	$444,125	$444,125	$444,125

The Challenge Grant Funding Pool for the Arts was established in FY 2007 by the Board of Supervisors and is administered by the Council on the Arts. Funds are to be used on a competitive basis by community arts organizations, with no more than $50,000 to support administrative costs of the Arts Council of Fairfax County.

The Challenge Grant Funding Pool is intended as a means to further leverage private funding and enable the arts to continue to flourish in the County. The grants are intended to leverage private funds by requiring a 2:1 dollar match. Funding is intended to support both arts in public spaces and the performing arts.

The total FY 2018 funding included for the Challenge Grant Funding Pool for the Arts is $444,125, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Dulles Air and Space Museum	$100,000	$100,000	$100,000	$100,000	$100,000

The Udvar-Hazy Center of the Smithsonian Institute's Dulles Air and Space Museum currently serves more than 1,200,000 people annually and since the museum opened in December 2003, over 14.5 million people have visited.

Education is a vital part of the mission of the Center. There are classrooms and expanded programs for educators and students, particularly those in Fairfax County. The goal is to teach young people about America's aviation and space heritage, and emphasize the importance of technology.

The FY 2018 funding included for the Dulles Air and Space Museum is $100,000, which is consistent with the FY 2017 Adopted Budget Plan. The FY 2018 contribution will help to ensure the sustainability and success of the work performed by the Center.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Fairfax Symphony Orchestra	$261,032	$261,032	$261,032	$261,032	$261,032

The Fairfax Symphony Orchestra (FSO) is a nonprofit organization chartered by the Virginia State Commission in 1966. A mixture of public and private contributions supports the orchestra. The FSO provides County residents with the opportunity to hear and learn about symphonic and ensemble music. The orchestra sponsors a variety of programs, including its own concert series, programs in the public schools, master classes for young music students, chamber orchestra for young adults, and the special music collection in the Fairfax County Public Library.

The County's contribution to the FSO supports all facets of the orchestra – Masterworks concerts, educational outreach and special concerts. County support in FY 2018 will allow the orchestra to continue its valuable partnership with the Fairfax County Public Schools and the Fairfax County Park Authority to provide music literacy and outreach programs. FSO will continue to expand its Symphony Creating Outreach Resources for Educators (SCORE) program, an interactive and flexible program serving elementary, middle and high school band and orchestra students in Fairfax County Public Schools. In addition, FSO will continue to perform free events at County parks and historic sites.

The FY 2018 funding included for the Fairfax Symphony Orchestra is $261,032, which is consistent with the FY 2017 Adopted Budget Plan.

Fund 10030
Contributory Fund

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Fort Belvoir Army Museum	$150,000	$150,000	$150,000	$150,000	$150,000

Since FY 2005, the Board of Supervisors has provided funding to support construction of the U.S. Army Museum at Fort Belvoir in the southeastern part of Fairfax County. The capital campaign to raise $200 million in private funds has been underway, managed by the Army Historical Foundation, a nonprofit organization dedicated to preserving the Army's heritage. The museum is expected to draw approximately 740,000 visitors annually when it opens. The museum will feature unique educational programs and resources in the areas of technology, history, geography, political science, engineering and civics for students of all ages. The opening date is tentatively set for 2018.

All of the branches of the military either already have a centralized museum, or are in the process of building one. The Air Force Museum is at Wright-Patterson Air Force Base, Ohio; the Navy Museum is at the Washington Navy Yard; and the U.S. Marine Corps opened its National Heritage Center at Quantico Marine Base, less than 20 miles south of Fort Belvoir in Prince William County in November 2006. A County contribution of $150,000 has been included for the U.S. Army Museum for FY 2018, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Northern Virginia Regional Park Authority	$2,137,446	$2,149,947	$2,149,947	$2,158,822	$2,158,822

The Northern Virginia Regional Park Authority (NVRPA) is a multi-jurisdictional, special-purpose agency established to provide a system of regional parks for the Northern Virginia area. The NVRPA currently operates 30 regional parks and owns over 11,000 acres of land, of which more than 8,000 acres are in Fairfax County. Parklands within the system include: Bull Run, Bull Run Marina, Fountainhead, Sandy Run, Pohick Bay, Carlyle House Historic Park, Potomac Overlook, Upton Hill, Algonkian, Red Rock, the W&OD Trail, Occoquan, Hemlock Overlook, Cameron Run, Gateway, Meadowlark Gardens, Ball's Bluff, Temple Hall, Brambleton, Aldie Mill and Blue Ridge Park. In addition, the NVRPA administers extensive regional historic and conservation properties throughout Northern Virginia. These community resources are supported primarily from the annual contributions of its six member jurisdictions: the counties of Fairfax, Loudoun and Arlington, and the cities of Fairfax, Alexandria and Falls Church. Each member jurisdiction's contribution is in direct proportion to its share of the region's population. In the past decade, the entire population served by the NVRPA grew to 1.9 million residents and is expected to approach 2.0 million by 2020.

Fairfax County's contribution to the Northern Virginia Regional Park Authority in FY 2018 is $2,158,822, an increase of $8,875 or less than one percent over the FY 2017 Adopted Budget Plan contribution of $2,149,947 based on an increase in the County's population. The FY 2018 per capita rate is $1.89, which is unchanged from FY 2017.

In addition to the operating contribution, an amount of $3,000,000 has been included in Fund 30010, General Construction and Contributions. This funding will serve as the FY 2018 annual capital contribution.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Reston Historic Trust	$16,150	$16,150	$16,150	$16,150	$16,150

The Reston Historic Trust is a community-based 501(c)(3) organization located in the heart of the Lake Anne Revitalization District. It was founded in 1996 as an educational institution to promote the social and economic vitality of Reston through a program of history-based educational activities. Since FY 2000, Fairfax County has provided annual funding to the Reston Historic Trust to assist in the operational costs of the Reston Museum, located at Lake Anne Plaza. The museum has evolved as a focal point in the community, hosting special events, weekend programs and lectures, and providing exhibits that depict Reston's past and future.

In FY 2018, the organization will continue its efforts on education, community outreach, and cultural development, through collaborative programming and training with other area organizations. The County's FY 2018 contribution to the Reston Historic Trust is $16,150, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Town of Herndon	$40,000	$40,000	$40,000	$40,000	$40,000

In FY 2018, an amount of $40,000 is provided to the Town of Herndon for tourism related uses. This level of funding is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Town of Vienna Teen Center	$32,300	$32,300	$32,300	$32,300	$32,300

The Vienna Teen Center is operated by the Town of Vienna Parks and Recreation Department. The Center, known as Club Phoenix, provides local teenagers with positive, supervised recreational and educational programs and activities. The County's contribution assists the Town of Vienna in the operation and improvement of the Center, and helps provide funding for programs, staffing and the purchase of materials and other supplies.

The FY 2018 contribution for the Town of Vienna Teen Center is $32,300, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Wolf Trap Foundation for the Performing Arts	$125,938	$125,938	$125,938	$125,938	$125,938

A private/public partnership was established in 1968 between the Wolf Trap Foundation and the National Park Service for the operation of the Wolf Trap Farm Park for the Performing Arts in Vienna, Virginia. The partnership was founded through a gift of land to the United States Government. The National Park Service maintains the property and conducts parking and audience management.

The Foundation is responsible for all other aspects of running the facility, including the presentation of a wide variety of performances and educational programs. Foundation programs reach nearly 410,000 people in Fairfax County each year at two sites: the Filene Center, a 7,000-seat outdoor amphitheater in a park-like setting; and the Barns of Wolf Trap, two 18th Century barns reconstructed at Wolf Trap using original building materials and techniques.

In FY 1999, Fairfax County began to contribute funding to Wolf Trap to support the Foundation's efforts to provide Fairfax County citizens with access to the best possible performing arts, and to position Fairfax County nationally as a leader in the arts and arts-in-education. Educational programs focusing on Fairfax County's young children and their teachers, parents and caregivers include development workshops for teachers, family involvement workshops, and field trip performances. For example, Wolf Trap is partnering with Fairfax County Public Schools to develop and evaluate new techniques of using the arts to advance science, technology, engineering and math (STEM) learning among kindergarten students.

The FY 2018 contribution is $125,938, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Subtotal Parks, Recreation & Cultural	**$3,735,585**	**$3,748,086**	**$3,748,086**	**$3,756,961**	**$3,756,961**

Community Development:

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Architectural Review Board	$3,500	$3,500	$3,500	$8,200	$8,200

The Architectural Review Board (ARB) administers the Historic Overlay District provisions in the County's Zoning Ordinance and advises the Board of Supervisors on other properties that warrant historic preservation through historic district zoning, proffers or easements. There are currently 13 Historic Overlay Districts, with the potential for at least one more. The Board of Supervisors frequently requests advice on the preservation of historic structures as part of the County's development review process and the Open Space and Historic Preservation Easement program.

The ARB is composed of 11 members who have demonstrated knowledge and interest in the preservation of historical and architectural landmarks. Fairfax County's contribution is $8,200, an increase of $4,700 over the FY 2017 Adopted Budget Plan contribution of $3,500. The increase is based on an increase in the cost of administrative support for recording meetings and increased expenses for training required for Board members.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Commission for Women	$6,916	$6,916	$6,916	$6,916	$6,916

The Commission for Women was created by the Board of Supervisors in 1971 to promote the equality of women and girls in Fairfax County, to advise the Board on the concerns of Fairfax County's women and girls; to present possible solutions; and to effect long-term change through public education, policy reform and building community partnerships. The Commission is composed of 11 members, nine of whom are appointed by members of the Board of Supervisors and two at-large members appointed by the Board's Chairman. There is also a student representative from a local college or university who is a non-voting member.

In FY 2018, the Commission will focus on several initiatives, including participating in the County's Domestic Violence Prevention Policy Coordinating Council and leveraging existing County resources by collecting used cell phones for the Verizon Wireless HopeLine Program, which puts wireless services and equipment to work to assist victims of domestic violence.

The total FY 2018 Fairfax County contribution to the Commission for Women is $6,916, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Convention and Visitors Corporation	$2,506,188	$2,728,925	$2,728,925	$2,797,148	$2,797,148

As a result of enabling legislation approved by the 2004 General Assembly, the County was granted the authority to impose an additional two percent Transient Occupancy tax beginning July 1, 2004. As required by the legislation, no less than 25 percent of the additional revenue is to be designated for and appropriated to a nonprofit Convention and Visitors Corporation located in Fairfax County.

The mission of the Convention and Visitors Corporation, known as Visit Fairfax, is "to create and effectively market exciting products, programs and activities that will distinguish Fairfax County as a premier tourism destination." Visit Fairfax is a 503(c) (3) organization with 25 board members appointed by the Board of Supervisors and the tourism industry.

Based on the projected Transient Occupancy Tax revenue in FY 2018, the total Fairfax County FY 2018 contribution to the Convention and Visitors Corporation is $2,797,148, an increase of $68,223 or 2.5 percent over the FY 2017 Adopted Budget Plan contribution of $2,728,925.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Earth Sangha	$16,150	$16,150	$16,150	$16,150	$16,150

Earth Sangha is an environmental nonprofit organization committed to helping people become better stewards of the planet by providing numerous volunteer opportunities involving environmental work. The organization supports a native forest gardener network which produces, conserves and restores native plants of the Washington, DC metropolitan area. This program aims to produce batches of seedlings that are genetically diverse, locally adapted and representative of the native forest flora. Volunteer opportunities involve planting the native seedlings, shrubs, wild flowers, grasses and trees in local parks, fields, and forests. Earth Sangha partners with the Fairfax County Department of Public Works and Environmental Services and the Fairfax County Park Authority on several planting events throughout the County, including at Wilburdale Park in Annandale, Waverly Park in Vienna, Frying Pan Park in Herndon, and Sully Historic Park in Chantilly, among others.

The FY 2018 Fairfax County funding is $16,150, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Fairfax 2015 World Police and Fire Games	$3,000,000	$0	$0	$0	$0

As part of the *FY 2015 Carryover Review*, the Board of Supervisors approved funding of $3,000,000 for the World Police and Fire Games. Fairfax County hosted the World Police and Fire Games from June 26 through July 5, 2015. This international athletic competition provided recreational Olympic-style sports competitions for police and fire professionals from around the world. Approximately 10,000 athletes from 68 countries competed in more than 60 sports in Fairfax County and surrounding jurisdictions. Governor McAuliffe recommended and the General Assembly of the Commonwealth of Virginia authorized $1.0 million from the Commonwealth's General Fund to the County in FY 2016 to support the efforts to host the games. This revenue from the Commonwealth offset expenditures related to the games for a net impact of $0 to the County. In addition, the General Fund Transfer to the Contributory Fund was increased an additional $2.0 million in support of the games. No funding is included in FY 2018.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Fairfax County History Commission	$21,013	$21,013	$21,013	$21,013	$21,013

The History Commission was created by the Board of Supervisors in 1969 to advise County government and generally promote the public interest in matters concerning the history of Fairfax County. There are 20 members who are appointed by the Board of Supervisors for three-year terms and who may be reappointed. The Commission advises the Board and County on matters involving the County's history; maintains an inventory of historic sites in the County; proposes and monitors historic districts and provides to local groups on matters of historic preservation. Major programs include: educational activities, cooperative ventures with local universities in local history activities, liaison functions with state/national historic preservation organizations, historic record indexing projects, archaeology programs and expansion of photographic archives.

The FY 2018 Fairfax County funding is $21,013, which is consistent with the FY 2017 Adopted Budget Plan.

Fund 10030
Contributory Fund

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Fairfax ReLeaf	$41,990	$41,990	$41,990	$41,990	$41,990

Fairfax ReLeaf is a nonprofit organization of volunteers that plants and preserves trees and restores forest cover on public and common lands in Northern Virginia. The organization's activities are aimed at preserving trees and offsetting tree loss by planting thousands of trees each year in order to improve air and water quality, reduce noise, preserve wildlife habitats, and reduce surface runoff. In 2017, Fairfax ReLeaf intends to plant 7,000 trees.

The FY 2018 Fairfax County funding is $41,990, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Greater Reston Incubator	$24,225	$24,225	$24,225	$24,225	$24,225

The FY 2018 Fairfax County funding for the Greater Reston Chamber of Commerce's (GRCC) Incubator Program is $24,225, which is consistent with the FY 2017 Adopted Budget Plan. The GRCC's Incubator Program assists entrepreneurs in developing high-growth businesses in various sectors of the regional economy including technology, government services and supporting industries. The program provides business services, technical support, and physical space to help emerging businesses to grow. Job creation and increased regional prosperity are the program's primary goals. This volunteer-driven program has helped more than 120 companies over the past 15 years, created over 750 jobs in the region, attracted over $45 million in investment, and occupied in excess of 100,000 square feet of commercial space in Fairfax County.

The FY 2018 Fairfax County contribution is $24,225, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Inova Translational Medicine Institute	$500,000	$500,000	$500,000	$500,000	$500,000

The Inova Translational Medicine Institute (ITMI) is Inova's visionary initiative to bring personalized medicine to Northern Virginia and the world. It is leading the transformation of healthcare from a reactive to a predictive model using technological innovation, pioneering research and sophisticated information management. The goal is to provide the right treatment for the right patient at the right time, and ultimately prevent disease in the first place. The long-term work of ITMI will enable Inova to successfully and quickly translate advances from genomics (the study of genes and their function) and the molecular sciences to patients, optimizing individual health and well-being.

The FY 2018 Fairfax County contribution is $500,000, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Northern Virginia 4-H Education Center	$15,000	$15,000	$15,000	$15,000	$15,000

The Northern Virginia 4-H Education Center was developed in cooperation with the Virginia Cooperative Extension Service. The Center currently serves 19 localities in Northern Virginia and many of the program participants are Fairfax County residents. This educational and recreational complex for youth and adults residing in Northern Virginia is located in Front Royal, Virginia.

The total FY 2018 contribution for the Northern Virginia 4-H Education Center is $15,000, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Northern Virginia Community College	$88,418	$87,443	$87,443	$86,887	$86,887

Northern Virginia Community College (NVCC) is a comprehensive institution of higher education offering programs of instruction generally extending not more than two years beyond the high school level. The College currently has six campuses (Alexandria, Annandale, Loudoun, Manassas and Springfield for medical education and Woodbridge) with permanent facilities constructed on each site. In addition to the six campuses, the College has centers in Arlington and Reston. Each year, the College serves more than 78,000 students in credit-earning courses and more than 25,000 students in continuing education and training activities.

NVCC projects FY 2018 expenditures of $187,429 for base operating requirements. The base, which is funded by the governing bodies of the local jurisdictions served by the College, as well as any fund balances support additional services that cannot be provided under the College's annual state fiscal appropriations. For example, local funding provides for increased matching loan funds and support of community service activities. This local funding is for Operating Expenses only and is not applied toward Personnel Services. The local jurisdictions served by the College are requested to contribute their share of the College's base expenditure, which is calculated on a per capita basis as reported by the College using population figures from the Weldon Cooper Center for Public Service.

The FY 2018 Fairfax County contribution to this agency for operations and maintenance is $86,887, a decrease of $556 or less than 1 percent from the FY 2017 Adopted Budget Plan contribution of $87,443. This decrease is due to shifts in population among the contributing jurisdictions. This amount reflects the County's share of the services provided to Fairfax County residents as reported by the College and is 46.4 percent of the local jurisdictions’ contributions totaling $187,429 for FY 2018.

In addition, County funding of $2,540,993 is included in Fund 30010, General Construction and Contributions, for an annual capital contribution to the College based on a $2.25 per capita rate using population figures provided by the Weldon Cooper Center. Funding provides for the continued construction and maintenance of various capital projects on college campuses within the NVCC system.

Fund 10030
Contributory Fund

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Northern Virginia Conservation Trust	$227,753	$227,753	$227,753	$227,753	$227,753

The primary purpose of the public/private partnership between the Northern Virginia Conservation Trust (NVCT) and Fairfax County is for NVCT to assist the County in the preservation of natural areas and historic properties through the use of conservation/open space easements, land gifts and acquisition of open space. The Trust is also tasked with educating the public on the importance of conservation and the County's abundant natural resources through outreach programs. Through this partnership, NVCT has been able to permanently conserve over 685 acres in Fairfax County. Some of the conserved land serves as a habitat for a variety of rare species and different vegetation communities.

FY 2018 funding of $227,753 is included, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Southeast Fairfax Development Corporation	$183,320	$183,320	$183,320	$183,320	$183,320

The Southeast Fairfax Development Corporation (SFDC) is a private, nonprofit organization that operates under a Memorandum of Understanding between the Fairfax County Board of Supervisors and the SFDC. Over the years, the Corporation has promoted, encouraged, facilitated and guided economic development and revitalization on the 7.5 mile length of Richmond Highway from the Capital Beltway to Fort Belvoir, the largest of the County's seven designated revitalization areas. It provides marketing and promotion aimed at business attraction and retention; direct assistance to developers and businesses; and to a lesser degree, land use planning and coordination with the Richmond Highway community. It is this community consensus that makes revitalization/redevelopment possible. SFDC is committed to improving the quality of life, creation and retention of jobs, community appearance and increased tax base. Its 18-member volunteer Board of Directors is representative of the community.

The total FY 2018 Fairfax County contribution for SFDC is $183,320, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Women's Center of Northern Virginia	$27,023	$27,023	$27,023	$27,023	$27,023

The Women's Center is a private, nonprofit organization that provides personal and professional development services to women in Northern Virginia. Since FY 1978, the Board of Supervisors has contributed to this center in order to provide free or sliding-fee scale services to Fairfax County female residents who are unemployed, separated, abandoned or divorced, and the head of a household. Services include individual and group workshop sessions for women covering such areas as divorce, separation, financial planning and legal rights.

In FY 2018, the Center anticipates receiving requests from County residents for approximately 17,382 hours of direct service to meet their interrelated psychological, practical, legal and financial needs. Many of these residents are financially disadvantaged and require low-cost services. Access to these services enables community members to become self-sufficient and ultimately more productive community members.

The total FY 2018 Fairfax County funding is $27,023, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Subtotal Community Development	**$6,661,496**	**$3,883,258**	**$3,883,258**	**$3,955,625**	**$3,955,625**

Nondepartmental:

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Employee Advisory Council	$33,000	$33,000	$33,000	$33,000	$33,000

The Employee Advisory Council (EAC) was established by the Fairfax County Merit System Ordinance to provide a continuing medium through which all employees in the competitive service, both school and County, may contribute their advice and suggestions for the improvement of the career merit system and other aspects of the government of Fairfax County. There are 11 representatives for County Government groups and 10 for School Support groups.

The total FY 2018 Fairfax County contribution for the EAC is $33,000, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Fairfax Public Law Library	$92,657	$92,657	$92,657	$92,657	$92,657

The mission of the Fairfax Public Law Library is to promote justice by providing all citizens with access to legal information. The legal resources available in the Law Library are not available to the public at any other single location within the County. In 2001, Fairfax County, the Clerk of the Court, and the Fairfax Bar Association (FBA) entered into an agreement with regard to the Law Library. The agreement provides that Fairfax County, through the Fairfax County Public Library shall have primary responsibility for the administration of the Law Library, while the FBA has primary responsibility for its management.

Currently located in the Fairfax County Judicial Center, the Fairfax Public Law Library assists the public, as well as members of the legal community, with locating sources for legal information and provides bibliographic instruction. In addition to the collection, the Law Library has eight work stations dedicated to providing general information on divorce, immigration, estate planning and employment for patrons, as well as eight computer work stations where the public may locate sample legal forms and do a variety of research online. In recent years, the Law Library has decreased its printed materials and increased subscriptions to online databases. The Fairfax Public Law Library anticipates serving over 80,000 patrons in FY 2018. Many are in need of legal information because they are unable to afford legal representation but do not qualify for free legal services.

Fund 10030
Contributory Fund

The total FY 2018 Fairfax County funding is $92,657, which is consistent with the FY 2017 Adopted Budget Plan.

Fairfax County	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Subtotal Nondepartmental	$125,657	$125,657	$125,657	$125,657	$125,657
Total County Contributions	$15,962,892	$13,184,484	$13,324,484	$13,492,965	$13,492,965

Fund 10030
Contributory Fund

FUND STATEMENT

Fund 10030, Contributory Fund

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$123,240	$50,711	$54,985	$29,274	$29,274
Revenue:					
Revenue from the Commonwealth	$1,000,000	$0	$0	$0	$0
Total Revenue	$1,000,000	$0	$0	$0	$0
Transfer In:					
General Fund (10001)	$14,894,637	$13,158,773	$13,298,773	$13,467,254	$13,467,254
Total Transfer In	$14,894,637	$13,158,773	$13,298,773	$13,467,254	$13,467,254
Total Available	$16,017,877	$13,209,484	$13,353,758	$13,496,528	$13,496,528
Expenditures:					
Legislative-Executive Functions/Central Services Agencies	$2,102,718	$2,214,478	$2,214,478	$2,273,347	$2,273,347
Public Safety	9,577	9,577	149,577	24,577	24,577
Health and Welfare	3,327,859	3,203,428	3,203,428	3,356,798	3,356,798
Parks, Recreational and Cultural	3,735,585	3,748,086	3,748,086	3,756,961	3,756,961
Community Development	6,661,496	3,883,258	3,883,258	3,955,625	3,955,625
Nondepartmental	125,657	125,657	125,657	125,657	125,657
Total Expenditures	$15,962,892	$13,184,484	$13,324,484	$13,492,965	$13,492,965
Total Disbursements	$15,962,892	$13,184,484	$13,324,484	$13,492,965	$13,492,965
Ending Balance[1]	$54,985	$25,000	$29,274	$3,563	$3,563

[1] For several contributory agencies where Fairfax County funding is based upon actual usage that can fluctuate, unused appropriation falls to fund balance, which is then reappropriated after leaving a nominal balance for flexibility.

Non-Appropriated Funds

The Northern Virginia Regional Identification System (NOVARIS) utilizes state-of-the-art biometric technology to identify criminals. An Automated Fingerprint Identification System (AFIS) enables police to match a fingerprint found at the scene of a crime with any individual who has been arrested in the Washington Metropolitan area by comparing the print or partial print with all prints in the database. System enhancements in FY 2007 not only improved fingerprint identification capabilities, but also support palm print identification and facial recognition. While the core system is housed in Fairfax County, program operations are decentralized among the seven participating Northern Virginia jurisdictions.

As approved by the NOVARIS Advisory Board on July 30, 1997, seven Northern Virginia jurisdictions share costs associated with NOVARIS based on the sworn police and citizen population of each jurisdiction. Fairfax County exercises a fiduciary responsibility for the financial management and operation of NOVARIS, with the County contribution made through Fund 10030, Contributory Fund.

The total Fairfax County FY 2018 contribution to Fund 10031, NOVARIS is $9,577, which is consistent with the FY 2017 Adopted Budget Plan. The contribution supports the County's annual share of costs associated with operations and upgrades of NOVARIS. It should be noted that the Urban Areas Security Initiative (UASI) grant funding supports AFIS system maintenance, upgrades, and replacements for the National Capital Region, including NOVARIS, reducing the participating jurisdictions' program costs.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$19,405**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an increase of $19,405 to provide forensic training for NOVARIS partner agencies.

FUND STATEMENT

Fund 10031, Northern Virginia Regional Identification System (NOVARIS)

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$60,112	$32,816	$52,193	$32,788	$32,788
Revenue:					
Interest on Investments	$178	$206	$206	$206	$206
Fairfax County	9,577	9,577	9,577	9,577	9,577
Arlington County	2,149	2,149	2,149	2,149	2,149
Prince William County	2,395	2,395	2,395	2,395	2,395
City of Fairfax	376	376	376	376	376
City of Falls Church	188	188	188	188	188
City of Alexandria	1,690	1,690	1,690	1,690	1,690
Loudoun County	2,218	2,218	2,218	2,218	2,218
Total Revenue:	$18,771	$18,799	$18,799	$18,799	$18,799
Total Available	$78,883	$51,615	$70,992	$51,587	$51,587
Expenditures:					
Operating Expenses	$26,690	$18,799	$38,204	$18,799	$18,799
Total Expenditures	$26,690	$18,799	$38,204	$18,799	$18,799
Total Disbursements	$26,690	$18,799	$38,204	$18,799	$18,799
Ending Balance[1]	$52,193	$32,816	$32,788	$32,788	$32,788

[1] Ending balances fluctuate due to variable expenditure requirements and the carryover of unspent funds.

Fund 10040
Information Technology

Mission

Fund 10040, Information Technology (IT), supports the County's strategic IT investments in major technology projects that improve access to County services, promote government operational efficiencies and effectiveness, enhance customer service, and increase performance and security capabilities. These investments include automation for County agencies, requirements aligned with countywide strategic importance, enterprise technology infrastructure, and enterprise-level or inter-agency corporate systems.

Focus

Fund 10040 was established in FY 1995 to strengthen centralized management of available resources by consolidating major IT projects in one fund. A General Fund transfer, revenue from the State Technology Trust Fund and other internal revenue funds, and interest earnings are sources for investment in IT projects.

The County's technological improvement strategy has two key elements. The first is to redesign business processes and apply technology to achieve improvements in service quality and efficiencies for agencies. The second is to provide an adequate technology infrastructure that supports County technology solutions. The County's long-term commitment to providing quality customer service through the effective use of technology is manifested in service enhancements, additional transparency, expedited response to citizen inquiries, improved operational efficiencies, better information for management decisions, and increased performance capabilities.

The Senior Information Technology Steering Committee, which is composed of the County Executive, Deputy County Executives, the Chief Financial Officer, the Chief Technology Officer and other senior County managers, adopted five IT priorities which guide the direction of Fund 10040. They include:

- **Mandated Requirements**: Provide support for requirements enacted by the federal government, Commonwealth of Virginia, Board of Supervisors, or those that are Court ordered or resulting from changes to County regulations.

- **Completion of Prior Investments**: Provide support for multi-year lease purchases and to implement a project phase or to complete a planned project.

- **Enhanced County Security**: Provide support for homeland security, physical security, information security and privacy requirements.

- **Improved Services and Efficiency**: Promote consolidated business practices; support more efficient government; optimize management and use of County assets and data; enhance systems to meet the expectations and needs of citizens; and promote service that can be provided through the Internet/ e-government. This includes corporate and strategic initiatives that add demonstrable value to a broad sector of government or to the County as a whole, which also provide productivity benefits and/or effectively manages the County's information and knowledge assets.

- **Maintaining a Current and Supportable Technology Infrastructure**: Focus on technology infrastructure modernizations which upgrade, extend or enhance the overall architecture or major County infrastructure components, including hardware and software and its environment. Ensure that citizens, businesses and County employees have appropriate access to information and services. This also includes cyber security protective measure solutions.

In accordance with the FY 2018 Budget Guidelines, agencies submitted project funding requests that met one or more of the five Senior IT strategic priorities. Project funding requests also needed to include tangible project outcomes; clear project start and completion dates; anticipated implementation and budget plans over the next five years including subsequent fiscal year(s) impact on enterprise-wide infrastructure, maintenance and support; linkage to agency strategic and business goals; and that the project would be completed and maintained without additional staff. FY 2018 funding requests for existing projects were limited to projects requiring additional support to meet existing contractual obligations, to complete a planned phase of the project and where appropriate progress against existing project plans had occurred. The process was designed to facilitate the development of a solid business and technical case for IT project requests and to update the business and technical status of continuing projects.

A Project Review Team, consisting of business and technical staff from the Department of Information Technology (DIT) and the Department of Management and Budget (DMB), reviewed all submissions. The project review included identification of projects that provide opportunities for improvement; those that help sustain the performance and reliability of the County technology infrastructure; and those poised to take advantage of technological advancements.

Projects were reviewed from both a business and technical perspective. On the business side, consideration included whether project implementation would benefit citizens and public engagement, County government operational requirements, or both. Benefits of the projects were weighed against the cost and several risk factors including potential related expenses with an unknown cost, changes in scope necessitated by new business drivers, technological relevance, operational transformation needs, project schedule viability and the impact of not funding or otherwise delaying the project. This review was conducted with a multi-year planning horizon in order to plan for both current and future technology needs.

On the technical side, factors examined included identifying infrastructure modernizations which upgrade, extend or enhance the overall architecture or major County infrastructure components, including hardware and software, with consideration given to the organizational experience with the proposed hardware, software and resource support. In addition, consideration was given to the availability of human resources both in DIT and the sponsoring agency to manage the business requirements, scope and schedule commitments.

FY 2018 Initiatives

In FY 2018, funding of $7.17 million, which includes a General Fund transfer of $4.77 million, a transfer of $2.30 million from Fund 40030, Cable Communications, and interest income of $0.10 million, is provided for initiatives that meet 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 new and continuing initiatives with the need for securing and strengthening the County's technology infrastructure. Funded projects will support initiatives in general County services, public safety, human services and enterprise technology security and infrastructure. 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 2018 Adopted Funding
Completion of Prior Investments	$2.05 million
Enhanced County Security	$0.50 million
Improved Services and Efficiency	$2.62 million
Maintaining a Current and Supportable Technology Infrastructure	$2.00 million
TOTAL	**$7.17 million**

Completion of Prior Investments - $2.05 million

The County's IT program focuses on using technology as an essential tool to enable cost-effective delivery of services, and continues to stress the need to build reliable, supportable projects for these services in a timely manner. Many projects funded can be completed within that fiscal year, while others are multi-phase projects that require more than one year of funding.

FY 2018 funding of $130,740 is included to continue support for the County's planned ongoing maintenance of essential Geographic Information System (GIS) data. Oblique imagery and planimetric data layers make up many of the key GIS layers utilized to create maps used by several County agencies including: Police, Fire and Rescue, Office of Emergency Management, Public Safety Communications, Transportation, Housing and Community Development, Public Works and Environmental Services, Planning and Zoning, Health, Tax Administration, and others. These key data-sets are used in all of the County's web applications that incorporate maps, and in nearly all of the County's public safety vehicles through the Computer Aided Design (CAD)/911 system.

FY 2018 funding of $428,500 is included to support the Customer Relationship Management (CRM) project for development of a unified user approach for handling citizens' service requests, case management, and issue tracking. CRM is a foundational technology that supports the County's strategic goal of improving the quality and efficiency of responses to citizen requests/issues by integrating current stovepipe applications, implementing on-line 24/7 access strategies, integrating social media tools and techniques to enhance the overall customer experience, and manage service requests via a single user enterprise-wide interface tool.

FY 2018 funding of $300,000 is included for the next phase of the Interactive Voice Response (IVR) Project. This multiphase initiative will migrate agencies that use IVR systems to a new and more modern platform that enables interactive text to speech applications and can build voice/phone applications for self service automation. The new IVR platform enables more efficient payment, information processing, management of citizen requests and inquiries, and provides opportunities to improve business processes.

FY 2018 funding of $690,000 is included to continue upgrading high technology courtrooms in Fairfax County's Courthouse to an all new digital platform necessary to meet current industry standards. Starting in 2008, through a dedicated Courtroom Technology Project, the Courtroom Technology Management System (CTMS) began being implemented and is now operational in 18 courtrooms at the Fairfax County Courthouse. The system enables evidence presentation in courtrooms through a centralized, integrated audio/video network of microphones, monitors, assistive listening devices and flat screen displays. With significant changes in technology, a multiphase plan is underway to replace obsolete analog hardware with digital components and retrofit CTMS in the 18 existing courtrooms.

FY 2018 funding of $500,000 is included to complete the final phase of the Facilities Maintenance Management System, an integrated facilities and grounds management system utilized by the Facilities Management Department and Fairfax County Park Authority. The project is in the final phase of upgrading the system to the latest software to fully leverage functionality and implement a mobile application to provide field staff real-time work order processing and access to the system from anywhere in the County.

Enhanced County Security- $0.50 million
Providing funding for critical security requirements of enterprise-wide IT systems is a long-standing cornerstone of the County's IT policy.

FY 2018 funding of $500,000 is included for the Cyber Security Enhancement Initiative which supports strategic and tactical initiatives to safeguard the County's IT assets as well as regulatory compliance activities. IT security continues to be a fundamental component of the County's enterprise architecture and strategy. The IT security architecture and practices fuse best practice principles with a hardware and software infrastructure supported by policies, plans and procedures. This project provides for IT security system requirements, replacements and upgrades, service consultation expenses, and future security product and service acquisitions to protect the confidentiality, integrity and availability of County systems and information.

Improved Services and Efficiency – $2.62 million
The following projects provide for improved service and efficiency in provision of services to the residents and the business community in Fairfax County. The included projects support the County's e-government and public access programs, transparency and initiatives that improve County processes resulting in enhanced efficiencies and service delivery.

FY 2018 funding of $300,000 is included for the Tactical Initiatives Project. The County's technology strategy is designed to stay responsive in an environment of rapid change with finite resources. This funding will allow DIT to address unforeseen IT demands due to changes to agencies business processes, non-IT initiatives which have an unexpected IT impact, state/federal mandates and new regulations, and other system upgrades and/or integration priorities.

FY 2018 funding of $725,000 is included to provide the necessary support required to meet the increasing demand for County web, e-government and e-transaction services as well as improved navigation, web content synchronization, mobile applications, social media integration, transparency, support of the

County's intranet (FairfaxNet) and continued compliance with Americans with Disabilities Act (ADA) requirements. A key initiative currently underway is the County's Website Reconstruction Project which includes the implementation of a new enterprise Web Content Management System, refining the current site's information architecture, and redesigning the entire website with a more modern design and improved functionally.

FY 2018 funding of $1,000,000 is included to support the Integrated Human Services Technology Project. This multi-year strategic initiative will support the design, development and deployment of a Human Services IT architecture supporting the Human Services Integrative Model; including a system-wide vision, shared commitment, shared decision-making, and accountability for outcomes across all Fairfax County Human Services agencies. A holistic approach to addressing needs along the spectrum of crisis to self-sufficiency to sustainability, as well as strong communication, coordination and collaboration components are key factors. The data collected within the human services system helps shape policy within the County and those policies shape future action. The use of technology is important to ensure these policies and actions are based on robust, meaningful data. A Human Services IT Roadmap was developed through a collaborative effort and approved in FY 2017.

FY 2018 funding of $600,000 is included to continue support for the Human Services Integrated Electronic Health Record Project. The goal of this multi-phase project is the acquisition and deployment of an electronic health record system for the Health Department, Department of Family Services, and the Community Services Board. Each of these agencies provides distinct health care services and have unique documentation needs. This project will optimize the potential value of leveraging a common information technology solution with the requisite configuration flexibility to enable these agencies and other health care providers to more effectively collaborate and coordinate the management of health care services for residents.

Further, it should be noted that in lieu of funding in the FY 2018 Adopted Budget Plan, additional funding of $1,400,000 is anticipated to be included in the *FY 2017 Carryover Review* to continue to support requirements of the Planning Land Use System (PLUS) Project. This project is a major strategic investment to replace and consolidate of a number of legacy and disparate land use systems that support zoning and development plan review, building permit/license issuance, code enforcement, inspection, and cashiering activities with an integrated adaptable enterprise solution, and on-going implementation and integration of electronic e-plans review capabilities.

Maintaining a Current and Supportable Technology Infrastructure – $2.00 million

In an ever evolving technology and communications environment, maintaining current and supportable technology architecture is a challenge that must be continually addressed to ensure performance, operability, security and integrity of business operations and information. The County's technological improvement strategy strives to balance business needs that require technology investments with the desire to adopt contemporary but relevant and supportable technology industry trends, as well as the ability to leverage existing infrastructure. Funded projects support the goal of updating and strengthening the technology foundation where practical, and ensure that residents, the business community, and County staff have appropriate and reliable access to information and services.

FY 2018 funding of $1,696,000 is included for strategic infrastructure and expert services supporting complex multi-phase enterprise-wide business transformation IT systems for County general services, enterprise technology, security and infrastructure, and corporate systems including the County's ERP and related business systems. This funding supports necessary integration of business application and infrastructure systems components to meet the County's IT architecture and interoperability goals in alignment with County enterprise technology plans to enhance opportunities for County and Fairfax County Public Schools (FCPS) shared cost and operational efficiency goals.

FY 2018 funding of $100,000 is included to support the growing need for internal County users to access County systems remotely. This project supports telework capabilities, disaster recovery, and increasing reliance of agency mobile workers on wireless solutions. Enterprise-wide standardized access control methodology enables secure identity authentication for authorized access to County networks, data, and systems. This project supports secure access from remote locations and provides improved security, reporting, and data analysis.

FY 2018 funding of $200,000 is included to provide for on-going information technology training and certification in recognition of the challenges associated with maintaining skills at the pace of technological changes and to ensure that the rate of change in information technology does not out-pace the County's ability to maintain proficiency. As the County's workforce becomes increasingly dependent on information technology, training support has become more essential.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$29,359,144**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $29,359,144 due to carryover of unexpended project balances of $27,990,998 and an increase due to higher than budgeted FY 2016 revenue of $1,368,146. Adjustments associated with increased revenue primarily support additional funding for the Circuit Court Case Management and Court Automated Records system projects and the Police Department's Electronic Summons project.

- **Third Quarter Adjustments** **$970,992**
  As part of the *FY 2017 Third Quarter Review* expenditures are required to increase $970,992. Of this total, an increase of $217,975 is required to cover requirements associated with the Circuit Court Case Management System project, $336,472 is required to appropriate funds to the Circuit Court Automated Records Systems project, and $527,795 is required to support the Electronic Summons project. These increases are partially offset by a decrease of $111,250 in the Circuit Court Automated Records Systems project in order to adjust for the impact of an FY 2016 audit adjustment.

FY 2018 Funded Project Summary Table

The following Project Summary table lists the projects contained in Fund 10040, Information Technology. Descriptions for FY 2018 funded projects are included on the following pages. Information regarding technology initiatives can also be found in the FY 2018 Information Technology Plan prepared by the Department of Information Technology. It should be noted that, based on limited fiscal resources, some significant projects have not received funding as part of the FY 2018 Adopted Budget Plan. The decision to not fund these projects was based on a thorough review of available balances and upcoming requirements. It is anticipated that these projects will be funded with one-time balances and agency savings as part of a future quarterly review.

Project	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
2G70-006-000, Information Technology Training	$200,000	$200,000
2G70-015-000, DIT Tactical Initiatives	300,000	300,000
2G70-018-000, Enterprise Architecture and Support	1,696,000	1,696,000
2G70-019-000, Interactive Voice Response Project	300,000	300,000
2G70-020-000, Public Access to Information	725,000	725,000
2G70-034-000, Courtroom Technologies	690,000	690,000
2G70-036-000, Remote Access Mobility	100,000	100,000
2G70-040-000, Facility Maintenance Management System	500,000	500,000
2G70-041-000, Customer Relationship Management	428,500	428,500
2G70-052-000, Cyber Security Enhancement Initiative	500,000	500,000
IT-000025, Integrated Human Services Technology Project	1,000,000	1,000,000
IT-000027, Human Services Integrated Electronic Health Record System	600,000	600,000
IT-000028, Geospatial Initiatives	130,740	130,740
Total Funds	$7,170,240	$7,170,240

2G70-006-000 – Information Technology Training	IT Priorities: • Maintaining a Current and Supportable Technology Infrastructure • Enhanced County Security • Improved Services and Efficiency

FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$183,580	**$287,460**	**$200,000**	**$200,000**

Description and Justification: This project provides funding for information technology training in recognition of the challenges associated with maintaining skills to keep pace with rapid technology changes. The rate of change in information technology is an ongoing challenge for the County in maintaining relevant proficiencies for its technology workforce, and enabling quick adoption of technology that is beneficial in meeting the County's mission, goals and objectives. As the County's business has become increasingly dependent on information technology, training support has become more essential.

Funding of $200,000 is included to support continuing information technology training and required certifications. The Department of Information Technology anticipates additional required training for County staff in enterprise systems software implementations such as SAP, data analytics, development, integration tools and related applications.

Return on Investment (ROI): Continued funding will enable skills development in new technologies, network management, computer operations, and software applications development and maintenance to enhance the County's ability to adopt, support, and rationalize systems and agile delivery. In addition, having well-trained staff reduces County reliance on more expensive contractor services.

2G70-015-000 – DIT Tactical Initiatives	IT Priorities: • Improved Services and Efficiency • Completion of Prior Investments • Maintaining a Current and Supportable Technology Infrastructure

FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$0	$121,773	$300,000	$300,000

Description and Justification: This project provides for appropriate and timely response to critical unexpected technology needs created by changes in agency business processes, non-IT initiatives with unexpected IT impact, response to state/federal mandates, new regulations and compliance requirements, and other system upgrades, infrastructure and/or integration requirements.

Funding of $300,000 is included for the Tactical Initiatives Project. The County's technology strategy is designed to stay responsive in an environment of rapid change with finite resources. From time to time, unforeseen IT demands are created between budget cycles which must be addressed expeditiously to avoid delays and disruptions in delivery of information and services and to safeguard County systems and networks.

Return on Investment (ROI): This project provides for critical unexpected IT requirements to meet agency functions and operations and safeguard uninterrupted performance, operability, security, and integrity of business operations and information. Nearly all County operations rely on contemporary technology systems and web based capabilities to meet core operational goals, enhance transparency, access, engagement, and open government. The County's reliance on technology to operate and deliver services is growing rapidly. This is fed by demands from citizens, state and federal mandates, partner government entities, and increasing service requirements. Agency users need rapid IT support to ensure critical systems providing public services are operating effectively.

2G70-018-000 – Enterprise Architecture and Support	**IT Priorities:** • Maintaining a Current and Supportable Technology Infrastructure • Improved Services and Efficiency • Enhanced County Security

FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$4,440,671	$2,712,752	$1,696,000	$1,696,000

Description and Justification: This project supports strategic infrastructure and services required for implementation and support of complex multi-phase enterprise-wide business transformation information technology (IT) systems for County general services, enterprise technology, security and infrastructure, and corporate systems.

Funding of $1,696,000 is included for strategic infrastructure and services necessary for integration of business application and infrastructure systems components. The project includes funding for consultant support for ongoing enhancements to the County's ERP platform and environment to comply with legally mandated upgrades, technology environment refresh, system administration, enhancements to system functionality, process improvements and ongoing system and data modifications. This project will enable the County to incorporate fully integrated best business practices, improve functional areas, improve the quality and accessibility of information, and reduce redundant data entry, storage and paper processing. The funding supports projected system integration and configuration services and includes various product platforms, security, portal and web services enabling seamless system integration.

Return on Investment (ROI): This initiative continues to support the County's on-going technology modernization program in line with the IT investment priorities that provide for a stable and secure IT architecture while leveraging IT investments. Enhancements to the County's ERP platform and environment extends the ability of agencies to perform work and leverages the County's investment in a modernized platform for financial, procurement and human resource processes. Ongoing support for modernization of County systems empowers both employees and managers to execute processes more efficiently, and supports functions that improve overall system performance and availability.

2G70-019-000 – Interactive Voice Response (IVR) Project	IT Priorities: • Improved Services and Efficiency • Maintaining a Current and Supportable Technology Infrastructure • Completion of Prior Investments

FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$244,683	$154,467	$300,000	$300,000

Description and Justification: The Interactive Voice Response (IVR) technology program develops custom interactive telephone applications that can access and update data in a variety of County databases, in addition to providing static information in a timely and convenient manner.

Funding of $300,000 is included for the next phase of the Interactive Voice Response (IVR) Project. This multiphase initiative will migrate various agency IVR systems to a new and more contemporary platform, develop interactive text to speech applications, and build voice/phone applications for self service automation.

Return on Investment (ROI): This project was established at the request of the Board of Supervisors "to enable the County's customers to conduct business with the County wherever and whenever it is convenient for the customer." IVR is one of the foundational programs for enhancing public access to government information and business transactions. Public access technologies such as the IVR expand citizen access to County information and services; minimize staff resources needed to provide basic information, and allow staff deployment to more complex and specialized tasks. The project also improves search capability for citizens and constituents, and enables the County to build applications quicker and more efficiently by maintaining reusable components. The new IVR platform enables more efficient payment, information processing, management of citizen requests and inquiries, and provides opportunities to improve business processes.

2G70-020-000 – Public Access to Information	IT Priorities: • Improved Services and Efficiency • Maintaining a Current and Supportable Technology Infrastructure • Mandated Requirements

FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$487,769	$1,352,134	$725,000	$725,000

Description and Justification: In order to promote the County's goal of "government without doors, walls or clocks," this funding supports Board of Supervisors Public Engagement goals, including multiple e-government initiatives such as the County's website and mobile applications that provide information, online services and innovative tools for interaction and participation with County government. These e-government programs also provide cohesive and comprehensive access to information and services for over fifty County agencies.

Funding of $725,000 is included to provide the necessary support required to meet the increasing demand for the County's website, e-government and e-transactions services as well as improved navigation, web content synchronization, mobile applications, social media integration, transparency, Web 3.0, support of the County's intranet and continued compliance with e-health records system. FY 2018 funding will also support the County's Website Reconstruction Project which includes the implementation of a new enterprise Web Content Management System, refining the current site's information architecture, redesigning the entire website with a more modern design and improved functionally.

Return on Investment (ROI): The extensive use of the web and convenient use of mobile technology (smart phones and tablets) has driven the need to streamline business processes and to re-engineer the presentation of information on e-government platforms for public consumption. The County's e-government channels continue to support and enhance the County's long standing goal that citizens should be able to access their government 24/7. The County's official mobile application empowers citizen access to County services at anytime from anywhere thereby affirming the County's strategic goal of connecting people and creating a culture of engagement. This project will continue to generate economies of scale by providing the needed support for the ever-increasing demand for e-commerce/ e-government services and continue to allow expansion and enhancement of the County's e-government channels to make them more compliant with the world wide web consortium and Section 508 of the Rehabilitation Act for accessibility for those with disabilities. This program also develops and promotes the sharing of data across agency and jurisdictional lines, thereby increasing the scope and value of information and services provided to citizens. It expands the capabilities of content management to improve automated workflow, indexing, and search and retrieval for systems countywide to improve operational efficiencies and collaboration. Internet and Intranet initiatives provide significant wide-ranging opportunities enhancing information and services accessibility to staff and the public. This investment continues to provide County government greater internal efficiencies that enable effective response to growing demand for services associated with County growth and diversity.

2G70-034-000 – Courtroom Technologies	IT Priorities: • Maintaining a Current and Supportable Technology Infrastructure • Improved Services and Efficiency • Mandated Requirements

FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$0	$640,232	$690,000	$690,000

Description and Justification: This project is committed to the planning, design and implementation of modern courtroom technologies for new and renovated courtrooms in all three Fairfax County Courts. Starting in 2008, through a dedicated Courtroom Technology Project, the Courtroom Technology Management System (CTMS) began being implemented and is now operational in 18 courtrooms at the Fairfax County Courthouse. The system enables evidence presentation in courtrooms through a centralized, integrated audio/video network of microphones, monitors, assistive listening devices and flat screen displays.

Funding of $690,000 is included to support adoption of digital technology standards to ensure CTMS compliance with industry standards. A multiphase deployment of a digital hardware replacement plan, as well as retrofitting existing courtrooms with digital technologies began in FY 2017.

Return on Investment (ROI): The CTMS allows new and renovated courtrooms to share a common infrastructure with distributed services through a centralized control room. This capability provides consistency, standardization, and scalability between the three courts, supports improved citizen access to the courts, both internally and externally, facilitates trials and hearings in the most effective and efficient means, and provides the ability of all three courts to share common resources. Improved access and facilitation of court processes and services for citizens, judges, court staff and litigants and others who need to conduct business with the courts continues to be the primary benefit of this project.

2G70-036-000 – Remote Access Mobility	IT Priorities:	
		• Maintaining a Current and Supportable Technology Infrastructure • Improved Services and Efficiency • Enhanced County Security

FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$47,385	**$380,271**	**$100,000**	**$100,000**

Description and Justification: This project supports enhanced and expanded capability of authorized users to securely access the County's systems from remote locations for field service activities, telework, Continuity of Operations Plans (COOP), and emergency events such as pandemic outbreaks or natural and weather emergencies.

Funding of $100,000 is included to continue support for remote access capabilities. This project established an enterprise-wide standardized remote access control methodology and architecture that provides a solution for employees and external system users, partners and County customers to authenticate their identity in order to gain access to systems and relevant data to conduct work securely. All user authentication management is based on policy and is centrally managed allowing for comprehensive audit and reporting services. This project supports increased security, simplified management, secure access from remote locations, and mobility.

Return on Investment (ROI): This project provides a cost effective approach to enhance the County's productivity in order to provide flexibility for a variety of remote access devices that increase worker productivity. This capability encourages more employees to take advantage of telecommuting in line with regional goals supported by the Board of Supervisors and also provides County staff necessary remote access capacity in case of emergency events such as hurricanes, snow storms, or pandemic outbreaks.

2G70-040-000 – Facility Maintenance and Management System	IT Priorities: • Completion of Prior Investments • Improved Services and Efficiency • Maintaining a Current and Supportable Technology Infrastructure

FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$366,362	$3,689	$500,000	$500,000

Description and Justification: The Facilities Maintenance Management System serves as a single, integrated facilities information resource for the Facilities Management Department (FMD) and the Fairfax County Park Authority (FCPA). FMD and FCPA hold the greatest portion of responsibility for the maintenance of County's largest and most valuable physical assets: its properties, facilities, and the subsystems that keep them operational.

Funding of $500,000 is included to complete software upgrades to leverage functionality, minimize customization, simplify system upgrades, provide improved reporting, and integrate with the County's GIS, human capital and financial management systems. The final phase will also implement a mobile application to provide field staff real time work order processing and access to the system from anywhere in the County.

Return on Investment (ROI): A web based, "one stop shop" for facilities information enables internal improvements and efficiencies as well as more accurate, complete, and timely information to customer agencies. The upgraded Facilities Management System allows County staff to increase the efficiency of facility maintenance service requests process by providing a web based customer request and inquiry interface that saves time handling customers' status inquiries and work order processing from initiation to close out. Additional modules and features improve maintenance of critical facility assets and reduce maintenance costs by automating the management of corrective maintenance services. The system enables County staff to conduct condition-based facility assessments which helps in the prioritization of capital improvements, provides financial and environmental impact analysis to improve capital planning, and extends the life of County facilities and assets. Other features include space measurement and audit tools that identify opportunities for better facility utilization and occupancy management, move planning and management to streamline relocation processes, and project administration features that track budgets, costs, and schedules for more efficient facilities management. The systems' reporting module provides with real time access report generation and improved ad hoc report writing versus off-line and labor intensive methods.

2G70-041-000 – Customer Relationship Management	IT Priorities: • Enhanced County Security • Improved Services and Efficiency • Maintaining a Current and Supportable Technology Infrastructure

FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$225,074	**$613,414**	**$428,500**	**$428,500**

Description and Justification: Customer Relationship Management (CRM) supports the County's strategic goal of improving the quality and efficiency of responses to citizen requests/issues by integrating current applications, implementing online 24/7 access strategies, social media tools, and techniques to enhance the overall customer experience and manage service requests via a single tool. This project facilitates implementation of a number of recommendations under the *Contact Center Fairfax* section of the "Enhancing Fairfax County's Customer Experience and Engagement Opportunities" initiative report to the Board of Supervisors

Funding of $428,500 is included to support CRM development of an effective unified user approach for handling citizens service requests, case management, and issue tracking. This is the fourth year of a multi-year effort to replace the current legacy CRM solution with a modern solution that integrates with County agencies' business applications and processes. The enterprise CRM provides for unified tracking and case management of service requests and manages requests via a multi-platform CRM solution across many channels including email, web, social media, and call center capabilities. The improved integration with the County's Web environment, e-mail and communication systems promotes service efficiency and effectiveness and promotes improved customer experience and citizen engagement goals.

Return on Investment (ROI): CRM technology provides a single interface for the many types of interactions with citizens and constituents without the need for independent silo solutions in agencies. CRM technology facilitates increased efficiencies and effectiveness in managing the many citizen requests and interactions within and across County agencies and business functions. It allows a constituent-focused operation where government is positioned to be proactive to citizen concerns by enhancing collaboration among all agencies/departments and providing knowledge of common issues for follow-up. The CRM solution will also improve transparency by allowing citizens and constituents to easily view how the County manages their request by providing tracking number. Consolidating intakes, reducing the number of duplicate requests, and eliminating redundant systems achieves savings. These cost savings provide tangible evidence to citizens that their government is working for them efficiently by providing better access to information, optimized issue response/processing, and improved accountability/compliance.

2G70-052-000 – Cyber Security Enhancement Initiative	**IT Priorities:** • Improved Services and Efficiency • Enhanced County Security • Mandated Requirements • Maintaining a Current and Supportable Infrastructure

FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$0	$517,258	$500,000	$500,000

Description and Justification: The Department of Information Technology defines and enforces the security standards and policies necessary to protect the County's information assets and technology infrastructure. The goal of the County's IT security program is to ensure confidentiality of information, integrity of data, systems and operations, technical compliance with legal mandates such as HIPAA and PCI, privacy and availability of information processing resources. The basic elements of identification, authentication, authorization, access control and monitoring are employed throughout the County's technology enterprise. This project supports ongoing IT security projects and services to support various initiatives safeguarding the County's IT assets from evolving cyber security threats, and support for regulatory compliance activities.

Funding of $500,000 is included for IT Security for continued IT and cyber security system enhancements, replacements and upgrades, service consultation expenses, and future security product and service acquisitions to assist with ensuring the confidentiality, integrity and availability of County systems and information.

Return on Investment (ROI): IT security continues to be fundamental component of the County's enterprise architecture and strategy. The security architecture and practices fuse best practice principles with a hardware and software infrastructure supported by policies, plans and procedures. This multi-layered approach is designed to provide an appropriate level of protection of all County information processing resources, regardless of platform, and includes incorporation of industry best practices for an overall risk reduction. The secure network architecture is a defense-in-depth approach to network security design. The County is dedicated to the protection of its IT assets from evolving cyber security threats and blocking unauthorized access to County data and information.

IT-000019 –Planning Land Use System (PLUS) Project *(Formerly known as Fairfax Inspections Database Online (FIDO) and Land Development System (LDS) Replacement Project)*	**IT Priorities:**	• Improved Services and Efficiency • Maintaining a Current and Supportable Technology Infrastructure

FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$0	$2,750,000	$0	$0

Description and Justification: This project is a major strategic investment to replace and consolidate of a number of legacy and disparate land use systems that support zoning and development plan review, building permit/license issuance, code enforcement, inspection, and cashiering activities with an integrated adaptable enterprise solution, and on-going implementation and integration of electronic e-plans review capabilities. Land Use systems targeted for replacement include the 17 year-old Land Development System (LDS), Plans and Waiver System (PAWS), Zoning Application System (ZAPS), the 12 year-old Fairfax Inspections Database Online system (FIDO), and several disparate systems that provide e-services, and mobile wireless support for citizens and inspectors. The legacy systems lack the native agility of modern technologies that provide a flexible enterprise platform for evolving business process and architecture requirements.

It should be noted that in lieu of funding in the FY 2018 Adopted Budget Plan, additional funding of $1,400,000 is anticipated to be included in the *FY 2017 Carryover Review* to continue to support requirements of the PLUS Project.

Return on Investment (ROI): The PLUS project will modernize the technologies supporting land use and development processes, directly supporting and advancing the County's Strategic Plan to Facilitate the Economic Success of Fairfax County, specifically Goal 3: Improve the Speed, Consistency, and Predictability of the Development Review Process. The project also supports the goals of Fairfax First, an initiative to implement tactical recommendations to improve the speed, consistency, and predictability of the County's development review process and to enhance customer service.

This project will deliver significant operational improvements and efficiencies including a single transaction portal for customers and staff, the ability to streamline online plan review, and permit and inspection service delivery. The goal is to replace the County's aging and antiquated land use systems currently used by multiple land use agencies with a reliable consolidated platform using current technologies. Current systems are beyond their expected useful life. The extended reliance on the systems' outdated technical architecture is affecting the County's ability to respond quickly to new state and local ordinance requirements and expected business process re-engineering activities. In addition, the use of modern technologies, such as tablets, smartphones, web services, dashboards, and a single customer portal, is limited due to the age of the current technical architecture. Replacing the current systems will greatly reduce threats to system stability and will enable the use of technologies that will improve customer service and operational efficiency.

IT-000025 – Integrated Human Services Technology Project	**IT Priorities:** • Maintaining a Current and Supportable Technology Infrastructure • Improved Services and Efficiency

FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$0	**$750,968**	**$1,000,000**	**$1,000,000**

Description and Justification: This project supports the multi-year effort to design and implement a unified Human Services IT architecture supporting the Human Services Integrative Model. The vision of the Human Services Integrative Model consists of system-wide vision, shared commitment, differences accounted for, shared decision-making, and accountability for outcomes across all Fairfax County Human Services agencies.

Funding of $1,000,000 is included to support consulting services and the acquisition of software licenses for the Technology Roadmap for design, development and deployment of an Integrated Human Services system. Within the Human Services system, clients, individuals and families are often assessed with multiple needs spanning across multiple service programs in different Human Services agencies. A holistic approach to addressing needs along the spectrum of crisis to self-sufficiency to sustainability, as well as strong communication, coordination and collaboration components are key factors in successfully meeting Human Services system needs.

Return on Investment (ROI): The strategic use of information technology to support Human Services in Fairfax County will help find the connections in fragmented data across many Human Services systems. It will incrementally link pockets of information across and within functional areas for both a mobile and community based workforce, as well as a diverse client base, and enable analysis of information across programs.

The data collected within the human services system helps shape policy within the County and those policies shape future action. The use of technology is important to ensure these policies and actions are based on robust, meaningful data. Technology is an enabler for programmatic innovation, yet it must also continuously reflect and support current trends and future directions. Innovation in technology also is vital to address the internal needs of the organization such that it can better serve clients.

IT-000027 –Human Services Integrated Electronic Health Record System	IT Priorities: • Maintaining a Current and Supportable Technology Infrastructure • Improved Services and Efficiency

FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$0	$325,000	$600,000	$600,000

Description and Justification: This multi-phase initiative supports the acquisition and implementation of an integrated electronic health record system to replace existing independent legacy systems for the Health Department, Department of Family Services, and the Community Services Board for delivery of integrated health services to County residents. The goal of this project is to optimize the potential value of leveraging a common information technology solution with the requisite configuration flexibility to enable these agencies and other health care providers to more effectively coordinate the management and delivery of health care services.

Funding of $600,000 is included to continue a multi-phase project for acquisition of an integrated electronic health system to serve Fairfax County residents.

Return on Investment (ROI): Each of the above agencies provides distinct health care services and has unique documentation needs. This project will leverage a common information technology solution to enable these agencies and other health care providers – including but not limited to the County's Community Health Care Network (CHCN) and private providers – to collaborate in the management of health care services for County residents. The acquisition of a common integrated health record solution avoids the cost of multiple individual, independent systems within multiple Human Service agencies resulting in a more efficient management and coordination of health care services.

IT-000028 – Geospatial Initiatives	**IT Priorities:** • Completion of Prior Investments • Mandated Requirement • Enhanced County Security • Improved Services and Efficiency • Maintaining a Current and Supportable Technology Infrastructure

FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$222,382	$619,439	$130,740	$130,740

Description and Justification: This project provides continued support for the County's planned multi-year implementation and maintenance of essential Geographic Information System (GIS) data.

Funding of $130,740 is included for continued support of this program. Through a series of complex geospatial transformations the raw imagery taken from aerial imagery flown by the state and converted to GIS data is available to many County agencies including: Police Department; Fire and Rescue Department; and the Departments of Transportation, Housing and Community Development, Public Works and Environmental Services, Planning and Zoning, and Tax Administration. It is important to note that this project consolidates projects 2G70-003-000, GIS-Oblique Imagery, and 2G70-004-000, GIS-Planimetric Data, as these projects perform similar work.

Return on Investment (ROI): Key GIS data sets are used in all County web applications that incorporate maps and in nearly all public safety vehicles through maps included in the CAD/911 system. The GIS database with new impervious features and contouring, facilitates key land use applications as recommended by the Fairfax County's Environmental Quality Advisory Council (EQAC). GIS data also provides County agencies readily accessible data for locations across the County and the ability to view field conditions from a desktop without the need to travel thus resulting in significant staff time savings and improved response. Oblique imagery is essential for multiple County functions including critical 24/7 public safety tactical tasks, review of zoning applications, and provision of three-dimensional data for Virtual Fairfax, a heavily used public web application averaging over 750,000 sessions a year. Planimetric data is planar data (two dimensional) derived from observable natural and manmade features visible on aerial imagery, making up many of the key GIS layers used in most maps created in the County.

Fund 10040
Information Technology

FUND STATEMENT

Fund 10040, Information Technology

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$36,137,773	$0	$29,247,894	$0	$0
Revenue:					
Interest	$97,958	$43,760	$43,760	$100,000	$100,000
Other Revenue[1,2]	1,449,698	0	1,082,242	0	0
Total Revenue	$1,547,656	$43,760	$1,126,002	$100,000	$100,000
Transfers In:					
General Fund (10001)	$2,700,000	$4,770,240	$4,770,240	$4,770,240	$4,770,240
Cable Communications (40030)	3,680,240	2,000,000	2,000,000	2,300,000	2,300,000
Total Transfers In	$6,380,240	$6,770,240	$6,770,240	$7,070,240	$7,070,240
Total Available	$44,065,669	$6,814,000	$37,144,136	$7,170,240	$7,170,240
Expenditures:					
IT Projects	$14,817,775	$6,814,000	$37,144,136	$7,170,240	$7,170,240
Total Expenditures	$14,817,775	$6,814,000	$37,144,136	$7,170,240	$7,170,240
Total Disbursements	$14,817,775	$6,814,000	$37,144,136	$7,170,240	$7,170,240
Ending Balance[3]	$29,247,894	$0	$0	$0	$0

[1] In FY 2017, Other Revenue reflects $527,795 in Electronic Summons revenue, $336,472 in Technology Trust Fund revenue, and $217,975 in Court Public Access Network (CPAN) revenue.

[2] In order to account for revenues in the proper fiscal year, an audit adjustment in the amount of $111,249.73 has been reflected as a decrease to Other Revenue in FY 2016 with an offsetting decrease in the *FY 2017 Revised Budget Plan* expenditure level. This audit adjustment has been included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustment were included in the FY 2017 Third Quarter package.

[3] Information Technology projects are budgeted based on total project costs. Most projects span multiple years. Therefore, funding is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

1742

Fund 20000
Consolidated County and Schools Debt Service Fund

Focus

Fund 20000, Consolidated County and Schools Debt Service Fund, accounts for the general obligation bond debt service of the County as well as general obligation bond debt service for the Fairfax County Public Schools (FCPS). In addition, debt service expenditures are included for the Economic Development Authority Lease Revenue bonds and School facilities, payments for Fairfax County Redevelopment and Housing Authority (FCRHA) Lease Revenue bonds, payments to the Virginia Resources Authority (VRA), and direct loans to banking institutions. Revenues for the debt service funds are derived principally from a transfer from the General Fund. Debt service on sewer revenue bonds is reflected in the Enterprise Funds.

The following table includes the debt service payments and projected fiscal agent fees required in FY 2018 as well as the sources of funding supporting these costs:

	FY 2018 Adopted
Expenses	
County Debt Service	$106,306,444
Lease Revenue Bonds	40,267,781
Park Authority (Laurel Hill Golf Course)	860,369
Fiscal Agent Fees/Cost of Issuance	2,100,000
Subtotal County	**$149,534,594**
School Debt Service	$182,498,066
Lease Revenue Bonds (South County High School)	4,469,887
School Administration Building	3,471,100
Fiscal Agent Fees/Cost of Issuance	1,400,000
Subtotal Schools	**$191,839,053**
Total Expenditures	**$341,373,647**
Transfer Out to Revenue Stabilization Fund	**$804,000**
Total Disbursements	**$342,177,647**
Funding	
General Fund Transfer	$334,989,749
School Operating Fund Transfer	3,471,100
Build America Bonds Subsidy	2,100,000
Park Authority (Laurel Hill Golf Course)	860,369
FCRHA Lease Revenue	176,429
Bond Proceeds to Offset Cost of Issuance	500,000
Fairfax City Revenue	80,000
Total Funding	**$342,177,647**

General Obligation Bonds

Preliminary expenses for debt service payments associated with FY 2017 bond sales have been incorporated into the FY 2018 projections.

Capital Leases

Funding is included for the following Capital Leases which were issued by other entities, but are actually supported by the County and paid through County Debt Service subject to annual appropriation by the Board of Supervisors:

Economic Development Authority (EDA), Virginia Resources Authority (VRA), and Direct Loan:	
Herrity and Pennino Buildings (EDA)	$8,080,250
Mott, Gum Springs, Baileys, & James Lee Community Centers; Herndon Harbor Adult Day Care Center; South County Government Center (EDA)	3,271,900
Mid-County Mental Health Center / Prov. Comm. Center (EDA)	3,869,025
Capital Renewal (Direct Loan)	7,202,020
Lincolnia Center (VRA)	964,869
Lewinsville (EDA)*	1,482,000
Public Safety Headquarters (EDA)	13,088,100
South County High School (EDA)	4,469,887
Workhouse Arts Foundation (EDA)	2,133,188
Laurel Hill Golf Course (EDA)**	860,369
School Administration Building (EDA)***	3,471,100
Subtotal EDA, VRA, and Direct Loan	**$48,892,708**
Fairfax County Redevelopment and Housing Authority (RHA):	
Gum Springs Head Start Facility	**$176,429**
Subtotal RHA	$176,429
Total Payments	**$49,069,137**

* Bond financing expected to occur in summer 2017.
** Reimbursed by a transfer in from the Park Authority.
***Reimbursed by a transfer in from the School Operating Fund.

Debt Service Ratios

The Board of Supervisors has adopted specific debt indicators within the *Ten Principles of Sound Financial Management (Ten Principles)* to effectively manage the County's bonded indebtedness. The *Ten Principles* state that the County's debt ratios shall be maintained at the following levels:

- Net debt as a percentage of estimated market value should always remain less than 3.0 percent; and

- The ratio of debt service expenditures as a percentage of Combined General Fund disbursements should remain under 10.0 percent.

The Board of Supervisors annually reviews the cash requirements for capital project financing to determine the capacity to incur additional debt for construction of currently funded projects as well as capital projects in the early planning stages. In FY 1992 and FY 1994, bond projects were deferred in order to reduce planned sales and remain within capacity guidelines.

During the adoption of the FY 2008 Adopted Budget Plan, the *Ten Principles* were revised to allow for the use of variable rate debt. Variable rate obligations are debt obligations that are frequently used for short-term or interim debt financing and have an interest rate that is reset periodically, usually for periods of less than one year. Variable rate debt is typically used to take advantage of low short-term rates in anticipation of converting to longer-term fixed rate financing for complex projects or to mitigate the impact of volatile markets. Also, variable rate debt reduces interest costs and typically provides the ability to redeem bonds without a prepayment penalty. It is anticipated that the use of variable rate debt will provide opportunities for interest rate savings, reduce arbitrage payments and promote more accurate sizing for long-term bond issues.

On November 19, 2007, the Board of Supervisors approved the Master Trust Agreement, Bank Note and related documents associated with acquisition of a $200,000,000 revolving line of credit (LOC) from Bank of America. On October 19, 2010, the Board of Supervisors approved a renewal of the LOC in the amount of $100,000,000 and on December 3, 2013, the Board of Supervisors again renewed the LOC in the amount of $100,000,000 for an additional three year contract term. Any line of credit borrowings will be in conformance with the *FY 2011 Revised Budget Plan* and the FY 2011-FY 2015 Capital Improvement Program (With Future Fiscal Years to 2020), or specific Board of Supervisors action approving such use. Variable rate debt will be used when it is most advantageous to the County in comparison to other financing options. A Variable Rate Debt Committee will carefully review each County department's request for use of the LOC and monitor the usage. The County has developed policies and procedures related to the use of variable rate debt and will monitor LOC usage closely. In January 2014, the County authorized a $30,000,000 draw on the LOC to provide interim financing for the acquisition of the leasehold interest of the Lorton Arts Foundation at the Workhouse Arts Center (WAF). Bond proceeds from the Fairfax County Economic Development Authority Series 2014B-Taxable in June 2014 were used to repay the draw on the LOC. Thus the goal of a long-term permanent plan of finance for WAF was achieved.

As a result of County financial policies, prudent fiscal management and a strong economy, the County has been awarded the strongest credit rating possible from the three major national rating services. The County holds a Aaa from Moody's Investors Service (awarded 1975), a AAA from Standard and Poor's Ratings Service (awarded 1978), and a AAA from Fitch Ratings (awarded 1997). As of May 2017, Fairfax County is one of only 12 states, 46 counties, and 33 cities to hold a triple-A rating from all three services.

Fund 20000
Consolidated County and Schools Debt Service Fund

The FY 2018 debt service budget has been prepared on the basis of the construction and bond sale limitations set in place by the Board of Supervisors. The FY 2018 capital program supported by general obligation bonds was reviewed in conjunction with the FY 2018 - FY 2022 Adopted Capital Improvement Program (With Future Years to 2027).

The following are ratios and annual sales reflecting debt indicators for FY 2014 - FY 2018:

Net Debt as a Percentage of Market Value of Taxable Property

Fiscal Year Ending	Net Bonded Indebtedness[1]	Estimated Market Value[2]	Percentage
2014	2,832,532,000	221,465,365,745	1.28%
2015	2,863,139,000	233,351,721,357	1.23%
2016	2,875,166,000	241,306,896,262	1.19%
2017 (est.)	2,929,242,000	248,403,290,626	1.18%
2018 (est.)	3,002,833,000	252,978,261,639	1.19%

[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. Source: FY 2014 to FY 2016 Comprehensive Annual Financial Report and Fairfax County Department of Tax Administration; FY 2017 and FY 2018 Fairfax County Department of Management and Budget and Department of Tax Administration.

[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
2014	295,451,022	3,637,841,492	8.12%
2015	313,968,578	3,729,624,836	8.42%
2016	323,859,385	3,860,655,340	8.39%
2017 (est.)	333,903,566	4,092,411,773	8.16%
2018 (est.)	354,176,875	4,106,622,164	8.62%

[1] The amount includes total principal and interest payments on the County's outstanding tax supported debt obligations, including General Obligation Bonds, economic development authority bonds, and other tax supported debt obligations budgeted in other funds. Source: FY 2014 to FY 2016 Comprehensive Annual Financial Report; FY 2017 and FY 2018 Fairfax County Department of Management and Budget.

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

Annual Bond Sales

Fiscal Year Ending	Sales (millions)	Total for the Five-Year Period Ending FY 2018
2014	289.64	-
2015	256.30	-
2016	249.73	-
2017	258.00	-
2018 (est.) [1]	275.00	$1,299.05

[1] Actual County and School bond sale amounts are based on the cash requirements for each project and municipal bond market conditions. Based on Board policy, par amounts of annual sales will be $275.0 million per year or $1.375 billion over a five-year period with a technical limit of $300.0 million in any given year. These amounts reflect project fund deposits (par + premium) and exclude refunding bond sales.

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Disbursement Adjustment** **$8,578,870**

An increase in disbursements of $8,578,870 or 2.57 percent is noted for FY 2018. Programmed payments for General Obligation bonds and other tax supported debt service increase $20,851,103. This is offset by a decrease in the transfer out to Fund 10010, Revenue Stabilization Fund, of $12,272,233 from the prior year. These monies reflect savings associated with the County's General Obligation Public Improvement Refunding Bonds Series 2015B, 2015C, and 2016A. This transfer out is consistent with the County's revised financial policies incorporated as part of the FY 2016 Adopted Budget Plan to increase reserves levels with savings from bond refundings.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$12,763,051**

As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $12,763,051 in Operating Expenses to provide funding for bond sales scheduled during FY 2017.

FUND STATEMENT

Fund 20000, Consolidated Debt Service

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$10,213,173	$0	$12,763,051	$0	$0
Revenue:					
Build America Bonds Subsidy	$2,889,783	$2,100,000	$2,100,000	$2,100,000	$2,100,000
Miscellaneous Revenue	23,482	0	0	0	0
Bond Proceeds	867,997	500,000	500,000	500,000	500,000
Revenue from Fairfax City	49,465	80,000	80,000	80,000	80,000
Total Revenue	$3,830,727	$2,680,000	$2,680,000	$2,680,000	$2,680,000
Transfers In:					
County Debt Service:					
General Fund (10001) for County	$127,616,867	$136,576,225	$136,576,225	$145,858,796	$145,858,796
FCRHA Lease Revenue Bonds (10001)	176,429	176,429	176,429	176,429	176,429
Park Authority Lease Revenue Bonds (80000)	800,994	829,299	829,299	860,369	860,369
Subtotal County Debt Service	$128,594,290	$137,581,953	$137,581,953	$146,895,594	$146,895,594
Schools Debt Service:					
General Fund (10001) for Schools	$187,157,477	$189,870,099	$189,870,099	$189,130,953	$189,130,953
School Admin Building (S10000)	3,468,575	3,466,725	3,466,725	3,471,100	3,471,100
Subtotal Schools Debt Service	$190,626,052	$193,336,824	$193,336,824	$192,602,053	$192,602,053
Total Transfers In	$319,220,342	$330,918,777	$330,918,777	$339,497,647	$339,497,647
Total Available	$333,264,242	$333,598,777	$346,361,828	$342,177,647	$342,177,647

Fund 20000
Consolidated County and Schools Debt Service Fund

FUND STATEMENT

Fund 20000, Consolidated Debt Service

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Expenditures:					
General Obligation Bonds:					
County Principal	$66,446,000	$60,568,700	$64,683,700	$65,585,200	$65,585,200
County Interest	33,353,679	31,239,009	34,173,503	31,451,244	31,451,244
Debt Service on Projected County Sales	0	9,412,400	15,125,957	9,270,000	9,270,000
Subtotal County Debt Service	$99,799,679	$101,220,109	$113,983,160	$106,306,444	$106,306,444
Schools Principal	$120,379,000	$106,736,300	$113,476,300	$115,084,800	$115,084,800
Schools Interest	57,038,669	53,627,078	58,293,672	53,463,266	53,463,266
Debt Service on Projected School Sales	0	14,292,100	2,885,506	13,950,000	13,950,000
Subtotal Schools Debt Service	$177,417,669	$174,655,478	$174,655,478	$182,498,066	$182,498,066
Subtotal General Obligation Bonds	$277,217,348	$275,875,587	$288,638,638	$288,804,510	$288,804,510
Other Tax Supported Debt Service (County):					
EDA Lease Revenue Bonds	$24,498,675	$27,430,161	$27,430,161	$35,511,295	$35,511,295
Workhouse Arts Foundation	2,130,852	2,134,302	2,134,302	2,133,188	2,133,188
VRA 2013A - Lincolnia; EDA - Lewinsville	996,703	2,465,834	2,465,834	2,446,869	2,446,869
FCRHA Lease Revenue Bonds	176,429	176,429	176,429	176,429	176,429
Park Authority Lease Revenue Bonds	800,994	829,299	829,299	860,369	860,369
Other Tax Supported Debt Service (Schools):					
EDA Schools Lease Revenue Bonds	8,287,087	8,110,932	8,110,932	7,940,987	7,940,987
Subtotal Other Tax Supported Debt Service	$36,890,740	$41,146,957	$41,146,957	$49,069,137	$49,069,137
Other Expenses	$1,868,368	$3,500,000	$3,500,000	$3,500,000	$3,500,000
Total Expenditures	$315,976,456	$320,522,544	$333,285,595	$341,373,647	$341,373,647
Transfers Out:					
Revenue Stabilization Fund (10010)[1]	$4,524,735	$13,076,233	$13,076,233	$804,000	$804,000
Total Transfers Out	$4,524,735	$13,076,233	$13,076,233	$804,000	$804,000
Total Disbursements	$320,501,191	$333,598,777	$346,361,828	$342,177,647	$342,177,647
Ending Balance[2]	$12,763,051	$0	$0	$0	$0
Unreserved Ending Balance	$12,763,051	$0	$0	$0	$0

[1] These monies reflect savings associated with the County's General Obligation Public Improvement Refunding Bonds Series 2015B, 2015C, and Series 2016A. This transfer out is consistent with the County's revised financial policies incorporated as part of the FY 2016 Adopted Budget Plan to increase reserves levels with savings from bond refundings.

[2] The change in ending fund balance is the result of use of fund balance to offset projected debt service requirements.

COUNTY OF FAIRFAX, VIRGINIA
SCHEDULE OF GENERAL OBLIGATION AND REVENUE BONDS
COUNTY DEBT SERVICE
FY2018

Bond	Original Issue Amount	Issue Date	Category	Principal Outstanding as of 6/30/2017	Interest Outstanding as of 6/30/2017	Total Outstanding as of 6/30/2017	Principal Due FY 2018	Interest Due FY 2018	Total Payment Due FY 2018	Principal Outstanding as of 6/30/2018	Interest Outstanding as of 6/30/2018
2008A	99,155,000	1/15/2008	Parks	2,502,000	125,100	2,627,100	2,502,000	125,100	2,627,100	-	-
			Transit	1,879,000	93,950	1,972,950	1,879,000	93,950	1,972,950	-	-
			Library	150,000	7,500	157,500	150,000	7,500	157,500	-	-
			Public Safety	217,000	10,850	227,850	217,000	10,850	227,850	-	-
			Transportation/Roads	62,000	3,100	65,100	62,000	3,100	65,100	-	-
			Public Safety - Capital Renewal	150,000	7,500	157,500	150,000	7,500	157,500	-	-
2008A Total				**4,960,000**	**248,000**	**5,208,000**	**4,960,000**	**248,000**	**5,208,000**	**-**	**-**
2009A	49,000,000	1/23/2009	Library	675,000	60,750	735,750	225,000	31,500	256,500	450,000	29,250
			Human Services	1,515,000	136,350	1,651,350	505,000	70,700	575,700	1,010,000	65,650
			Parks	2,295,000	206,550	2,501,550	765,000	107,100	872,100	1,530,000	99,450
			Parks - NVRPA	540,000	48,600	588,600	180,000	25,200	205,200	360,000	23,400
			Public Safety	2,175,000	195,750	2,370,750	725,000	101,500	826,500	1,450,000	94,250
			Roads	150,000	13,500	163,500	50,000	7,000	57,000	100,000	6,500
2009A Total				**7,350,000**	**661,500**	**8,011,500**	**2,450,000**	**343,000**	**2,793,000**	**4,900,000**	**318,500**
Series 2009C Refunding	131,800,000	10/28/2009	Adult Detention	769,000	35,705	804,705	439,400	27,465	466,865	329,600	8,240
			Commercial and Redevelopment	1,060,400	58,955	1,119,355	608,100	37,818	645,918	452,300	21,138
			Neighborhood Improvement	143,100	3,578	146,678	143,100	3,578	146,678	-	-
			Human Services	507,300	26,038	533,338	240,200	19,360	259,560	267,100	6,678
			Juvenile Detention	56,200	1,405	57,605	56,200	1,405	57,605	-	-
			Library	1,068,500	54,843	1,123,343	505,900	40,778	546,678	562,600	14,065
			Parks	6,890,700	325,913	7,216,613	4,425,100	233,908	4,659,008	2,465,600	92,005
			Prim/2nd Road	5,077,600	260,485	5,338,085	2,406,700	193,713	2,600,413	2,670,900	66,773
			Public Safety	9,500,900	603,088	10,103,988	4,404,600	364,930	4,769,530	5,096,300	238,158
			Storm Drainage	235,000	5,875	240,875	235,000	5,875	240,875	-	-
			Transportation	1,113,900	27,848	1,141,748	1,113,900	27,848	1,141,748	-	-
2009C Refunding Total				**26,422,600**	**1,403,730**	**27,826,330**	**14,578,200**	**956,675**	**15,534,875**	**11,844,400**	**447,055**
Series 2009E Refunding	202,200,000	10/28/2009	Human Services	10,052,600	3,202,555	13,255,155	773,200	453,917	1,227,117	9,279,400	2,748,639
			Library	8,840,000	2,816,050	11,656,050	680,000	399,160	1,079,160	8,160,000	2,416,890
			Road Bond Construction	12,220,000	3,892,775	16,112,775	940,000	551,780	1,491,780	11,280,000	3,340,995
			Parks-NVRPA	2,340,000	745,425	3,085,425	180,000	105,660	285,660	2,160,000	639,765
			Parks	9,967,100	2,986,236	12,953,336	766,700	450,053	1,216,753	9,200,400	2,536,183
			Public Safety	11,787,100	3,943,731	15,730,831	906,700	532,233	1,438,933	10,880,400	3,411,498
2009E Refunding Total				**55,206,800**	**17,586,773**	**72,793,573**	**4,246,600**	**2,492,803**	**6,739,403**	**50,960,200**	**15,093,971**
Series 2011A	47,880,000	2/10/2011	Transportation Facilities	3,785,600	435,344	4,220,944	946,400	179,816	1,126,216	2,839,200	255,528
			Road Bond Construction	3,164,000	363,860	3,527,860	791,000	150,290	941,290	2,373,000	213,570
			Parks-NVRPA	541,200	62,238	603,438	135,300	25,707	161,007	405,900	36,531
			Parks	2,109,200	242,558	2,351,758	527,300	100,187	627,487	1,581,900	142,371
2011A Total				**9,600,000**	**1,104,000**	**10,704,000**	**2,400,000**	**456,000**	**2,856,000**	**7,200,000**	**648,000**
Series 2012A	77,185,000	2/2/2012	Human Services	14,073,200	3,779,365	17,852,565	1,005,200	502,642	1,507,842	13,068,000	3,276,723
			Library	1,400,400	376,112	1,776,512	100,000	50,016	150,016	1,300,400	326,096
			Parks	6,418,100	1,723,512	8,141,612	458,500	229,234	687,734	5,959,600	1,494,278
			Parks-NVRPA	2,100,400	564,128	2,664,528	150,000	75,016	225,016	1,950,400	489,112
			Public Safety	4,200,900	1,128,055	5,328,955	300,100	150,044	450,144	3,900,800	978,011
			Public Safety - Capital Renewal	2,100,400	564,128	2,664,528	150,000	75,016	225,016	1,950,400	489,112
			Road Bond Construction	9,744,900	2,616,993	12,361,893	696,000	348,050	1,044,050	9,048,900	2,268,943
			Transportation	14,003,200	3,760,565	17,763,765	1,000,200	500,142	1,500,342	13,003,000	3,260,423
2012A Total				**54,041,500**	**14,512,858**	**68,554,358**	**3,860,000**	**1,930,160**	**5,790,160**	**50,181,500**	**12,582,698**
Series 2012B Refunding	74,759,100	2/2/2012	Adult Detention	611,900	125,311	737,211	-	29,094	29,094	611,900	96,218
			Commercial and Redevelopment	3,068,600	687,537	3,756,137	73,700	147,467	221,167	2,994,900	540,070
			Human Services	717,900	141,657	859,557	92,100	33,584	125,684	625,800	108,073
			Juvenile Detention	246,300	53,771	300,071	-	11,759	11,759	246,300	42,012
			Library	3,893,400	768,276	4,661,676	499,400	182,139	681,539	3,394,000	586,138
			Neighborhood Improvement	677,100	144,932	822,032	-	32,299	32,299	677,100	112,633
			Parks	17,689,200	3,839,730	21,528,930	356,900	845,487	1,202,387	17,332,300	2,994,243
			Parks-NVRPA	1,435,600	283,292	1,718,892	184,100	67,160	251,260	1,251,500	216,132
			Public Safety	29,826,600	6,528,430	36,355,030	1,776,100	1,427,082	3,203,182	28,050,500	5,101,348
			Public Safety - Capital Renewal	574,100	113,277	687,377	73,700	26,857	100,557	500,400	86,420
			Roads	1,722,700	339,923	2,062,623	221,000	80,589	301,589	1,501,700	259,334
			Storm Drainage	1,122,900	243,885	1,366,785	-	53,588	53,588	1,122,900	190,298
			Transit	3,158,500	623,270	3,781,770	405,100	147,759	552,859	2,753,400	475,511
			Transportation	7,680,700	1,638,266	9,318,966	287,300	364,709	652,009	7,393,400	1,273,557
2012B Refunding Total				**72,425,500**	**15,531,559**	**87,957,059**	**3,969,400**	**3,449,573**	**7,418,973**	**68,456,100**	**12,081,986**

COUNTY OF FAIRFAX, VIRGINIA
SCHEDULE OF GENERAL OBLIGATION AND REVENUE BONDS
COUNTY DEBT SERVICE
FY2018

Bond	Original Issue Amount	Issue Date	Category	Principal Outstanding as of 6/30/2017	Interest Outstanding as of 6/30/2017	Total Outstanding as of 6/30/2017	Principal Due FY 2018	Interest Due FY 2018	Total Payment Due FY 2018	Principal Outstanding as of 6/30/2018	Interest Outstanding as of 6/30/2018
Series 2013A	78,535,000	1/24/2013	Commercial Revitalization Program	1,130,000	418,100	1,548,100	113,000	53,675	166,675	1,017,000	364,425
			County Construction	9,997,400	3,694,745	13,692,145	1,003,200	474,790	1,477,990	8,994,200	3,219,955
			Housing Redevelopment Area	2,185,000	808,450	2,993,450	218,500	103,788	322,288	1,966,500	704,663
			Library Facilities	1,622,600	600,230	2,222,830	162,300	77,073	239,373	1,460,300	523,158
			Park Authority	4,487,600	1,660,280	6,147,880	448,800	213,160	661,960	4,038,800	1,447,120
			Public Safety	7,595,000	2,810,150	10,405,150	759,500	360,763	1,120,263	6,835,500	2,449,388
			Capital Renewal/Public Safety	949,800	351,690	1,301,490	94,900	45,118	140,018	854,900	306,573
			Road Bonds	3,797,600	1,404,980	5,202,580	379,800	180,385	560,185	3,417,800	1,224,595
			Transportation Facilities	7,500,000	2,775,000	10,275,000	750,000	356,250	1,106,250	6,750,000	2,418,750
2013A Total				**39,265,000**	**14,523,625**	**53,788,625**	**3,930,000**	**1,865,000**	**5,795,000**	**35,335,000**	**12,658,625**
Series 2013B Refunding	54,389,300	1/24/2013	Adult Detention	957,000	150,376	1,107,376	-	38,280	38,280	957,000	112,096
			Commercial and Redevelopment	233,000	50,369	283,369	-	7,383	7,383	233,000	42,986
			Human Services	955,100	173,935	1,129,035	-	35,783	35,783	955,100	138,152
			Library	3,379,100	631,145	4,010,245	-	122,030	122,030	3,379,100	509,115
			Neighborhood Improvement	99,700	9,970	109,670	-	3,988	3,988	99,700	5,982
			Park Authority	11,092,400	1,772,515	12,864,915	-	427,415	427,415	11,092,400	1,345,100
			Parks-NVRPA	484,400	116,133	600,533	-	14,532	14,532	484,400	101,601
			Public Safety	8,763,200	1,864,652	10,627,852	-	278,841	278,841	8,763,200	1,585,811
			Public Safety -capital renewal	549,100	98,123	647,223	-	20,027	20,027	549,100	78,096
			Roads	9,169,200	1,447,997	10,617,197	-	360,956	360,956	9,169,200	1,087,041
			Storm Drainage	221,600	49,860	271,460	-	6,648	6,648	221,600	43,212
			Transit	1,065,500	255,449	1,320,949	-	31,965	31,965	1,065,500	223,484
			Transportation	5,202,500	827,878	6,030,378	-	200,544	200,544	5,202,500	627,334
2013B Refunding Total				**42,171,800**	**7,448,399**	**49,620,199**	**-**	**1,548,392**	**1,548,392**	**42,171,800**	**5,900,007**
Series 2014A	123,426,200	2/6/2014	Library Facilities	5,214,600	1,829,576	7,044,176	306,800	211,651	518,451	4,907,800	1,617,925
			Road Bonds	22,284,800	7,819,229	30,104,029	1,310,900	904,501	2,215,401	20,973,900	6,914,728
			Transportation Facilities	25,075,000	8,798,375	33,873,375	1,475,000	1,017,750	2,492,750	23,600,000	7,780,625
			Public Safety Facilities	34,095,700	11,963,454	46,059,154	2,005,700	1,383,882	3,389,582	32,090,000	10,579,572
			Historic Old Courthouse/Public Safety	3,485,000	1,222,825	4,707,825	205,000	141,450	346,450	3,280,000	1,081,375
			Newington Bus Garage	5,100,000	1,789,500	6,889,500	300,000	207,000	507,000	4,800,000	1,582,500
			Parks	9,646,700	3,380,927	13,027,627	571,400	391,436	962,836	9,075,300	2,989,491
2014A Total				**104,901,800**	**36,803,885**	**141,705,685**	**6,174,800**	**4,257,670**	**10,432,470**	**98,727,000**	**32,546,215**
Series 2014A Refunding	18,569,400	2/6/2014	Adult Detention	70,300	11,265	81,565	10,400	2,813	13,213	59,900	8,452
			Community Redevelopment	378,000	59,858	437,858	53,400	15,148	68,548	324,600	44,710
			Juvenile Detention	82,000	12,903	94,903	11,700	3,281	14,981	70,300	9,622
			Neighborhood Improvement	168,800	26,953	195,753	23,400	6,780	30,180	145,400	20,173
			Parks	2,805,900	440,865	3,246,765	402,200	112,223	514,423	2,403,700	328,642
			Storm Drainage	354,200	55,757	409,957	50,600	14,173	64,773	303,600	41,584
			Transportation	1,913,300	301,420	2,214,720	273,200	76,569	349,769	1,640,100	224,851
2014A Refunding Total				**5,772,500**	**909,019**	**6,681,519**	**824,900**	**230,987**	**1,055,887**	**4,947,600**	**678,032**
Series 2014B Refunding	70,399,400	11/4/2014	Adult Detention	919,800	207,800	1,127,600	205,400	40,855	246,255	714,400	166,945
			Community Redevelopment	53,200	3,605	56,805	18,100	2,208	20,308	35,100	1,398
			Human Services	3,757,200	1,068,549	4,825,749	23,300	184,770	208,070	3,733,900	883,780
			Juvenile Detention	128,900	8,658	137,558	53,000	5,120	58,120	75,900	3,538
			Library	3,722,900	1,121,924	4,844,824	72,000	170,683	242,683	3,650,900	951,241
			Hoods	101,500	6,768	108,268	42,400	4,015	46,415	59,100	2,753
			Housing	513,800	172,662	686,462	-	23,676	23,676	513,800	148,986
			Parks	19,296,700	5,684,274	24,980,974	99,100	947,566	1,046,666	19,197,600	4,736,708
			NVRPA	1,199,900	341,943	1,541,843	-	59,995	59,995	1,199,900	281,948
			Public Safety	5,669,900	1,603,554	7,273,454	140,900	229,431	370,331	5,529,000	1,374,123
			Public Safety -urban renewal	977,000	290,315	1,267,315	-	48,850	48,850	977,000	241,465
			County Construction	5,236,600	1,578,595	6,815,195	-	261,830	261,830	5,236,600	1,316,765
			Transit	401,500	26,348	427,848	173,700	15,733	189,433	227,800	10,615
			Transportation	14,210,200	4,074,311	18,284,511	286,000	678,398	964,398	13,924,200	3,395,913
			Roads	6,881,400	2,467,820	9,349,220	-	344,070	344,070	6,881,400	2,123,750
			Community Revitalization	213,600	74,440	288,040	-	10,680	10,680	213,600	63,760
2014B Refunding Total				**63,284,100**	**18,731,563**	**82,015,663**	**1,113,900**	**3,027,878**	**4,141,778**	**62,170,200**	**15,703,685**
Series 2015A	86,037,100	3/4/2015	Flood Control	1,595,000	591,400	2,186,400	90,000.00	67,300	157,300	1,505,000	524,100
			Newington Bus Garage	11,970,000	4,468,800	16,438,800	665,000.00	505,400	1,170,400	11,305,000	3,963,400
			NVRPA	2,700,000	1,008,000	3,708,000	150,000.00	114,000	264,000	2,550,000	894,000
			Park '08	13,332,100	4,980,670	18,312,770	740,000.00	562,884	1,302,884	12,592,100	4,417,786
			Park '12	1,535,000	571,300	2,106,300	90,000.00	64,700	154,700	1,445,000	506,600
			Public Safety Facilities	15,965,000	5,955,000	21,920,000	885,000.00	674,300	1,559,300	15,080,000	5,280,700
			Road Bonds	9,630,000	3,595,200	13,225,200	535,000.00	406,600	941,600	9,095,000	3,188,600
			Transportation Facilities (Metro)	20,700,000	7,728,000	28,428,000	1,150,000.00	874,000	2,024,000	19,550,000	6,854,000
2015A Total				**77,427,100**	**28,898,370**	**106,325,470**	**4,305,000**	**3,269,184**	**7,574,184**	**73,122,100**	**25,629,186**

COUNTY OF FAIRFAX, VIRGINIA
SCHEDULE OF GENERAL OBLIGATION AND REVENUE BONDS
COUNTY DEBT SERVICE
FY2018

Bond	Original Issue Amount	Issue Date	Category	Principal Outstanding as of 6/30/2017	Interest Outstanding as of 6/30/2017	Total Outstanding as of 6/30/2017	Principal Due FY 2018	Interest Due FY 2018	Total Payment Due FY 2018	Principal Outstanding as of 6/30/2018	Interest Outstanding as of 6/30/2018
Series 2015B Refunding	17,988,800	3/11/2015	Community Revitalization	110,900	41,319	152,219	-	4,861	4,861	110,900	36,458
			County Construction	2,430,700	930,588	3,361,288	-	105,761	105,761	2,430,700	824,827
			Housing	214,400	79,883	294,283	-	9,398	9,398	214,400	70,485
			Human Services	1,010,700	393,906	1,404,606	-	43,751	43,751	1,010,700	350,155
			Library	762,400	296,967	1,059,367	-	33,013	33,013	762,400	263,954
			NVRPA	595,900	223,324	819,224	-	26,559	26,559	595,900	196,765
			Parks	5,439,400	2,119,848	7,559,248	-	237,355	237,355	5,439,400	1,882,493
			Public Safety	966,800	367,689	1,334,489	-	42,144	42,144	966,800	325,545
			Public Safety - Urban Renewal	246,300	96,933	343,233	-	10,634	10,634	246,300	86,299
			Roads	1,912,700	687,867	2,600,567	-	87,430	87,430	1,912,700	600,437
			Transportation	4,298,600	1,631,924	5,930,524	-	190,823	190,823	4,298,600	1,441,101
2015B Refunding Total				**17,988,800**	**6,870,245**	**24,859,045**	**-**	**791,729**	**791,729**	**17,988,800**	**6,078,516**
Series 2015C Refunding	49,077,300	7/7/2015	Adult Detention	1,658,800	327,395	1,986,195	331,900	72,983	404,883	1,326,900	254,412
			Community Redevelopment	323,100	20,639	343,739	127,700	12,324	140,024	195,400	8,315
			Hoods	874,700	73,092	947,792	285,000	35,185	320,185	589,700	37,907
			Human Services	1,082,000	248,465	1,330,465	187,100	48,487	235,587	894,900	199,978
			Juvenile Detention	42,500	2,016	44,516	21,300	1,486	22,786	21,200	530
			Library	2,986,500	633,127	3,619,627	404,200	137,199	541,399	2,582,300	495,928
			Parks	8,870,800	1,478,733	10,349,533	1,782,500	390,065	2,172,565	7,088,300	1,088,668
			Public Safety	8,644,700	995,937	9,640,637	1,893,100	375,442	2,268,542	6,751,600	620,495
			Roads	20,101,200	3,590,412	23,691,612	3,624,600	896,322	4,520,922	16,476,600	2,694,090
2015C Refunding Total				**44,584,300**	**7,369,815**	**51,954,115**	**8,657,400**	**1,969,493**	**10,626,893**	**35,926,900**	**5,400,322**
Series 2016A	82,312,200	2/9/2016	Flood Control	4,405,000	1,852,519	6,257,519	230,000	174,738	404,738	4,175,000	1,677,781
			Library	5,115,000	2,131,013	7,246,013	270,000	202,425	472,425	4,845,000	1,928,588
			NVRPA	2,845,000	1,186,563	4,031,563	150,000	112,625	262,625	2,695,000	1,073,938
			Parks	12,375,000	5,171,313	17,546,313	650,000	490,125	1,140,125	11,725,000	4,681,188
			Public Safety Facilities '06	13,812,200	5,790,566	19,602,766	725,000	547,423	1,272,423	13,087,200	5,243,144
			Public Safety Facilities '12	2,980,000	1,235,069	4,215,069	160,000	117,738	277,738	2,820,000	1,117,331
			Road Bonds	14,635,000	6,118,888	20,753,888	770,000	579,675	1,349,675	13,865,000	5,539,213
			Transportation Facilities (Metro)	22,030,000	9,202,850	31,232,850	1,160,000	872,400	2,032,400	20,870,000	8,330,450
2016A Total				**78,197,200**	**32,688,779**	**110,885,979**	**4,115,000**	**3,097,148**	**7,212,148**	**74,082,200**	**29,591,631**
Series 2016A Refunding	37,805,700	2/9/2016	Refunding Commercial Revitalization	319,200	134,852	454,052	-	12,768	12,768	319,200	122,084
			Refunding County Construction	4,271,900	1,830,022	6,101,922	-	170,876	170,876	4,271,900	1,659,146
			Refunding Human Services	1,836,800	758,552	2,595,352	-	73,472	73,472	1,836,800	685,080
			Refunding Jails	617,100	260,706	877,806	-	24,684	24,684	617,100	236,022
			Refunding Library	1,142,200	486,528	1,628,728	-	45,688	45,688	1,142,200	440,840
			Refunding NVRPA	1,253,200	526,926	1,780,126	-	50,428	50,428	1,253,200	476,498
			Refunding Parks	8,694,700	3,663,884	12,358,584	-	348,959	348,959	8,694,700	3,314,925
			Refunding Public Safety	2,610,200	1,091,728	3,701,928	-	104,408	104,408	2,610,200	987,320
			Refunding Public Safety-Urban Renewal	543,000	223,800	766,800	-	21,720	21,720	543,000	202,080
			Refunding Roads	6,303,900	2,619,784	8,923,684	-	253,911	253,911	6,303,900	2,365,873
			Refunding Transit	1,892,000	794,640	2,686,640	-	75,680	75,680	1,892,000	718,960
			Refunding Transport	8,321,500	3,455,878	11,777,378	-	334,960	334,960	8,321,500	3,120,918
2016A Refunding Total				**37,805,700**	**15,847,299**	**53,652,999**	**-**	**1,517,554**	**1,517,554**	**37,805,700**	**14,329,745**
2017A							**5,150,000**	**4,120,000**	**9,270,000**		
Total County GO Debt				**741,404,700**	**221,139,418**	**962,544,118**	**70,735,200**	**35,571,244**	**106,306,444**	**675,819,500**	**189,688,174**
Lease Revenue Bonds											
2003EDA-Ref	85,650,000	10/1/2003	EDA Gov't Ctr Properties Refdng	15,205,000	957,375	16,162,375	7,320,000	760,250	8,080,250	7,885,000	197,125
2003H	2,530,000	6/1/2003	Gum Springs Glen Head Start	986,555	116,128	1,102,683	143,773	32,656	176,429	842,781	83,472
2010-EDA Ref	43,390,000	3/10/2010	Six Public Facilities	24,845,000	7,816,637	32,661,637	2,320,000	951,900	3,271,900	22,525,000	6,864,737
2012A-LRL Ref[1]	12,832,200	4/17/2012	Laurel Hill Golf Course Refdg[1]	11,604,900	3,893,848	15,498,748	422,300	438,069	860,369	11,182,600	3,455,779
EDA 2012A Woodburn	65,965,000	5/30/2012	Woodburn & Providence	56,605,000	40,085,600	96,690,600	1,240,000	2,629,025	3,869,025	55,365,000	37,456,575
EDA 2014A Cty Facilities Rev. Bonds - PSHQ	126,690,000	6/26/2014	Public Safety Facilities	126,690,000	56,866,800	183,556,800	7,035,000	6,053,100	13,088,100	119,655,000	50,813,700
EDA 2014B Cty Facilities Rev. Bonds	30,175,000	6/26/2014	Leasehold Acquisition of Lorton Arts Foundation	26,390,000	9,849,559	36,239,559	1,205,000	928,188	2,133,188	25,185,000	8,921,371
EDA Series Cty Facilities 2017A	17,000,000	TBD	Lewinsville				810,000	672,000	1,482,000	-	-
Total Lease Revenue Bonds				**262,326,455**	**119,585,946**	**381,912,401**	**20,496,073**	**12,465,188**	**32,961,262**	**242,640,381**	**107,792,758**
Loans											
Loan from TD Bank#1	*25,000,000*	*12/18/2013*	*Capital Renewal*	10,000,000	186,300	10,186,300	5,000,000	124,200	5,124,200	5,000,000	62,100
Loan from TD Bank#2	*10,000,000*	*3/10/2015*	*Capital Renewal*	6,000,000	155,640	6,155,640	2,000,000	77,820	2,077,820	4,000,000	77,820
VRA Subfund Rev. Bonds											
VRA 2013C	*11,085,000*	*11/20/2013*	*VRA 2013C Lincolnia*	9,420,000	3,732,100	13,152,100	550,000	414,869	964,869	8,870,000	3,317,232
Total Lease Revenue Bonds, Subfund Revenue Bonds and Direct Loan from Bank				**287,746,455**	**123,659,987**	**411,406,442**	**28,046,073**	**13,082,077**	**41,128,150**	**260,510,381**	**111,249,910**
Total County Debt Service Fund 200-C20000				**1,029,151,155**	**344,799,405**	**1,373,950,560**	**98,781,273**	**48,653,321**	**147,434,594**	**936,329,881**	**300,938,084**

[1] Principal and interest payments will be funded by a transfer in from the Park Authority.

COUNTY OF FAIRFAX, VIRGINIA
SCHEDULE OF GENERAL OBLIGATION AND LEASE REVENUE BONDS FOR FY2018
SCHOOLS DEBT SERVICE

Bond	Original Issue Amount	Issue Date	Category	Principal Outstanding as of 6/30/2017	Interest Outstanding as of 6/30/2017	Total Outstanding as of 6/30/2017	Principal Due FY 2018	Interest Due FY 2018	Total Payment Due FY 2018	Principal Outstanding as of 6/30/2018	Interest Outstanding as of 6/30/2018
G.O. Bonds											
2008A	135,320,000	1/15/2008	Schools	6,765,000	338,250	7,103,250	6,765,000	338,250	7,103,250	-	-
2009A	150,510,000	1/23/2009	Schools	22,575,000	2,031,750	24,606,750	7,525,000	1,053,500	8,578,500	15,050,000	978,250
2009C	83,273,000	10/28/2009	Schools	41,737,400	2,181,770	43,919,170	24,051,800	1,485,575	25,537,375	17,685,600	696,195
2009E	138,499,500	10/28/2009	Schools	120,033,200	38,237,276	158,270,476	9,233,400	5,419,957	14,653,357	110,799,800	32,817,319
2011A	123,515,000	2/10/2011	Schools	24,920,000	2,865,800	27,785,800	6,230,000	1,183,700	7,413,700	18,690,000	1,682,100
2012A	140,470,000	2/2/2012	Schools	98,343,500	26,408,592	124,752,092	7,025,000	3,512,390	10,537,390	91,318,500	22,896,202
2012B Refunding	117,590,900	2/2/2012	Schools	113,074,500	24,460,741	137,535,241	4,670,600	5,398,127	10,068,727	108,403,900	19,062,614
2013A	127,800,000	1/24/2013	Schools	63,900,000	23,643,000	87,543,000	6,390,000	3,035,250	9,425,250	57,510,000	20,607,750
2013B Refunding	73,610,700	1/24/2013	Schools	57,543,200	9,908,476	67,451,676	-	2,121,658	2,121,658	57,543,200	7,786,818
2014A	140,903,800	2/6/2014	Schools	119,768,200	42,024,490	161,792,690	7,045,200	4,861,180	11,906,380	112,723,000	37,163,310
2014A Refunding	33,410,600	2/6/2014	Schools	10,922,500	1,717,781	12,640,281	1,565,100	436,913	2,002,013	9,357,400	1,280,868
2014B Refunding	33,410,600	11/4/2014	Schools	117,185,900	33,370,688	150,556,588	3,451,100	5,640,498	9,091,598	113,734,800	27,730,190
2015A	141,302,900	3/4/2015	Schools	127,172,900	47,478,830	174,651,730	7,065,000	5,369,516	12,434,516	120,107,900	42,109,314
2015B Refunding	39,081,200	3/11/2015	Schools	39,081,200	14,827,256	53,908,456	-	1,726,771	1,726,771	39,081,200	13,100,485
2015C Refunding	90,437,700	7/7/2015	Schools	81,440,700	11,829,385	93,270,085	17,327,600	3,552,207	20,879,807	64,113,100	8,277,178
2016A	134,727,800	2/9/2016	Schools	127,987,800	53,477,959	181,465,759	6,740,000	5,068,578	11,808,578	121,247,800	48,409,381
2016A Refunding	81,134,300	2/9/2016	Schools	81,134,300	34,114,076	115,248,376	-	3,259,196	3,259,196	81,134,300	30,854,880
2017A		1/24/2017	Schools				7,750,000	6,200,000	13,950,000		
G.O Bond Total				**1,253,585,300**	**368,916,119**	**1,622,501,419**	**122,834,800**	**59,663,266**	**182,498,066**	**1,138,500,500**	**315,452,853**
Revenue Bonds											
EDA 2012A Laurel Hill	34,912,800	4/17/2012	South County High School [1]	20,940,100	3,245,477	24,185,577	3,492,700	977,187	4,469,887	17,447,400	2,268,290
EDA 2014A Refdg - Sch Adm. Bldg (2)	44,000,000	6/26/2014	School Admin. Building [2]	41,210,000	21,232,700	62,442,700	1,470,000	2,001,100	3,471,100	39,740,000	19,231,600
Revenue Bond Total				**62,150,100**	**24,478,177**	**86,628,277**	**4,962,700**	**2,978,287**	**7,940,987**	**57,187,400**	**21,499,890**
Total Schools Debt Service				**1,315,735,400**	**393,394,296**	**1,709,129,696**	**127,797,500**	**62,641,553**	**190,439,053**	**1,195,687,900**	**336,952,743**
Total County Debt Service (1)				**1,029,151,155**	**344,799,405**	**1,373,950,560**	**98,781,273**	**48,653,321**	**147,434,594**	**936,329,881**	**300,938,084**
Grand Total Debt Current Service Fund 200-C20000 & C20001				**2,344,886,555**	**738,193,701**	**3,083,080,256**	**226,578,773**	**111,294,874**	**337,873,647**	**2,132,017,781**	**637,890,827**
Other County Debt Service						-					
Salona 2005 (3)	12,900,000	12/27/2005	Parks[3]	5,482,500	1,036,337	6,518,837	645,000	221,009	866,009	4,837,500	815,328
FCRHA Crescent Loan-BOA (4)	18,260,000	2/25/2015	Housing - Crescent[4]	13,260,000	294,372	13,554,372	13,260,000	294,372	13,554,372	-	(0)
FCRHA Series 2009 Wedgewood (4)	94,950,000	8/20/2009	Housing - Wedgewood[4]	81,380,000	50,908,505	132,288,505	2,165,000	3,587,656	5,752,656	79,215,000	47,320,849
EDA 2011 Dulles Rail (5)	205,705,000	5/19/2011	Dulles Rail Phase 1	18,115,000	1,809,300	19,924,300	5,765,000	875,550	6,640,550	12,350,000	933,750
EDA 2011 Wiehle (6)	99,430,000	7/28/2011	Wiehle Ave	92,765,000	40,179,168	132,944,168	3,545,000	3,839,563	7,384,563	89,220,000	36,339,606
EDA 2012 Dulles Rail (5)	42,390,000	10/10/2012	Dulles Rail Phase 1	3,535,000	359,250	3,894,250	1,120,000	176,750	1,296,750	2,415,000	182,500
EDA 2016 Dulles Rail (5)	173,960,000	3/16/2016	Dulles Rail Phase 1	173,960,000	91,501,850	265,461,850	-	7,632,400	7,632,400	173,960,000	83,869,450
Grand Total Debt Service All Funds				**2,733,384,055**	**924,282,483**	**3,657,666,538**	**253,078,773**	**127,922,174**	**381,000,947**	**2,494,015,281**	**807,352,309**

(1) Principal and interest will be paid by County Debt Service.
(2) Principal and interest will be paid from a transfer in from the FCPS Operating Fund in connection with a capital lease.
(3) Payments for Salona debt are budgeted in Fund 30010, County Construction and Contributions.
(4) Payments for Wedgewood and Crescent debts are budgeted in Fund 30300, The Penny for Affordable Housing.
(5) Payments for Dulles Rail Phase 1 Project (Series 2011, 2012, & 2016) are budgeted in Fund 40110, Phase 1 Dulles Rail Transportation Improvement.
(6) Payments for Wiehle Ave Project (Series 2011) are budgeted in Fund 40125, Metrorail Parking System Revenues.

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Capital Project Funds

Overview

The Fairfax County 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 other miscellaneous revenues.

The following pages provide a narrative description of all capital funds, including Capital Construction Contribution Funds. These narratives include a description of each fund, a Fund Statement, and a Summary of Capital Projects.

Capital Project Funds

- **Fund 30010 – General Construction and Contributions**
- **Fund 30020 – Infrastructure Replacement and Upgrades**
- **Fund 30030 – Library Construction**
- **Fund 30040 – Contributed Roadway Improvements**
- **Fund 30050 – Transportation Improvements**
- **Fund 30060 – Pedestrian Walkway Improvements**
- **Fund 30070 – Public Safety Construction**
- **Fund 30080 – Commercial Revitalization Program**
- **Fund 30090 – Pro Rata Share Drainage Construction**
- **Fund 30400 – Park Authority Bond Construction**
- **Fund S31000 – Public School Construction**

Capital Contribution Funds

Fairfax County contributes to the Washington Metropolitan Area Transit Authority (WMATA) to support the 117-mile Metrorail System, as well as to maintain and/or acquire facilities, equipment, railcars and buses.

- **Fund 30000 – Metro Operations and Construction**

Fund 30000
Metro Operations and Construction

Focus

Fund 30000, Metro Operations and Construction, contains the funds provided by Fairfax County to pay the County's allocated portion of the Washington Metropolitan Area Transit Authority's (WMATA) FY 2018 operating and capital budget. The County subsidizes Metrorail, Metrobus, and MetroAccess (paratransit) service, contributes to construction costs associated with the 117-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 WMATA Board Budget Committee reviewed the WMATA proposed budget between January and March 2017. The FY 2018 WMATA budget presented includes preliminary County staff estimates from fall 2016. The County's subsidy requirement for its portion of WMATA's FY 2018 Adopted Operating Budget will be incorporated as part of the *FY 2017 Carryover Review*.

Projected operating and capital requirements for the County's FY 2018 Metro subsidy totals $178,600,000. The County's portion of the total WMATA budget is determined using several formulas that include factors such as jurisdiction of residence of passengers, number of stations located in a jurisdiction, the amount of service in a jurisdiction, the jurisdiction's population and the jurisdiction's population density. The County meets its Metro subsidy through a General Fund transfer, General Obligation bonds, applied State Aid, Gas Tax receipts and interest earnings on State Aid balances. State Aid and Gas Tax balances are held and disbursed to Metro by the Northern Virginia Transportation Commission (NVTC). Metro increases have been accommodated in FY 2018 with no impact on County funding. This is possible due to available funds from the accumulated State Aid at NVTC. As the conversation continues regarding ongoing WMATA funding, a significant increase in County funding may be required in future years.

Based on current Metro system needs, an increase is anticipated in the FY 2018 operating subsidy requirement from local jurisdictions. The County's FY 2018 operating contribution of $138.6 million is a 7.2 percent increase over the FY 2017 Adopted Budget Plan level. The increase in operating contribution assumes inflationary adjustments for all operational categories (e.g. Bus, Rail and Paratransit services) as well as full-year Silver Line costs. In addition, Fund 30000 supports a transfer out of $2.8 million to Fund 40000, County Transit Systems.

The total operational requirements of $138.6 million and the $2.8 million for County Transit requirements are funded through the following sources: a FY 2018 General Fund transfer of $13.6 million, $110.2 million in applied State Aid, $17.3 million in applied Gas Tax Receipts, $0.15 million in anticipated interest on balances held by NVTC, and $0.15 million in proffer revenue from Fund 30040, Contributed Roadway Improvements, for the operating support of bus service in the Franconia/Springfield area.

Fund 30000
Metro Operations and Construction

For FY 2018, the County has a $117.8 million capital requirement to Metro to be offset by $30 million in General Obligation Transportation Bonds and $10 million in State Aid. For the $77.8 million net remaining, staff is requesting that Metro sell this portion on the County's behalf as part of their larger bond sale programmed for FY 2018. The County's share of that debt, approximately $4.8 million, would be due annually beginning in FY 2019.

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Metro Annual Operating Requirements** **$9,320,823**
  The projected FY 2018 subsidy requirement for WMATA Operating Expenses totals $138,600,000, an increase of $9,320,823, or 7.2 percent over the FY 2017 Adopted Budget Plan were based on estimated funding requirements as of fall 2016. The County's subsidy requirement for the FY 2018 Adopted WMATA operating expenses will be incorporated as part of the *FY 2017 Carryover Review*.

- **Metro Capital Requirements** **$40,000,000**
  Projected FY 2018 Capital Construction expenditures total $40,000,000, an increase of $5,000,000, or 14.3 percent, from the FY 2017 Adopted Budget Plan. This funding supports the acquisition of facilities, equipment, rail cars, and buses, and also provides general infrastructure support to the 117-mile Metrorail system.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Third Quarter Adjustments** **($20,853)**
  As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved a reduction of $20,853 to reconcile additional State Aid requirements in FY 2017. State Aid revenues are applied directly from the Northern Virginia Transportation Commission to the Washington Metropolitan Area Transit Authority.

Key Performance Measures

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Metrobus					
Percent change in Fairfax County trips	1.8%	(1.1%)	0.0%/(21.1%)	(2.0%)	0.0%
Metrorail					
Percent change in Fairfax County ridership	(2.3%)	(7.4%)	1.7%/(7.8%)	(18.5%)	0.0%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/30000.pdf

Performance Measurement Results

WMATA conducted a Metrobus passenger survey in 2008, which generated the percentages used to calculate the bus ridership by jurisdiction. In FY 2015, a new survey was completed, which was used to update the percentages for FY 2016 and out-years along with geocoding route data to produce more accurate data. Therefore, not only did the overall ridership decline, but Fairfax County's bus ridership went down as well. Overall, Metrorail ridership is also down. There are several reasons for the overall drop in ridership of the system, including SafeTrack maintenance surges, reliability issues, lower gas prices, a reduction in the federal transit benefit, the economy (fewer jobs), and more teleworking.

Fund 30000
Metro Operations and Construction

FUND STATEMENT

Fund 30000, Metro Operations and Construction

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$889,147	$0	($20,853)	$0	$0
Revenue:					
Revenue Applied to Operating Expenses:					
State Aid	$91,866,985	$93,627,188	$84,827,575	$110,245,059	$110,245,059
Gas Tax Revenue	17,261,810	24,500,000	22,800,000	17,300,000	17,300,000
Interest on NVTC Balances	168,469	100,000	150,000	150,000	150,000
Subtotal - State/Gas Revenue, Operating	$109,297,264	$118,227,188	$107,777,575	$127,695,059	$127,695,059
Revenue Applied to Capital Expenses:					
Gas Tax Rev. Applied to ARS Debt Service	$0	$0	$0	$0	$0
State Aid Applied to Metro Capital	3,120,628	5,000,000	6,740,853	10,000,000	10,000,000
Subtotal - State/Gas Revenue, Capital	$3,120,628	$5,000,000	$6,740,853	$10,000,000	$10,000,000
County Revenue:					
County Bond Sales[1]	$23,190,000	$30,000,000	$30,000,000	$30,000,000	$30,000,000
Total Revenue	$135,607,892	$153,227,188	$144,518,428	$167,695,059	$167,695,059
Transfers In:					
General Fund (10001)	$11,298,296	$13,557,955	$13,557,955	$13,557,955	$13,557,955
Contributed Roadway Improvement Fund (30040)[2]	143,825	189,605	189,605	150,380	150,380
Total Transfers In	$11,442,121	$13,747,560	$13,747,560	$13,708,335	$13,708,335
Total Available	$147,939,160	$166,974,748	$158,245,135	$181,403,394	$181,403,394
Expenditures:					
Operating Expenditures					
Bus Operating Subsidy[3]	$57,820,321	$63,602,353	$63,360,469	$73,914,081	$73,914,081
Rail Operating Subsidy	46,665,929	51,332,522	42,186,173	49,214,389	49,214,389
ADA Paratransit - Metro	13,661,240	14,344,302	13,262,069	15,471,530	15,471,530
Subtotal - Operating Expenditures	$118,147,490	$129,279,177	$118,808,711	$138,600,000	$138,600,000
Capital Construction Expenditures					
Metro Capital	$27,220,628	$35,000,000	$36,740,853	$40,000,000	$40,000,000
Total County Capital Construction Subsidy	$27,220,628	$35,000,000	$36,740,853	$40,000,000	$40,000,000
Total Operating and Capital Subsidy	$145,368,118	$164,279,177	$155,549,564	$178,600,000	$178,600,000

FUND STATEMENT

Fund 30000, Metro Operations and Construction

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Applied Support					
Applied NVTC State Aid and Gas Tax to Operating	($109,128,795)	($118,127,188)	($107,627,575)	($127,545,059)	($127,545,059)
Applied Interest at NVTC to Operating	(168,469)	(100,000)	(150,000)	(150,000)	(150,000)
Applied NVTC State Aid and Gas Tax to Capital	(3,120,628)	(5,000,000)	(6,740,853)	(10,000,000)	(10,000,000)
Total Expenditures, County	$32,950,226	$41,051,989	$41,031,136	$40,904,941	$40,904,941
Transfers Out:					
County Transit Systems (40000)	$2,591,895	$2,695,571	$2,695,571	$2,803,394	$2,803,394
Total Transfers Out	$2,591,895	$2,695,571	$2,695,571	$2,803,394	$2,803,394
Total Disbursements, NVTC and County	$147,960,013	$166,974,748	$158,245,135	$181,403,394	$181,403,394
Ending Balance[4]	($20,853)	$0	$0	$0	$0

[1] The sale of bonds is presented here for planning purposes only. Actual bond sales are based on cash needs in accordance with Board policy. On November 8, 2016, the voters approved a $120 million Transportation Bond. In January 2017, an amount of $30.0 million was sold (Series 2017A), leaving a balance of $90.0 million in authorized but unissued bonds for this fund.

[2] FY 2018 transfer of $150,380 from Fund 30040, Contributed Roadway Improvement Fund, supports Metro shuttle bus service in the Franconia-Springfield area. The transfer is based on actual receipts in the previous fiscal year and may fluctuate as proffer revenue changes.

[3] Expenditures for the Bus Operating Subsidy include continuing annual support of the Springfield Circulator service.

[4] The ending balance in Fund 30000, Metro Operations and Construction, varies from year to year and is primarily related to differences between the preliminary budget presented by WMATA's General Manager and WMATA's Adopted budget. The negative ending balace in FY 2016 is offset by additional state aid for capital requirements in FY 2017.

Fund 30010
General Construction and Contributions

Focus

Fund 30010, General Construction and Contributions Fund, provides for critical park maintenance and repairs, as well as athletic field maintenance on both Park Authority and Fairfax County Public School (FCPS) fields. Funding is also provided for on-going initiatives such as development and management of the County's Laurel Hill property and Americans with Disabilities Act (ADA) improvements. In addition, this fund supports payments and obligations such as lease-purchase agreements, the acquisition of properties, infrastructure maintenance, and the County's annual contributions to the School-Age Child Care (SACC) Center Program, the Northern Virginia Regional Park Authority (NVRPA) and the Northern Virginia Community College.

Funding in the amount of $21,690,923 is included in Fund 30010 in FY 2018, including $17,115,923 supported by a General Fund Transfer; $100,000 supported by developer default revenue bonds; $1,475,000 in anticipated Athletic Services Fee revenues; and $3,000,000 in General Obligation bonds. A summary of the projects funded in FY 2018 follows:

Park Inspections, Maintenance and Infrastructure Upgrades

FY 2018 funding in the amount of $2,650,000 has been included for Park facilities and grounds. This amount includes an increase of $741,000 over the FY 2017 Adopted Budget Plan funding level. The Park facilities maintained with General Fund monies include but are not limited to: rental properties, historic properties, nature centers, 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. Without significant reinvestment in building and grounds, older facilities can fall into a state of ever decreasing condition and functionality, resulting in increased maintenance and repair costs in the future. Preventative and repair work is required for roof replacement and repair, HVAC, electrical and lighting systems, fire alarm systems and security systems. Funding is essential to the maintenance and repair of building stabilization, including capital renewal of over 567,053 square feet at non-revenue supported Park Authority structures and buildings. Maintenance is also required on over 580 pieces of grounds equipment. Specific Park maintenance funding in FY 2018 includes:

Facility Maintenance Supported by the General Fund

- An amount of $476,000 is provided to fund annual requirements for Parks grounds at non-revenue supported parks. The Park Authority is responsible for the care of a total park acreage of 23,372 acres of land, with 427 park site locations. This funding is used for mowing and other grounds maintenance, as well as arboreal services. Arboreal services are provided in response to Park staff and citizens' requests and include pruning, removal and inspections of tree health within the parks. There has been a rise in staff responses to requests for the inspection and removal of hazardous or fallen trees within the parks and those that may pose a threat to private properties.

- An amount of $484,000 is included to provide corrective and preventive maintenance and inspections at over 567,053 square feet at non-revenue supported Park Authority structures and buildings. This maintenance includes the scheduled inspection and operational maintenance of HVAC, plumbing, electrical, security and fire alarm systems. This funding is critical in order to prevent the costly deterioration of facilities due to lack of preventative maintenance.

Infrastructure Replacement and Upgrades (Paydown)

- An amount of $925,000 is included for general park infrastructure replacement and upgrades at non-revenue supported Park facilities. These requirements include: major non-recurring repairs/replacements and improvements to picnic shelters ($220,000); renovations to outdoor restrooms ($70,000); replacement of security and fire alarm systems ($135,000); replacement of roofs ($120,000); replacement of aged fire and security systems at the Burke Lake ice cream parlor ($45,000); replacement of HVAC systems and electrical panels at various locations ($124,000); and replacements/improvements to building structures as various locations ($211,000). The FY 2018 funding level represents an increase of $500,000 to begin to address a significant backlog of critical infrastructure replacement.

- An amount of $765,000 is included to provide improvements and repairs to park facilities and amenities including tennis courts, picnic shelters, bridges and parking lots. In addition, funding will provide for annual maintenance and storm related repairs to 325 miles of trails with different surface types. This funding represents an increase of $241,000 to begin to address neglected areas and to respond to citizen complaints concerning trail upkeep.

Athletic Field Maintenance and Sports Projects

FY 2018 funding in the amount of $7,610,338 has been included for the athletic field maintenance and sports program. This level of funding is supported by a General Fund transfer of $6,135,338 and revenue generated from the Athletic Services Fee in the amount of $1,475,000. Of the Athletic Services Fee total, $800,000 will be dedicated to the turf field replacement program, $275,000 will be dedicated to custodial support for indoor sports organizations, $250,000 will be dedicated to maintenance of school athletic fields, $75,000 will be dedicated to synthetic turf field development, and $75,000 will partially fund the Youth Sports Scholarship Program. The Athletic Service Fee revenue is based on a rate of $8.00 per participant per season and a tournament team fee of $50 per team per tournament (for rectangular fields players only).

In FY 2018, the Athletic Field and Sports Program funding level is consistent with the FY 2017 Adopted Budget Plan funding level. Specific funding levels in FY 2018 include:

- An amount of $860,338 provides for specific contracted services aimed at improving the condition of athletic fields scheduled for community use at FCPS elementary schools, middle schools and centers. Maintenance responsibilities include mowing at a frequency of 32 times per year and annual aeration/over-seeding. This effort is supported entirely by the General Fund and is managed by the Park Authority.

- An amount of $1,000,000 is dedicated to the maintenance of diamond fields at Fairfax County Public Schools and is partially supported by revenue generated by the Athletic Services Fee. This funding is used for contracted maintenance aimed at High School programs, athletic field renovations, and irrigation maintenance of non-Park

Authority athletic fields. This includes 428 non-Park Authority athletic fields of which 361 are located at elementary, middle schools, and centers. All field maintenance is coordinated between the Park Authority and the Department of Neighborhood and Community Services. Of the total funding, an amount of $250,000 is included for this program based on the FY 2018 projection of revenue generated from the Athletic Services Fee and $750,000 is supported by the General Fund.

- An amount of $250,000 is included to continue the replacement and upgrading of Fairfax County Public Schools (FCPS) athletic field lighting systems at middle and high schools used by many County organizations. Funding supports a replacement and repair schedule, as well as improvements to bring existing lighting systems up to new standards. The school system's Office of Design and Construction Services ensures lighting standards are maintained and FCPS annually prioritizes funding for field lighting. FY 2018 funding supports the replacement and repair for one field's existing lighting systems. This project is supported entirely by the General Fund and coordinated by the Department of Neighborhood and Community Services.

- An amount of $50,000 is included for routine maintenance of girls' softball field amenities on select Fairfax County Public School sites. These amenities, such as dugouts, fencing and irrigation systems, were added or constructed by the County based on recommendations from the citizen-led Action Plan Review Team (APRT) in order to reduce disparities in the quality of fields assigned to boys' baseball and girls' softball organizations. Routine maintenance is necessary both to maintain equity and to ensure safety. For five years, funding of $200,000 was provided to support Girls' Fast Pitch Field Maintenance improvements to various girls' softball fields throughout the County as requested by the Fairfax Athletic Inequities Reform (FAIR). FY 2018 funding will provide maintenance to the improvements and amenities previously made to girls' softball fields. This project is supported entirely by the General Fund and coordinated by Department of Neighborhood and Community Services.

- An amount of $75,000 is included to support the development of synthetic turf fields. Fields are chosen through a review process based on the need in the community, projected community use and the field location and amenities. This effort is coordinated between the Park Authority and the Department of Neighborhood and Community Services and funding is provided from revenue generated from the Athletic Services Fee. It should be noted that as part of the *FY 2013 Carryover Review*, a Joint County School initiative was implemented to develop new synthetic turf fields throughout the County. This recommendation was based on the findings of the Synthetic Turf Field Task Force in its July 2013 report which determined the need for synthetic turf fields at 8 remaining high schools in the County that did not have turf fields. This program is now fully funded.

- An amount of $2,250,000 is included for the turf field replacement program in FY 2018. Funding of $800,000 is supported by Athletic Service Fee revenue and $1,450,000 is supported by the General Fund. There are a total of 86 synthetic turf fields throughout the County, of which 23 are FCPS stadium fields and 63 are County Parks/FCPS non-stadium fields. There are over 130,000 youth and adult participants (duplicated number) annually that benefit from rectangular turf fields. Funding is needed to address the growing need for field replacement and to support a replacement schedule over the next 10 years. If turf fields are not replaced when needed, they may need to be closed for safety reasons. Most manufacturers provide an 8-year warranty for a properly maintained synthetic turf field; however, it is a generally accepted practice to assume a life expectancy of the synthetic turf field of no more than 10 years. For planning purposes, the County adopted an annual budget estimate of a little more than half of the installation funding, which is a generally accepted practice for the industry. The current projected replacement cost per field is approximately $450,000. Based on a projected 10-year replacement cycle and the current 63 County field inventory, replacement funding requires a regular financial commitment. Therefore, staff developed a 10-year replacement plan for the current inventory which requires revenue from the Athletic Fee and the General Fund support.

- An amount of $2,700,000 is included for athletic field maintenance and repairs, irrigation repairs, lighting repairs, turf maintenance, utility costs, and capital equipment replacement costs. The Park Authority is responsible for full service maintenance on 268 athletic fields, of which 40 are synthetic turf, 228 are natural turf, 113 are lighted and 113 are irrigated. The fields are used by more than 200 youth and adult sports organizations as well as Fairfax County citizens. This effort is supported entirely by the General Fund and is managed by the Park Authority.

- An amount of $275,000 is included for custodial support for indoor gyms used by sports organizations. The use of FCPS indoor facilities on the weekend requires FCPS to schedule a school system employee to open and close the facility. Revenue generated from the Athletic Services Fee is used to provide payment for FCPS staff, eliminating the need for indoor sports organizations to pay the hourly rate previously charged. This project is entirely supported by revenue generated from the Athletic Services Fee and is managed by the Department of Neighborhood and Community Services.

- An amount of $150,000 is included for the Youth Sports Scholarship Program. The Youth Sports Scholarship Program provides support to youth from low-income families who want to participate in community-based sports programs. Of the total funding, an amount of $75,000 is included for this program based on the FY 2018 projection of revenue generated from the Athletic Services Fee, and $75,000 is supported by the General Fund.

Environmental Initiatives

FY 2018 funding of $535,000 has been included for environmental initiatives. FY 2018 projects were selected based on the project selection process supported by the Environmental Quality Advisory Council (EQAC). The selection process includes the application of specific project criteria, review of proposals from County agencies, and identification of projects for funding. Specific funding levels include:

- An amount of $200,000 is included to continue the Invasive Plant Removal Program. The Park Authority manages this volunteer program, as well as other invasive removal initiatives. These programs restore hundreds of acres of important natural areas, protect tree canopy, and reach thousands of volunteers. Currently more than 12,000 trained volunteer leaders have contributed 37,400 hours of service since the program's inception in 2005, improving over 1,000 acres of parkland. The FY 2018 level of funding represents an increase of $50,000 based on requirements to implement portions of unfunded treatment plans to control non-native invasive vegetation.

- An amount of $5,000 is included for the Green Purchasing Program. This program is designed to support limited term staff to assist in clearly specifying environmental attributes during the County's procurement process. Fairfax County has a current inventory of over 2,400 contracts and emphasizing environmental attributes such as recycling, energy efficiency, durability and reduced toxicity during the procurement process can contribute to the purchase of green products, creating fiscal and environmental savings.

- An amount of $6,600 is included for spring outreach programs. These programs reach thousands of people in the County and have a deep impact on many youth and adults. Programs include classroom presentations, outdoor learning experiences, outreach events and festivals, high school Envirothon competitions, rain barrel workshops, Seedling Sales, high school science fair project judging, stream monitoring, Enviroscape trainings, storm drain markings, the Sustainable Garden Tour and more.

- An amount of $75,000 is included for the Watershed Protection and Energy Conservation Matching Grant Program. This program is intended to support Energy Education and Outreach initiatives and promote community engagement around sustainability and conservation issues. Specifically, the Watershed Protection and Energy Conservation matching grant program will provide financial incentives to empower homeowners through their associations to implement on-the-ground sustainability projects. The initiative builds on current programs that provide technical assistance, hands-on support, outreach and education to Fairfax County homeowners and residents. Projects will improve water quality, reduce greenhouse gas emissions and conserve energy and water. The $75,000 program funding level will include printing and materials, matching grants of $500 - $3,500 up to $30,000 total for all grants and one limited term full-time position to support the program, conduct outreach and education, site assessments, inspections and other responsibilities.

- An amount of $42,400 is included to design and plant a pollinator meadow at the Alban Department of Vehicle Services Maintenance Facility. The proposed landscaping improvement project at Alban complies with the state required storm water permit, shows commitment to federal clean water regulations, reduces maintenance costs, supports the Fairfax County Natural Landscaping Policy and exemplifies another step in the larger, multi-agency plan to save pollinators. The proposed project will treat runoff from the impervious surfaces on the site by making landscaping improvements that incorporate pollinator friendly practices. The result will be one meadow that will attract and feed insects such as bees and butterflies that pollinate plants. In addition, storm water runoff will be treated before running into Accotink creek.

- An amount of $50,000 is included to support a Honey Bee Initiative Pollinator Program (HIPP) at the I-95 landfill property. This project provides for the installation of honeybee hives (Apis mellifera) and pollinator habitat. It will provide educational opportunities for students and the community and increase sustainability and diversity of desirable plant species in the county while lowering maintenance costs at the landfill complex. The project will serve to transform the vista of the landfill with spring, summer and fall blooming plants to enhance the natural beauty of Fairfax County. As the plant species become established communities of perennially-blooming plants, this plant propagation will use nutrients available in the soil and will act to prevent nutrient runoff, protecting water quality and assisting in compliance with the County's Municipal Separate Storm Sewer System (MS4) permit.

- An amount of $126,000 is included to install real-time water leak and freeze detection controls at County RECenter and historic sites. The water leak system is the most effective method of monitoring property water usage in real time and is designed to inform, alert and conserve water. Water sensors monitor pulses from water meters in real time. After a spike in water usage is detected the system will send alerts via text to a mobile device and email accounts. Water usage and trends can also be monitored on the systems dashboard. If a plumbing failure occurs when a building is vacant, the sensors will automatically tell the system to shut off the building's main water supply and an alert will be sent through the buildings security system. The same will be true if the temperature sensor detects temperature approaching freezing.

- An amount of $30,000 is included for the purchase of two alternative fueled propane ride-on mowers for the Park Authority. Propane mowers can burn up to 35 percent cleaner than gas lawn mowers while reducing carbon emissions by 50 to 70 percent. This project is important for conserving energy and reducing environmental impacts while supporting the County's commitment to reduce carbon emissions.

In addition, an amount of $58,140 has been provided in Fund 10030, Contributory Fund, to continue partnering with two non-profit agencies to support tree planting efforts throughout the County.

Americans with Disabilities Act (ADA) Compliance

No funding is included in FY 2018 for the Americans with Disabilities Act (ADA) Compliance Program. The Board of Supervisors approved funding in the amount of $1,278,458 to support the continuation of ADA improvements at County owned facilities and $800,000 to support the continuation of Park Authority ADA improvements as part of the *FY 2017 Third Quarter Review*. The continuation of Park Authority ADA improvements and the continuation of ADA improvements at County owned facilities are required as part of the Department of Justice audit and identified in the settlement agreement signed by the Board of Supervisors on January 28, 2011. In May and June 2007, the United States Department of Justice conducted an audit of County government facilities and programs to determine compliance with the ADA. The audit of Fairfax County was part of a national audit program, and was not a result of any specific complaints in the County. The audit listed violations ranging from updating emergency management procedures, web-based services, and general communication procedures, to improving access to buildings, parking garages, restrooms and elevators. In addition, the County and Parks are required as part of the agreement with the DOJ to perform assessments at all remaining facilities. These assessments are now complete and resulted in increased retrofitting requirements.

Revitalization

An amount of $750,000 is included to continue routine and non-routine repairs in five major commercial revitalization areas (Annandale, Route 1, Springfield, McLean and Baileys Crossroads). The goal of this program is to provide an enhanced level of infrastructure and right-of-way features in these urbanizing areas in order to facilitate pedestrian movements and create a "sense of place." The maintenance in the commercial revitalization areas currently includes trash removal and quality control inspections once a week; grass mowing and weed control once every two weeks; edging, bus shelter glass cleaning, and night light inspection once a month; fertilization and shearing once every three months; pest control, leaf removal, and shrub pruning once every four months; mulching and seasonal flower rotation once every six months; and irrigation maintenance as necessary. FY 2018 funding will support improvements such as maintenance and/or replacement of degraded and/or failing sidewalk and crosswalk pavers.

An amount of $460,000 is included to support routine and non-routine repairs to the Tysons Corner and Silver Line project. More specifically, this project will provide funding for recurring landscaping maintenance associated with the Tyson's Corner Silver Line area along the Route 7 corridor, from Route 123 to the Dulles Toll Road. Routine maintenance services include landscape maintenance along the median and both sides of the road, trash removal, snow removal, and stormwater facility maintenance. The primary difference between maintenance requirements related to the Silver Line Metro system stations (Phase I) and other existing Metro stations is the County's maintenance requirement associated with 27 water quality swales under the raised tracks of the Silver Line located in VDOT Right-of-Way. Typical maintenance for the swales will include litter and sediment removal, vegetation care, and structural maintenance. It is anticipated that additional maintenance responsibilities may be added during the construction of Phase II of the Silver Line.

In addition, staff continues to develop a multi-year implementation plan to phase in an enhanced level of maintenance provided within Commercial Revitalization Districts (CRD). Staff has developed an Implementation Plan for a more sustainable maintenance and reinvestment approach which was created based on reviewing the current inventory, reviewing urban streetscape standards, researching best management practices, and developing a more rigorous review and implementation process for new projects. The goal of the program is to enhance the appearance, functionality and sustainability of the pedestrian environment in CRDs and to prevent CRD infrastructure and aesthetic improvements from falling into a state of disrepair. The maintenance in the commercial revitalization areas currently includes trash removal and quality control inspections; grass mowing and weed control; edging, bus shelter glass cleaning, and night light inspections; pest control, leaf removal, and shrub pruning; mulching and seasonal flower rotation; and irrigation maintenance as necessary for designated county maintained areas within the CRDs. The proposed Plan would include expanding the areas eligible for enhanced levels of service for grass cutting, landscaping, litter control, weed control and street light inspections. In addition, the plan would include routine street sweeping and provide for the repairs and replacement of sidewalks and curbs for areas within the CRD. Additional staff would be required to plan, manage, implement and provide an enhanced level of inspections. The entire approximately 5-Year Plan includes an increase in maintenance funding of $2.68 million or approximately $536,000 per year over this time period. It is anticipated that this Plan would be gradually implemented over a 5-Year period beginning in FY 2019. During FY 2018, staff plans to begin to address non-routine projects including removal and repairs to damaged sidewalk pavers, tree replacement, repairs to pedestrian paths, replacement of bus shelters and removal of damaged tree boxes through-out the CRD areas. Funding from the Capital Sinking Fund for Revitalization, created as a result of the Infrastructure Financing Committee, will initially support these non-routine capital improvements.

Infrastructure Replacement and Upgrades

An amount of $600,000 is included for the Reinvestment, Repair, and Emergency Maintenance of County Roads. The County is responsible for 38 miles of roadways not maintained by VDOT. Funding was previously approved to build an accurate inventory and condition assessment of County-owned roads and service drives. As a result, the 2015 Rinker study identified an amount of $4 million in reinvestment funding required for the roadways with the most hazardous conditions, as well as increased annual funding for emergency repairs. On-going road maintenance includes, but is not limited to, pothole repair, pavement rehabilitation, sidewalk and curb repairs, traffic and pedestrian signage, hazardous tree removal, grading, snow and ice control, replacement of substandard materials, patching of existing travelways, minor ditching and stabilization of shoulders, slopes and drainage facilities. It is anticipated that funding of $4 million for the reinvestment program will be funded over a 5-year period, with funding from the allocation of the Capital Sinking Fund. Annual funding of $600,000 in FY 2018 is also consistent with the 5-year plan.

On-going Development Efforts

- Funding of $1,260,000 is included to address only the most critical aspects of property management at the Laurel Hill property. Laurel Hill was transferred to the County by the federal government and includes approximately 2,340 acres of land and 1.48 million square feet of building space. Of the amount funded in FY 2018, $860,000 will fund the Facilities Management Department's security, maintenance services, and grounds maintenance. The remaining $400,000 will fund the Park Authority's critical maintenance activities and support staff.

- An amount of $50,000 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. This estimate is based on actual funding requirements in the past several years.

- An amount of $75,000 is included to support the maintenance of geodetic survey control points for the geographic information system (GIS). This project also supports the development and maintenance of an interactive, GIS-based website that will provide convenient and cost effective monumentation information to the County's land development customers.

- Funding of $300,000 is included to support the Developer Default program. This project is necessitated by economic conditions surrounding the construction industry that result in some developers not completing required public facilities, including acceptance of roads by the state, walkways and storm drainage improvements. The total FY 2018 funding is supported by $200,000 in General Fund monies and $100,000 in anticipated developer default revenue.

Payments and Obligations

- Funding of $859,592 is included for the annual payment associated with the Salona property based on the Board of Supervisors' approval of the purchase of this conservation easement on September 26, 2005. The total cost of the property is $18.2 million with payments scheduled through FY 2026.

- Funding of $1,000,000 is included for the County's annual contribution to offset school operating and overhead costs associated with School-Age Child Care (SACC) Centers.

- Funding of $2,540,993 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 FY 2018 rate of $2.25 per capita is applied to the population figure provided by the Weldon Cooper Center.

- Funding of $3,000,000 is included for the County's annual contribution to the Northern Virginia Regional Park Authority (NVRPA) Capital program. The NVRPA Park system includes 30 parks and over 12,000 acres of land, over 100 miles of trails, numerous historic sites, five waterparks, two family campgrounds, three golf courses, a nature center, botanical gardens, rental cabins and cottages, five marinas, and over 40 miles of protected shoreline along major rivers and reservoirs. In Fairfax County, NVRPA owns over 8,500 acres – most of which protect environmentally sensitive watersheds along the Potomac, Bull Run and Occoquan Rivers. The NVRPA's capital improvement and land acquisition costs are shared by its six member jurisdictions: the counties of Fairfax, Loudoun and Arlington, and the cities of Fairfax, Alexandria and Falls Church. The primary focus of NVRPA's capital program is to continue the restoration, renovation and modernization of existing park facilities, many of which were developed or constructed more than 20 years ago. Other elements of the capital program include land acquisition, the development of interpretive and educational displays and the addition of park features to meet the needs of the public. The approved fall 2016 Bond Referendum provides $12.3 million to sustain the County's capital contribution of $3.0 million for four years and includes an additional contribution of $300,000 for the planned Jean Packard Occoquan Center.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$100,561,506**

As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $100,561,506 due to the carryover of unexpended balances in the amount of $89,724,707 and an adjustment of $10,836,799. This adjustment included an increase to the General Fund transfer of $5,209,499, including: $1,225,000 to complete the General Fund commitment to the Laurel Hill Adaptive Reuse project; $225,000 to replenish the Prevention Fund and provide incentive funding for the development of programs to prevent youth violence and gang involvement; $1,500,000 to support the land acquisition costs associated with the Bailey's Homeless Shelter and $2,259,499 for the Capital Sinking Reserve Funds to support prioritized critical infrastructure replacement and upgrades. In addition, the adjustment includes the appropriation of revenues received in FY 2016 including, $17,939 in Strike Force Blight Abatement project revenue, $15,375 in Grass Mowing Directive Program revenue, $227,532 in Athletic Services fee revenue, $576,861 in Developer Streetlights Program revenue, and $6,789,593 in reimbursement associated with the completion of the Merrifield Center. These revenues are partially offset by a decrease in both revenues and expenditures in the amount of $2,000,000 associated with no longer anticipated tax credits for the Laurel Hill Events Center.

♦ **Third Quarter Adjustments** **$94,632,345**

As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved funding of $94,632,345, including $48,887 due to the appropriation of revenue received in FY 2017 associated with developer contributions for streetlights, $85,000,000 due to the appropriation of bond funds approved as part of the fall 2016 Human Service/Community Development Bond Referendum; and $7,000,000 due to the appropriation of bond funds approved as part of the fall 2016 Park Bond Referendum to support an Events Center in the Laurel Hill area. In addition, funding of $1,278,458 was approved to support the continuation of ADA improvements at County owned facilities required as part of the Department of Justice audit; $800,000 to support the continuation of Park Authority ADA improvements; $400,000 to support developer defaults; and $95,000 to address immediate site safety issues in the Laurel Hill area.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 30010
General Construction and Contributions

FUND STATEMENT

Fund 30010, General Construction and Contributions

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$60,572,840	$0	$76,044,318	$0	$0
Revenue:					
Miscellaneous[1]	$6,822,907	$0	$0	$0	$0
Sale of Bonds[2]	0	0	92,000,000	0	0
Bonds (NVRPA)[3]	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Economic Development Authority Bonds[4]	0	0	17,725,000	0	0
Developer Streetlights Program[5]	1,206,895	0	0	0	0
Contributions for Streetlights[6]	46,688	0	48,887	0	0
Developer Defaults	195,201	100,000	104,799	100,000	100,000
Proffers for Turf Field Development[7]	466,731	0	1,489,399	0	0
Athletic Field Maintenance Fees[8]	1,327,532	1,475,000	1,475,000	1,475,000	1,475,000
VDOT Reimbursement Snow Removal[9]	0	0	100,000	0	0
Total Revenue	$13,065,954	$4,575,000	$115,943,085	$4,575,000	$4,575,000
Transfers In:					
General Fund (10001)	$28,561,768	$17,733,427	$25,516,384	$17,115,923	$17,115,923
Infrastructure Replacement and Upgrades (30020)[10]	2,931,823	0	0	0	0
Total Transfers In	$31,493,591	$17,733,427	$25,516,384	$17,115,923	$17,115,923
Total Available	$105,132,385	$22,308,427	$217,503,787	$21,690,923	$21,690,923
Total Expenditures[11]	$29,088,067	$22,308,427	$217,503,787	$21,690,923	$21,690,923
Total Disbursements	$29,088,067	$22,308,427	$217,503,787	$21,690,923	$21,690,923
Ending Balance[12]	$76,044,318	$0	$0	$0	$0

[1] Miscellaneous revenue received in FY 2016 represents: $17,939 in collections associated with Project 2G97-001-000, Strike Force Blight Abatement, $15,375 in collections associated with Project 2G97-002-000, Grass Mowing Directive Program, and $6,789,593 in collections associated with Project HS-000005, Merrifield Center.

[2] The sale of bonds presented here for planning purposed only. Actual bond sales are based on cash needs in accordance with Board policy. On Novermber 8, 2016, the voters approved a Human Serviices/Community Development Bond in the amount of $85 million. In addition, $7 million associated with the November 2016 Park Bond is appropriated to Fund 30010, General Construction and Contributions to support an Events Center in the Lorton area. No bonds have been sold from these Referendum to date.

[3] Represents Fairfax County's annual contribution to the Northern Virginia Regional Park Authority (NVRPA) Capital program. FY 2016 represented the last year of a four year program supported by a Park Bond Referendum approved by voters in the fall of 2012. In November 2016, the voters approved a Park Bond Referendum in the amount of $12.3 million to sustain the County's capital contribution to the NVRPA for an additional four years.

[4] Reflects Economic Development Authority bonds that will support the redevelopment of the Lewinsville senior housing and human services facility in Project HS-000011, Lewinsville Redevelopment.

[5] Reflects developer payments for Project 2G25-024-000, Developer Street Light Program.

[6] Reflects revenue received from developer contributions for minor streetlight improvements.

[7] Reflects anticipated revenue to be received from proffers associated with turf field development at Fairfax County Public Schools that do not currently have turf fields. An amount of $466,731 was received in FY 2016. An amount of $1,489,399 is anticipated in FY 2017 and beyond.

[8] Represents revenue generated by the Athletic Services Fee to support the athletic field maintenance and sports program.

[9] Reflects revenue anticipated from the Virginia Department of Transportation associated with the snow removal pilot program.

[10] As part of the *FY 2016 Third Quarter Review*, the Capital Sinking Reserve was allocated to specific projects. A transfer from Fund 30020, Infrastructure Replacement and Upgrades, supported Project 2G25-105-000, Capital Sinking Fund for County Roads, Project 2G51-042-000, Capital Sinking Fund for Parks, and Project 2G25-107-000, Capital Sinking Fund for Revitalization. The Capital Sinking Reserve Fund was established as a direct result of the Infrastructure Financing Committee (IFC) recommendation. Future allocations to the Sinking Fund projects will be transferred directly from the General Fund.

[11] In order to accout for expenditures in the proper fiscal year, an audit adjustment in the amount of $11,509.07 has been reflected as a decrease to FY 2016 Total Expenditures. This impacts the amount carried forward and results in an increase of $11,509.07 to the FY 2017 Revised Budget Plan. The projects affected by this adjustment are 2G51-007-000, Parks-Preventive Maintenance and Inspections; 2G51-032-000, EIP-Invasive Plant Removal; 2G51-034-000, EIP-Park Lighting and Energy Retrofits; PR-000083, ADA Compliance - Parks. The audit adjustment has been included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustment were included in the FY 2017 Third Quarter package.

[12] Capital projects are budgeted based on total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

FY 2018 Summary of Capital Projects

Fund 30010, General Construction and Contributions

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
ADA Compliance - DPWES (GF-000016)		$1,264.40	$0.00	$0	$0
ADA Compliance - FMD (GF-000001)		2,089,790.24	4,880,565.02	0	0
ADA Compliance - Housing (HF-000036)		0.00	248,526.27	0	0
ADA Compliance - Parks (PR-000083)		1,804,658.53	5,951,202.40	0	0
Airborne Infection Isolation Room Improvements (HS-000014)	600,000	53,785.90	519,510.36	0	0
Athletic Field Maintenance (2G51-002-000)		2,248,943.45	3,665,992.08	2,700,000	2,700,000
Athletic Fields - APRT Amenity Maintenance (2G79-220-000)		32,712.34	78,278.77	50,000	50,000
Athletic Fields - FCPS Lighting (PR-000082)		332,613.60	448,615.82	250,000	250,000
Athletic Fields - Park Maintenance at FCPS (2G51-001-000)		913,147.69	1,357,428.93	860,338	860,338
Athletic Fields-Joint County School Turf Program (PR-000096)	6,877,992	1,500,000.00	0.00	0	0
Athletic Svcs Fee-Custodial Support (2G79-219-000)		330,122.47	320,506.00	275,000	275,000
Athletic Svcs Fee-Diamond Field Maintenance (2G51-003-000)		853,013.89	2,318,926.56	1,000,000	1,000,000
Athletic Svcs Fee-Sports Scholarships (2G79-221-000)		150,000.00	150,000.00	150,000	150,000
Athletic Svcs Fee-Turf Field Development (PR-000080)		0.00	900,924.43	75,000	75,000
Athletic Svcs Fee-Turf Field Replacement (PR-000097)		22,100.00	4,990,070.46	2,250,000	2,250,000
Bailey's Homeless Shelter (HS-000013)	15,667,258	148,236.55	15,519,021.44	0	0
Burkholder Renovations (GF-000022)	3,000,000	0.00	3,000,000.00	0	0
Capital Projects - At Large (ST-000013)		0.00	135,772.48	0	0
Capital Projects - Braddock District (ST-000004)		0.00	185,126.23	0	0
Capital Projects - Dranesville District (ST-000005)		0.00	375,573.07	0	0
Capital Projects - Hunter Mill District (ST-000006)		3,054.61	245,931.40	0	0
Capital Projects - Lee District (ST-000007)		3,011.05	162,161.06	0	0
Capital Projects - Mason District (ST-000008)		299.84	171,784.85	0	0
Capital Projects - Mt. Vernon District (ST-000009)		109,050.18	136,428.27	0	0
Capital Projects - Providence District (ST-000010)		0.00	121,469.71	0	0
Capital Projects - Springfield District (ST-000011)		1,430.17	121,422.85	0	0
Capital Projects - Sully District (ST-000012)		593.75	153,564.13	0	0
Capital Sinking Fund for County Roads (2G25-105-000)	357,446	116,292.24	241,153.40	0	0
Capital Sinking Fund For County Roads (RC-000001)	1,125,788	0.00	1,125,788.36	0	0
Capital Sinking Fund for Parks (2G51-042-000)	108,412	108,412.15	0.00	0	0

Fund 30010
General Construction and Contributions

FY 2018 Summary of Capital Projects

Fund 30010, General Construction and Contributions

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Capital Sinking Fund For Parks (PR-000108)	2,858,058	0.00	2,858,057.85	0	0
Capital Sinking Fund For Revitalization (CR-000007)	741,618	0.00	741,618.00	0	0
Contingency - Bonds (2G25-090-000)		0.00	28,842.77	0	0
Contingency - General Fund (2G25-091-000)		0.00	623,025.83	0	0
County-owned Roads and Service Drives Study (2G25-095-000)	500,000	216,206.13	201,599.67	0	0
CSB Lobby Renovations (GF-000027)	346,000	0.00	346,000.00	0	0
Developer Defaults (2G25-020-000)		1,170,868.29	2,584,175.03	300,000	300,000
Developer Street Light Program (2G25-024-000)		468,842.98	658,278.71	0	0
Early Childhood Education Initiatives (HS-000024)	350,000	0.00	350,000.00	0	0
East County Human Services Center (HS-000004)	5,375,000	107,429.57	4,157,926.75	0	0
Economic Success Planning (2G02-022-000)	80,000	0.00	80,000.00	0	0
EIP - Bike Lane Pilot Project (2G40-121-000)	50,000	0.00	50,000.00	0	0
EIP - Energy Education and Outreach (2G02-021-000)	525,000	300.00	473,295.05	0	0
EIP - Environmental Initiatives (2G02-001-000)	1,241,506	256,795.88	212,046.69	179,000	179,000
EIP - Invasive Plant Removal (2G51-032-000)	1,231,717	199,260.73	325,959.70	200,000	200,000
EIP - Park Lighting and Energy Retrofits (2G51-034-000)	485,489	146,832.89	133,791.83	156,000	156,000
EIP - Parks Lighting and Energy Retrofits (2PR-000067)	762,379	0.00	762,379.19	0	0
Eleanor Kennedy Shelter (HS-000019)	12,000,000	0.00	12,000,000.00	0	0
Embry Rucket Shelter (HS-000018)	12,000,000	0.00	12,000,000.00	0	0
Emergency Directive Program (2G25-018-000)		9,779.48	517,222.76	0	0
Emergency Management Initiatives (GF-000024)	885,152	0.00	885,151.88	0	0
Events Center (GF-000019)	10,000,000	0.00	10,000,000.00	0	0
Facility Space Realignments (IT-000023)	1,674,000	616.92	1,673,383.08	0	0
FCPS Turf Field Replacement (PR-000105)		335,441.65	663,093.00	0	0
Grass Mowing Directive Program (2G97-002-000)		13,200.00	35,673.09	0	0
Herndon Monroe Area Development Study (2G25-100-000)	250,000	0.00	250,000.00	0	0
Herndon Monroe Parking Garage Repairs (TF-000007)	1,991,896	0.00	1,993,366.07	0	0
Human Services Facilities Studies (2G25-094-000)	964,765	148,614.68	509,374.09	0	0
Hybla Valley Athletic Field Study (2G51-041-000)	100,000	22,040.12	77,959.88	0	0
Joint Venture Development (2G25-085-000)	650,000	106,194.08	498,793.63	0	0
Lake Accotink Site Analysis Study (2G51-039-000)	179,000	157,925.27	21,074.73	0	0
Laurel Hill Adaptive Reuse (2G25-098-000)	4,475,000	1,380,204.62	3,094,795.38	0	0
Laurel Hill Development-DPZ (2G35-003-000)		1,500.00	121,333.19	0	0
Laurel Hill Maintenance-FMD (2G08-001-000)		632,419.98	1,810,336.27	860,000	860,000

FY 2018 Summary of Capital Projects

Fund 30010, General Construction and Contributions

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Laurel Hill Maintenance-Parks (2G51-008-000)		322,231.96	664,789.76	400,000	400,000
Lewinsville Redevelopment (HS-000011)	17,725,000	43,770.38	17,393,614.12	0	0
Lorton Community Center (HS-000020)	18,500,000	0.00	18,500,000.00	0	0
Massey Building Demolition (GF-000023)	4,600,000	0.00	4,600,000.00	0	0
Merrifield Center (HS-000005)	16,508,507	698,509.93	1,928,348.24	0	0
Minor Street Light Upgrades (2G25-026-000)		2,682.00	250,524.22	0	0
Newington DVS Renovation (TF-000004)	51,360,318	382,557.98	11,654,817.27	0	0
North County Study (2G25-079-000)	1,600,000	196,987.55	1,161,575.20	0	0
NOVA Community College Contribution (2G25-013-000)		2,513,018.00	2,517,489.00	2,540,993	2,540,993
NVRPA Contribution (2G06-003-000)		3,000,000.00	3,000,000.00	3,000,000	3,000,000
OCR- Revitalization Initiatives (2G02-002-000)	1,428,438	4,925.00	1,115,959.49	0	0
OCR- Annandale Projects (2G02-017-000)	56,110	0.00	56,110.00	0	0
OCR- Kings Crossing Redevelopment (2G02-018-000)	547,021	0.00	547,021.13	0	0
OCR- Revitalization Projects (2G02-019-000)	22,146	7,950.00	0.00	0	0
OCR- Richmond Hwy Façade Improvements (2G02-020-000)	55,654	0.00	55,654.02	0	0
Original Mt. Vernon High School Planning (2G25-102-000)	650,000	145,118.97	504,881.03	0	0
Parks - Building/Structures Reinvestment (PR-000109)		0.00	700,000.00	925,000	925,000
Parks - Infrastructure/Amenities Upgrade (PR-000110)		0.00	0.00	765,000	765,000
Parks - Storm Damage Mitigation (PR-000089)	1,100,000	326,509.62	33,596.52	0	0
Parks Equipment (PR-000106)	326,152	0.00	326,152.00	0	0
Parks-General Maintenance (2G51-005-000)		117,398.20	248,660.33	0	0
Parks-Ground Maintenance (2G51-006-000)		786,770.51	1,276,104.97	476,000	476,000
Parks-Preventative Maintenance And Inspections (2G51-007-000)		435,803.43	905,338.67	484,000	484,000
Patrick Henry Shelter (HS-000021)	12,000,000	0.00	12,000,000.00	0	0
Payments Of Interest On Bond Deposits (2G06-002-000)		63,833.80	67,324.65	50,000	50,000
Prevention Incentive Fund (2G79-222-000)		649,332.95	675,986.97	0	0
Providence Comm. Center Furnishings/Equip. (CC-000011)	439,278	13,382.29	1,855.90	0	0
Reinvestment and Repairs to County Roads (2G25-021-000)		175,196.40	520,070.04	600,000	600,000

FY 2018 Summary of Capital Projects

Fund 30010, General Construction and Contributions

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Revitalization Maintenance - CRP Areas (2G25-014-000)		376,967.04	1,419,193.18	750,000	750,000
Revitalization Maintenance - Tysons (2G25-088-000)		124,880.68	1,321,239.32	460,000	460,000
Road Viewers Program (2G25-022-000)		213,661.76	264,419.26	0	0
Salona Property Payment (2G06-001-000)		916,851.38	891,600.86	859,592	859,592
School Aged Child Care Contribution (2G25-012-000)		1,000,000.00	1,000,000.00	1,000,000	1,000,000
Strike Force Blight Abatement (2G97-001-000)		561.54	533,273.47	0	0
Sully Community Center (HS-000022)	18,500,000	0.00	18,500,000.00	0	0
Survey Control Network Monumentation (2G25-019-000)		48,804.84	116,213.08	75,000	75,000
Telecommunication/Network Connections (GF-000004)	4,254,541	236,521.33	827,321.92	0	0
Transportation Planning Studies (2G40-133-000)	623,593	0.00	623,593.04	0	0
Tysons Transportation Studies-DOT (2G40-041-000)	1,250,000	84,303.44	271,205.85	0	0
VDOT Snow Removal Program (2G40-047-000)	100,000	0.00	100,000.00	0	0
West Ox Bus Operations Center (TF-000005)	54,453,951	2,530.00	2,665,554.79	0	0
Total	$293,554,185	$29,088,067.30	$217,503,786.77	$21,690,923	$21,690,923

Fund 30020
Infrastructure Replacement and Upgrades

Focus

Fund 30020, Infrastructure Replacement and Upgrades, supports the long-term needs of the County's capital assets to maximize the life of County facilities, avoid their obsolescence, and provide for planned repairs, improvements and restorations to make them suitable for organizational needs. Infrastructure replacement and upgrade is the planned replacement of building subsystems such as roofs, electrical systems, HVAC, plumbing systems, windows, carpets, parking lot resurfacing, fire alarms, and emergency generators that have reached the end of their useful life. Without significant reinvestment in building subsystems, older facilities can fall into a state of ever-decreasing condition and functionality, and the maintenance and repair costs necessary to operate the facilities increase. Fairfax County will have a projected FY 2018 facility inventory of over 9 million square feet of space (excluding schools, parks, housing and human services residential facilities). This inventory continues to expand with the addition of newly constructed facilities, the renovation and expansion of existing facilities and the acquisition of additional property. With such a large inventory, it is critical that a planned program of repairs and restorations be maintained. In addition, the age of a major portion of this inventory of facilities is reaching a point where major reinvestments are required in the building subsystems.

Many County facilities have outdated HVAC and electrical systems that are susceptible to failure or are highly inefficient energy users. Sites are identified and each individual project involves a two-step process to complete both design and construction. Roof repairs and waterproofing are conducted in priority order after all roofs at County facilities are evaluated. Based upon the results of that evaluation, critical requirements are prioritized and a five-year plan is established. Repairs and replacement of facility roofs are considered critical to avoid the serious structural deterioration that occurs from roof leaks. By addressing this problem in a comprehensive manner, a major backlog of roof problems can be avoided. Carpet replacement and parking lot resurfacing are evaluated annually and prioritized based on the most critical requirements for high traffic areas. In addition, emergency generators and fire alarm systems are replaced based on equipment age, coupled with maintenance and performance history. Critical emergency repairs and renovations are accomplished under the category of emergency building repairs. These small projects abate building obsolescence and improve the efficiency and effectiveness of facilities and facility systems. The following table outlines, in general, the expected service life of building subsystems used to project infrastructure replacement and upgrade requirements, coupled with the actual condition of the subsystem component:

General Guidelines for Expected Service Life Of Building Subsystems

Electrical		**Plumbing**	
Lighting	20 years	Pumps	15 years
Generators	25 years	Pipes and fittings	30 years
Service/Power	25 years	Fixtures	30 years
Fire Alarms	15 years		
HVAC		**Finishes**	
Equipment	20 years	Broadloom Carpet	7 years
Boilers	15 to 30 years	Carpet Tiles	15 years
Building Control Systems	10 years	Systems Furniture	20 to 25 years

General Guidelines for Expected Service Life Of Building Subsystems

Conveying Systems		**Site**	
Elevator	25 years	Paving	15 years
Escalator	25 years		
		Roofs	
		Replacement	20 years

Each year, the Facilities Management Department (FMD) prioritizes and classifies infrastructure replacement and upgrade projects into five categories. Projects are classified as Category F: urgent/safety related, or endangering life and/or property; Category D: critical systems beyond their useful life or in danger of possible failure; Category C: life-cycle repairs/replacements where repairs are no longer cost effective; Category B: repairs needed for improvements if funding is available, and Category A: good condition.

In April 2013, the County and School Board formed a joint committee, the Infrastructure Financing Committee (IFC), to collaborate and review both the County and School's Capital Improvement Program (CIP) and infrastructure upgrade requirements. One of the goals of the Committee was to develop long-term maintenance plans for both the County and Schools, including annual requirements and reserves. The committee conducted a comprehensive review of critical needs and approved recommendations to support the development of a sustainable financing plan to begin to address current and future capital requirements. The Committee found the analysis of financial policy, the review of the condition of hundreds of facilities, and the scarce options for financing to be challenging. A Final Report was developed and approved by the Board of Supervisors on March 25, 2014, and the School Board on April 10, 2014. The Report includes support for conducting capital needs assessments, new policy recommendations for capital financing, including a capital sinking fund and increased annual General Fund supported funding, the adoption of common definitions related to all types of maintenance, support for County and School joint use opportunities for facilities, and continued support for evaluating ways to further reduce capital costs.

The Board of Supervisors approved the establishment of the Capital Sinking Fund as part of the *FY 2014 Carryover Review.* To date, a total of $14,832,357 has been dedicated to capital sinking funds and allocated for infrastructure replacement and upgrades to the following areas: $8,157,795 for FMD, $2,966,470 for Parks, $1,483,237 for Walkways, $1,483,237 for County owned Roads and $741,618 for Revitalization. Projects have been initiated in all of these program areas from the sinking fund allocation. FMD has initiated several larger scale projects with the $8,157,795 allocated to the Sinking Fund, including HVAC system component replacements at the Patrick Henry Library and the Herndon Fortnightly Library; emergency back-up generator replacements at the Government Center, Pennino Building and Herrity Building; replacement of the reflective coating, flashing and caulking of the roofs at the Pennino Building, James Lee Community Center and Bailey's Community Center; windows replacement at the Hollin Hall building; structural repairs at the Patrick Henry Library; and a structural analysis and review of the visitor garage at the Fairfax County Judicial Center.

As discussed with the IFC, the requirement for County infrastructure replacement and upgrades is estimated at $26 million per year. This estimate is based on current assessment data, as well as industry standards (2 percent of the current replacement value). Based on current staffing levels, the complexity of many of the projects, and the timeline for completing replacement and upgrade projects, it is estimated that approximately $15 million per year would be a good funding goal. Due to budget constraints, in FY 2018, an amount of $1,825,953 is included to address two of the top priority Category F projects. In addition, funding in the amount of $5,544,047 was provided as part of the *FY 2017 Third Quarter Review* for a total of $7,370,000 in FY 2018 identified projects. These projects, all category F, will address HVAC system upgrades and replacement, fire alarm system replacement and roof repairs and waterproofing. Category F projects have been further prioritized by subcategories, including: safety, preventing catastrophic failure, and potential for building system failure. The following table provides specific project details of the projects that were funded at the *FY 2017 Third Quarter Review*, projects funded by public safety bond balances, the projects included in the FY 2018 Adopted Budget Plan and the projects that would have been supported had funding been available.

FY 2018 INFRASTRUCTURE REPLACEMENT AND UPGRADE REQUIREMENTS

PRIORITY	PROJECT TYPE	FACILITY	CATEGORY	SUBCATEGORY	EXISTING CONDITIONS/DEFFICIENCIES	ESTIMATE
FUNDED AS PART OF THE *FY 2017 THIRD QUARTER REVIEW*						
1	HVAC	Government Center	F	Continuation of Phased Project	· Parts no longer available (proprietary) · Maintenance and repairs no longer feasible · Increased failures · Old technology · Multiple water leaks	$3,550,000
2	Fire/Smoke Evacuation System	Adult Detention Center (West Wing)	F	Safety	· Parts no longer available (proprietary) · Maintenance and repairs no longer feasible · Increased failures · Life Safety · Old technology · Replacement per Building Assessment	$1,994,047
Subtotal						**$5,544,047**
FUNDED FY 2018 PROJECTS						
3	Roof	Kings Park Library & Government Center	F	Safety	· Water leaks · Maintenance and repair no longer feasible · Disruption to building operations/end-users · Increased utilities cost	$300,000
4	Roof	Springfield Warehouse	F	Safety	· Water leaks · Maintenance and repair no longer feasible · Disruption to building operations/end-users · Increased utilities cost	$1,525,953
Subtotal						**$1,825,953**
FUNDED BY PUBLIC SAFETY BONDS						
5	Roof, Plumbing, Electrical	Tyson Fire Station (#29)	F	Potential For Building System(s) Failure	· Water leaks · Maintenance and repair no longer feasible · Disruption to building operations/end-users · Increased utilities cost · Safety hazard (trip and fall)	$238,000
6	Roof	Oakton Fire Station	F	Safety	· Water leaks · Maintenance and repair no longer feasible · Disruption to building operations/end-users · Increased utilities cost	$75,000
Subtotal						**$313,000**

PRIORITY	PROJECT TYPE	FACILITY	CATEGORY	SUBCATEGORY	EXISTING CONDITIONS/DEFFICIENCIES	ESTIMATE
RECOMMENDED BUT NOT YET FUNDED						
7	Elevator	Reston Human Services Center	F	Preventing Catastrophic Failure	· Increased equipment breakdowns · Disruption to building operations/users · Unreliable equipment; potential failure · Maintenance and repairs no longer feasible · Modifications needed for ADA compliance · Safety Hazard	$740,000
8	Building Automation System	Boys Probation House	F	Preventing Catastrophic Failure	· Parts no longer available (proprietary) · Maintenance and repairs no longer feasible · Increased failures · Old technology	$170,000
9	Building Automation System	Juvenile Detention Center	F	Preventing Catastrophic Failure	· Increased utility costs · Maintenance and repairs no longer feasible · Increased failures · Old technology	$200,000
10	Roof	Herndon Fortnightly Library	F	Preventing Catastrophic Failure	· Maintenance and repair no longer feasible · Disruption to building operations/end-users · Increased utilities cost	$150,000
11	Parking Garage Repairs	Pennino Building	F	Preventing Catastrophic Failure	· Improper floor drainage · Existing drains and associated piping are failing · Failing drains will result in structural damage	$390,000
12	Parking Garage Repairs	Herrity Building	F	Preventing Catastrophic Failure	· Improper floor drainage · Existing drains and associated piping are failing · Failing drains will result in structural damage	$400,000
13	Roof	Adult Detention Center (West Wing)	F	Preventing Catastrophic Failure	· Maintenance and repair no longer feasible · Disruption to building operations/end-users · Increased utilities cost	$510,000
14	HVAC and Building Automation System	Hollin Hall	F	Preventing Catastrophic Failure	· Parts no longer available (proprietary) · Maintenance and repairs no longer feasible · Increased failures · Old technology · Replacement per Building Assessment	$750,000
15	Plumbing	Hollin Hall	F	Preventing Catastrophic Failure	· Maintenance and repairs no longer feasible · Increased failures · Multiple water leaks	$150,000
16	Electrical	Hollin Hall	F	Preventing Catastrophic Failure	· Maintenance and repairs no longer feasible · Increased failures · Old technology · Replacement per Building Assessment	$234,000
17	Roof	Hollin Hall	F	Preventing Catastrophic Failure	· Maintenance and repair no longer feasible · Disruption to building operations/end-users · Increased utilities cost · Replacement per Building Assessment	$366,000
18	Plumbing	Adult Detention Center (West Wing)	F	Preventing Catastrophic Failure	· Parts no longer available (proprietary) · Maintenance and repairs no longer feasible · Increased failures · Old technology · Replacement per Building Assessment	$150,000
19	Electrical	Judicial VISITOR Garage (Garage B)	F	Potential For Building System(s) Failure	· Increased equipment failure · Old technology · Disruption to building operations/users · Safety Hazard · Increased utilities cost	$507,000
20	Elevator	Jennings Judicial Center	F	Potential For Building System(s) Failure	. Increased failures · Maintenance and repair no longer feasible · Old technology · Does not meet current code requirements	$1,350,000

PRIORITY	PROJECT TYPE	FACILITY	CATEGORY	SUBCATEGORY	EXISTING CONDITIONS/DEFFICIENCIES	ESTIMATE
21	Parking Garage Repairs	Judicial VISITOR Garage (Garage B)	F	Potential For Building System(s) Failure	· Potential for structural failures · Visual rust and deterioration · Potential Safety Hazard	$250,000
22	Parking Lot Paving	Mt. Vernon Police & Government Center	F	Potential For Building System(s) Failure	· Surface has failed · Safety hazard	$350,000
23	Parking Lot Paving	James Lee Community Center	F	Potential For Building System(s) Failure	· Surface has failed · Safety hazard	$350,000
24	Parking Lot Paving	Huntington Community Center	F	Potential For Building System(s) Failure	· Surface has failed · Safety hazard	$100,000
25	Various	Building Assessments		Annual Building Assessments		$200,000
Subtotal						**$7,317,000**
Grand Total						**$15,000,000**

In addition to the above projects identified as part of the FY 2018 plan, FMD has identified an additional 144 Category F projects. The funding required to address the remaining Category F projects is approximately $71 million. Analysis of these requirements is conducted annually and projects may shift categories, become an emergency and be funded by the emergency systems failures project, or be eliminated based on other changes, such as a proposed renovation project.

The specific projects funded in FY 2018 include:

<u>Roof Replacement/Waterproofing</u>
Funding in the amount of $1,825,953 will support roof repairs and replacement at two facilities. Funding of $300,000 will provide for repairs to the Kings Park Library roof and replacement of the roof at the Kings Park Board of Supervisors wing. This building is currently experiencing water leaks, increased utility costs, and maintenance/repairs are no longer feasible. The Springfield Warehouse was installed in 1995 and is also experiencing water leaks, increased utility costs and maintenance issues. Funding in the amount of $1,525,953 will provide for a replacement roof at this 204,708 square foot facility. Typically, roofs at County facilities range in warranty periods from 10 to 20 years, and both of these roofs have exceeded the warranty period and outlived their useful life.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$21,991,962**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an increase of $21,991,962 due to the carryover of unexpended project balances in the amount of $17,973,999 and an adjustment of $4,017,963. This adjustment included the appropriation of revenues in the amount of $467,321 received in FY 2016 associated with reimbursements from the Virginia Department of Transportation (VDOT) and the Virginia State Police for their share of the operational costs at the McConnell Public Safety and Transportation Operations Center (MPSTOC) as well as the state share of future projected capital renewal requirements at this facility. In addition, an increase of $3,550,642 was transferred from the General Fund for the Infrastructure Sinking Reserve Fund in accordance with recommendations of the Infrastructure Financing Committee (IFC). The Infrastructure Sinking Reserve Fund was funded as part of the Carryover Review by committing 20 percent of the unencumbered Carryover balances not needed for critical requirements. As part of the *FY 2016 Third Quarter Review*, the Board of Supervisors approved the allocation of the sinking funds based on specific percentages for each infrastructure area including: 55 percent for FMD, 20 percent for Parks, 10 percent for walkways, 10 percent for County roads and service drives, and 5 percent for revitalization.

- **Third Quarter Adjustments** **$5,544,047**

  As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved an increase of $5,544,047 to support infrastructure replacement and upgrades at County facilities, including $1,994,047 for the replacement of the fire alarm system at the Adult Detention Center (West Wing) based on performance history, age, and difficulty in obtaining replacement parts and service, and $3,550,000 for six HVAC system component replacements at the Government Center.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 30020
Infrastructure Replacement and Upgrades

FUND STATEMENT

Fund 30020, Infrastructure Replacement and Upgrades

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$20,371,350	$0	$18,441,320	$0	$0
Revenue:					
MPSTOC Reimbursement[1]	$467,321	$0	$0	$0	$0
Total Revenue	$467,321	$0	$0	$0	$0
Transfers In:					
General Fund (10001)	$13,353,356	$1,408,449	$10,503,138	$1,825,953	$1,825,953
Total Transfers In	$13,353,356	$1,408,449	$10,503,138	$1,825,953	$1,825,953
Total Available	$34,192,027	$1,408,449	$28,944,458	$1,825,953	$1,825,953
Total Expenditures	$11,981,221	$1,408,449	$28,944,458	$1,825,953	$1,825,953
Transfers Out:					
General Construction and Contributions (30010)[2]	$2,931,823	$0	$0	$0	$0
Pedestrian Walkway Improvements (30060)[2]	837,663	0	0	0	0
Total Transfers Out	$3,769,486	$0	$0	$0	$0
Total Disbursements	$15,750,707	$1,408,449	$28,944,458	$1,825,953	$1,825,953
Ending Balance[3]	$18,441,320	$0	$0	$0	$0

[1] A total of $467,321 represents revenue received from the Virginia Department of Transportation (VDOT) and Virginia State Police associated with the state share of operating costs at the McConnell Public Safety and Transportation Operations Center (MPSTOC). These funding reimbursements will be held in projects for future replacement requirements. State reimbursement is based on actual operational expenditures, eliminating the need to reconcile estimates and actuals each year.

[2] As part of the *FY 2016 Third Quarter Review*, the Capital Sinking Reserve was allocated to specific projects. A transfer from Fund 30020, Infrastructure Replacement and Upgrades, was included to Project 2G25-105-000, Capital Sinking Fund for County Roads, Project 2G51-042-000, Capital Sinking Fund for Parks, and Project 2G25-107-000, Capital Sinking Fund for Revitalization, in Fund 30010, General Construction and Contributions, and to Project 2G25-106-000, Capital Sinking Fund for Walkways, in Fund 30060, Pedestrian Walkway Improvements. The Capital Sinking Reserve Fund was established as a direct result of the Infrastructure Financing Committee (IFC) recommendation. Beginning in FY 2017, allocations to the Sinking Fund projects are transferred directly from the General Fund.

[3] Capital projects are budgeted based on the total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

Fund 30020
Infrastructure Replacement and Upgrades

FY 2018 Summary of Capital Projects

Fund 30020, Infrastructure Replacement and Upgrades

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Building Energy Management Systems (GF-000021)		$10,164.00	$59,836.00	$0	$0
Capital Sinking Fund For Facilities (GF-000029)	8,157,795	0.00	8,157,795.00	0	0
Electrical System Upgrades and Replacements (GF-000017)		428,759.76	384,351.65	0	0
Elevator/Escalator Replacement (GF-000013)		1,715,056.07	1,020,572.19	0	0
Emergency Building Repairs (GF-000008)		200,303.62	256,382.49	0	0
Emergency Generator Replacement (GF-000012)		447,052.34	1,746,744.44	0	0
Emergency Systems Failures (2G08-005-000)		4,495,406.32	3,468,614.35	0	0
Fire Alarm System Replacement (GF-000009)		242,006.53	2,701,367.96	0	0
HVAC System Upgrades and Replacement (GF-000011)		3,023,762.49	7,492,548.43	0	0
MPSTOC County Support For Renewal (2G08-008-000)		0.00	2,213,514.20	0	0
MPSTOC State Support For Renewal (2G08-007-000)		0.00	621,881.00	0	0
Public Safety Renewal - DPWES (GF-000015)		506,532.74	718,429.38	0	0
Roof Repairs and Waterproofing (GF-000010)		814,794.30	93,389.29	1,825,953	1,825,953
Window Replacement (2G08-006-000)		97,383.18	9,031.66	0	0
Total	$8,157,795	$11,981,221.35	$28,944,458.04	$1,825,953	$1,825,953

Fund 30030
Library Construction

Focus

This fund supports the construction and renovation of a network of facilities operated by the Fairfax County Public Library that offer library services according to the needs of the community. Approved library construction projects have been primarily financed with General Obligation Bonds and are based on factors such as age and condition of buildings, long-range space needs, projected population growth, usage, and demand for services in underserved areas of the County. New library facilities are designed to utilize new information resources delivery, and existing facilities from the early 1960s are being redesigned and renovated to replace aging building systems, maximize space, and accommodate modern technology.

In the fall of 2012, the voters approved a bond referendum in the amount of $25 million to renovate four priority library facilities. These libraries include: Pohick, Tysons Pimmit, Reston and John Marshall. The renovations will provide for upgrades to all of the building systems, including roof and HVAC replacement, which have outlived their useful life and will be designed to accommodate current operations and energy efficiency. In addition, the renovations will provide a more efficient use of the available space, meet customers' technological demands and better serve students and young children. The quiet study areas and group study rooms will be improved, the space to accommodate a higher number of public computers will be increased, and wireless access will be enhanced.

No funding is included in Fund 30030, Library Construction, for FY 2018. Work will continue on existing and previously funded projects.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$32,003,751**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $32,003,751 due to the carryover of unexpended project balances in the amount of $30,388,751 and the appropriation of bond premium in the amount of $1,615,000.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 30030
Library Construction

FUND STATEMENT

Fund 30030, Library Construction

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$8,305,382	$0	$12,388,751	$0	$0
Revenue:					
Sale of Bonds[1]	$5,385,000	$0	$19,615,000	$0	$0
Bond Premium	1,615,000	0	0	0	0
Total Revenue	$7,000,000	$0	$19,615,000	$0	$0
Total Available	$15,305,382	$0	$32,003,751	$0	$0
Total Expenditures	$2,916,631	$0	$32,003,751	$0	$0
Total Disbursements	$2,916,631	$0	$32,003,751	$0	$0
Ending Balance[2]	$12,388,751	$0	$0	$0	$0

[1] The sale of bonds is presented here for planning purposes only. Actual bond sales are based on cash needs in accordance with Board policy. On November 6, 2012, the voters approved a bond referendum in the amount of $25 million to renovate four priority library facilities that include Pohick, Tysons Pimmit, Reston and John Marshall libraries. An amount of $5.385 million was sold as part of the January 2016 bond sale. In addition, an amount of $1.615 million has been applied to this fund in bond premium associated with the January 2016 sale. Including prior sales, a total of $19.615 million remains in authorized but unissued bonds for this fund.

[2] Capital projects are budgeted based on total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

FY 2018 Summary of Capital Projects

Fund 30030, Library Construction

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Contingency-Bonds (5G25-057-000)		$0.00	$3,410,690.02	$0	$0
Contingency-General Fund (5G25-009-000)		0.00	910,704.87	0	0
Feasibility Studies-Library Facilities (5G25-011-000)	477,998	0.00	226,333.60	0	0
John Marshall Community Library-2012 (LB-000008)	6,300,000	209,169.64	6,022,606.01	0	0
Oakton Community Library-2004 (LB-000002)	6,386,927	1,788.70	0.00	0	0
Pohick Regional Library-2012 (LB-000009)	7,100,000	2,278,797.09	4,474,960.57	0	0
Reston Regional Library-2012 (LB-000010)	10,000,000	0.00	10,000,000.00	0	0
Tysons Pimmit Regional Library-2012 (LB-000011)	5,610,000	385,599.46	5,036,786.28	0	0
Woodrow Wilson Community Library-2004 (LB-000007)	7,500,317	41,276.37	1,921,669.30	0	0
Total	$43,375,242	$2,916,631.26	$32,003,750.65	$0	$0

Fund 30040
Contributed Roadway Improvements

Focus

Fund 30040, Contributed Roadway Improvements, was created specifically to account for proffered developer contributions received for roadway and transportation improvements throughout the County. Developer contributions are based on the developer rate schedule for road improvements in the Fairfax Center, Centreville and Tysons Corner areas, as well as Tysons-Wide Developer Contributions and Tysons Grid of Streets Contributions. These Tysons area contributions will address the traffic impact of new development associated with growth resulting from the Board's adoption of a new Comprehensive Plan for Tysons. The rate schedule is revised periodically by the Board of Supervisors based on the Consumer Price Index.

This fund is also used to provide matching funds to the state for projects identified by the Board of Supervisors in its consideration of the Virginia Department of Transportation (VDOT) Secondary Improvement Budget. Section 33.1-23.05B of the Code of Virginia enables the use of County funds for improvements to the secondary road system, and the Commonwealth Transportation Board has adopted a policy of providing a match of up to $10 million, through its Revenue Sharing Program, for roadway projects designated by a locality for improvement, construction or reconstruction.

In FY 2018, $150,380 in proffer revenue will be transferred to Fund 30000, Metro Operations and Construction, based on FY 2016 actual monthly payments received from the Transportation Association of Greater Springfield (TAGS). This funding supports shuttle bus service in the area of the Franconia/Springfield Metrorail Station.

No project funding is included in Fund 30040 in FY 2018. Project funding will be appropriated at the fiscal year-end, consistent with the level of developer proffer revenue received during the fiscal year. This approach reflects conservative project budgeting, recognizing that significant fluctuations can occur from year to year in the pace of development with a resulting impact on proffer contributions. In FY 2018, work will continue on existing and previously funded projects using project balances. Proffer contributions are typically accumulated over a number of years until a sufficient level of revenue support is achieved for a major improvement. In addition, project expenditures cannot begin until the terms of the proffer contribution are met. Pooled interest will also be appropriated at year-end.

A separate reserve project exists for each area for which contributions are received. These reserve projects are described below. As specific roadway improvement projects are identified that conform to the appropriate funding parameters within each of these areas, funding is dedicated to complete the improvements.

Fairfax Center (Route 50/I-66) Developer Contributions - Commitments from developers in the Fairfax Center area are included in individual proffer agreements from zoning cases, and rates of contributions vary by case. Effective March 1, 2017, the Board of Supervisors revised developer rates for road improvements in the Fairfax Center area and rates were adjusted from $5.94 to $6.06 per gross square foot of non-residential building structure and from $1,316 to $1,342 per residential dwelling unit. Ten percent of the developer's contribution is paid to the County at the time of the site plan approval. The balance of the amount due is paid as occupancy permits are issued. As negotiated in individual proffer agreements, in-kind contributions of an equivalent value for road improvements can also be made in lieu of cash payments.

Centreville Developer Contributions - Commitments from developers in the Centreville area are included in individual proffer agreements from zoning cases, and rates of contributions vary by case. Effective March 1, 2017, the Board of Supervisors revised developer rates for road improvements in the Centreville area and rates were adjusted from $6.38 to $6.51 per gross square foot of non-residential building structure and from $2,522 to $2,573 per residential dwelling unit.

Countywide Developer Contributions - This project was created to serve as a source of funding for contributions received for countywide roadway improvements. Funds are dedicated for specific improvements when required. Many different projects throughout the County are supported by this project within the following major categories: primary and secondary road improvements, bridge design and construction, intersection/interchange improvements, signal improvements and transit improvements.

Tysons Corner Developer Contributions - This project accounts for private sector contributions received for the Tysons Corner area for zoning cases and rates of contributions vary by case. Improvements supported by this project include Dolley Madison Boulevard, proffered projects and corridor/pedestrian improvements throughout the Tysons area. Effective March 1, 2017, the Board of Supervisors revised developer rates for road improvements in the Tysons area and rates were adjusted from $4.37 to $4.46 per gross square foot of non-residential building structure and from $970 to $989 per residential dwelling unit.

Tysons-Wide Developer Contributions - This project accounts for private sector contributions received for Tysons-Wide transportation improvements. Funding in this project is for improvements outlined in the Tysons Comprehensive Plan Amendment approved by the Board of Supervisors on December 4, 2012. Effective March 1, 2017, the Board of Supervisors revised developer rates for the Tysons-wide area and rates were adjusted from $5.90 to $6.02 per gross square foot of non-residential building structure and from $1,045 to $1,066 per residential dwelling unit.

Tysons Grid of Streets Contributions - This project accounts for private sector contributions received for Grid of Street improvements within the Tysons Corner Urban Area. Effective March 1, 2017, the Board of Supervisors revised developer rates for the Tysons Grid of Streets and rates were adjusted from $6.73 to $6.87 per square foot of non-residential building structure and from $1,045 to $1,066 per residential dwelling unit. The contributions are to be paid with 25 percent prior to site plan approval and the remaining 75 percent before building permits are issued. Developers may elect to construct the transportation improvements outlined in the guidelines in lieu of cash contributions, as negotiated in individual proffer agreements.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$44,615,987**

As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an increase of $44,615,987 due to the carryover of unexpended project balances in the amount of $44,339,167 and an adjustment of $276,820. The adjustment is based on actual revenue received in FY 2016 in the amount of $105,743, and interest earnings of $171,077. Developer contribution revenue fluctuates each year depending on the pace of development; therefore, contributions are only reflected and applied to projects at the end of the fiscal year.

A Fund Statement and Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 30040
Contributed Roadway Improvements

FUND STATEMENT

Fund 30040, Contributed Roadway Improvements

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$42,166,106	$0	$44,397,201	$0	$0
Revenue:					
Fairfax Center Developer Contributions	$50,000	$0	$0	$0	$0
Countywide Developer Contributions	151,198	189,605	189,605	150,380	150,380
VDOT Revenues Route 29 Multi-Purpose Trail[1]	4,600	0	218,786	0	0
Centreville Developer Contributions	0	0	0	0	0
Tysons-wide Developer Contributions	1,257,808	0	0	0	0
Tysons Grid of Streets Developer Contributions	1,298,385	0	0	0	0
Tysons Corner Developer Contributions[2]	44,932	0	0	0	0
Pooled Interest[3]	171,077	0	0	0	0
Total Revenue	$2,978,000	$189,605	$408,391	$150,380	$150,380
Total Available	$45,144,106	$189,605	$44,805,592	$150,380	$150,380
Total Expenditures	$603,080	$0	$44,615,987	$0	$0
Transfers Out:					
Metro Operations and Construction (30000)[4]	$143,825	$189,605	$189,605	$150,380	$150,380
Total Transfers Out	$143,825	$189,605	$189,605	$150,380	$150,380
Total Disbursements	$746,905	$189,605	$44,805,592	$150,380	$150,380
Ending Balance[5,6]	$44,397,201	$0	$0	$0	$0

[1] Reflects VDOT revenues associated with Project 2G40-033-000, Route 29 Multi-Purpose Trail.

[2] Represents developer contributions associated with proffered projects, transportation and corridor/pedestrian improvements throughout the Tysons Corner area.

[3] Pooled interest is earned on the contributions as well as accumulated fund balance.

[4] Represents funds to be transferred to Fund 30000, Metro Operations and Construction, to support Metro shuttle bus service in the Franconia-Springfield area.

[5] Capital projects are budgeted based on the total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

[6] The $44.40 million FY 2016 ending balance will meet capital project requirements in FY 2017 and future years. Proffered contributions cannot be expended until the terms of the proffer are met and until multiple contributions can be aggregated to meet total estimated costs of a project. As a result, a proffered contribution may be held in balance for several years, earning interest.

FY 2018 Summary of Capital Projects

Fund 30040, Contributed Roadway Improvements

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Centreville Developer Contributions (2G40-032-000)		$6,574.19	$784,652.03	$0	$0
Countywide Developer Contributions (2G40-034-000)		156,499.54	17,111,496.80	0	0
Fairfax Center Developer Contributions (2G40-031-000)		63,805.00	3,773,377.47	0	0
Route 29 Multi-Purpose Trail (2G40-033-000)	2,414,358	64,096.16	435,572.74	0	0
Tyson Grid of St Developer Contributions (2G40-057-000)		0.00	1,298,385.00	0	0
Tysons Corner Developer Contributions (2G40-035-000)		364,893.60	19,225,663.42	0	0
Tysons Corner Grid Concept (2G40-038-000)	2,500,000	460.80	194,733.46	0	0
Tysons E Dulles Connector Ramp Analysis (2G40-091-000)	150,000	0.00	150,000.00	0	0
Tysons Metrorail Access Management (2G40-040-000)	418,521	(53,249.46)	384,298.09	0	0
Tysons-wide Developer Contributions (2G40-058-000)		0.00	1,257,808.00	0	0
Total	$5,482,879	$603,079.83	$44,615,987.01	$0	$0

Fund 30050
Transportation Improvements

Focus

Fund 30050, Transportation Improvements, supports the land acquisition, design and construction of County transportation improvements. During the 1981 Session of the Virginia General Assembly, legislation was approved enabling counties with a population over 125,000 to undertake secondary roadway improvements through the use of General Obligation bond revenues or General Fund revenues. Prior to this action, the construction and maintenance of all roadways in Fairfax County had been the exclusive responsibility of the Virginia Department of Transportation (VDOT). The existing road bond program is supported by General Obligation bonds approved by the voters in November 2007 and November 2014. These bond referendum support pedestrian, bicycle, and roadway improvements, all designed to improve capacity, enhance safety and accessibility, and reduce congestion.

Fund 30050, Transportation Improvements, provides funding for various roadway projects and is used in conjunction with revenue available to the County under the Transportation Funding and Reform Act of 2007 (HB 3202), authorizing a County commercial real estate tax in support of transportation. This commercial and industrial real estate tax revenue is budgeted within Fund 40010, County and Regional Transportation Projects, where a rate of 12.5 cents per $100 assessed value is in place. In addition to roadway, pedestrian and transit projects, both funds also support spot improvements consisting of quick-hit projects such as turn lanes and sidewalk and trail connections to improve mobility, enhance safety, and provide relief for transportation bottlenecks.

No funding is included in Fund 30050 in FY 2018. Work will continue on existing and previously funded projects.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$137,490,083**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an increase of $137,490,083 due to the carryover of unexpended project balances in the amount of $132,895,083 and the appropriation of bond premium in the amount of $4,595,000.

A Fund Statement and Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 30050
Transportation Improvements

FUND STATEMENT

Fund 30050, Transportation Improvements

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$15,178,416	$0	$18,650,583	$0	$0
Revenue:					
Bond Sale[1]	$15,405,000	$0	$118,839,500	$0	$0
Bond Premium[1]	4,595,000	0	0	0	0
Total Revenue	$20,000,000	$0	$118,839,500	$0	$0
Total Available	$35,178,416	$0	$137,490,083	$0	$0
Total Expenditures	$16,527,833	$0	$137,490,083	$0	$0
Total Disbursements	$16,527,833	$0	$137,490,083	$0	$0
Ending Balance[2]	$18,650,583	$0	$0	$0	$0

[1] The sale of bonds is presented here for planning purposes only. Actual bonds sales are based on cash needs in accordance with Board policy. In November 2007, the voters approved a Transportation Bond Referendum in the amount of $110 million. An amount of $15.405 million from the 2007 referendum was sold in January 2016. In addition, an amount of $4.595 million was applied to this fund in bond premium associated with the January 2016 sale. A balance of $18.839 million remains in authorized but unissued bonds from the 2007 Transportation Bond Referendum. On November 4, 2014, the voters approved an additional Transportation Bond Referendum in the amount of $100 million. No bonds have been sold yet from this referendum.

[2] Capital projects are budgeted based on the total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

FY 2018 Summary of Capital Projects

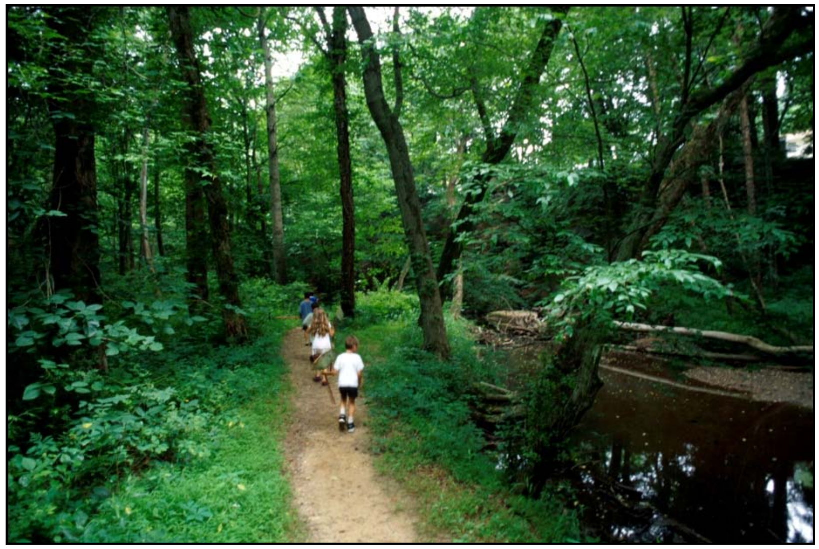
Fund 30050, Transportation Improvements

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Advanced Preliminary Engineering (5G25-030-000)	$2,202,099	$21,101.01	$478,803.64	$0	$0
Base Realignment and Closure (5G25-055-000)	8,500,000	499,629.80	0.00	0	0
Bike/Trail Improvements - 2014 (5G25-063-000)	2,025,000	50,647.45	1,946,234.88	0	0
Bond Transit Projects - 2007 (5G25-056-000)	9,800,000	1,270,154.85	6,329,845.15	0	0
Bus Stop Improvements (TS-000006)	7,750,000	4,654.22	521,005.88	0	0
Cinder Bed Road Improvements (5G25-054-000)	6,350,000	1,399,907.32	3,834,661.27	0	0
Contingency - Bonds (5G25-027-000)		0.00	7,868,786.09	0	0
County-Maintained Bike/Trail Imp - 2014 (ST-000037)	4,165,000	54,698.71	4,110,186.09	0	0
County-Maintained Pedestrian Imp - 2014 (ST-000036)	22,200,000	1,060,735.54	20,934,168.91	0	0
Fairfax County Parkway Rt. 29 (5G25-049-000)	2,600,000	142,079.71	2,049,807.07	0	0
Jefferson Manor Improvements-Phase IIIA (2G25-097-000)	2,675,000	114,095.59	2,443,679.02	0	0
Lorton Arts Access Road (TS-000020)	1,200,000	30,751.18	1,169,248.82	0	0
Lorton Rd/Route 123 (5G25-053-000)	18,158,244	2,076,834.53	3,343,876.17	0	0
Pedestrian Improvements - 2014 (5G25-060-000)	37,114,000	1,966,364.91	34,485,360.50	0	0
Pedestrian Improvements-Bond Funded (ST-000021)	27,608,446	2,598,610.51	6,410,059.03	0	0
RHPTI Ped Improvements - 2014 (5G25-061-000)	12,000,000	149,875.56	11,850,124.44	0	0
Richmond Highway Match-Sidewalks (TS-000007)	700,000	0.00	462,368.83	0	0
Richmond Highway Public Transportation - FTA (TS-000005)	500,000	100,507.52	33,921.37	0	0
RMAG Phase II - 2014 (5G25-062-000)	6,526,000	612.94	6,525,387.06	0	0
Roadway Improvements - Route 29 Widening (5G25-052-000)	6,707,489	302,920.51	3,284,270.18	0	0
Roadway Improvements - Stringfellow Rd. (5G25-051-000)	18,500,000	0.00	763,074.83	0	0
S. Van Dorn /I-95 Interchange (5G25-029-000)	11,050,211	0.00	98,824.82	0	0
Spot Improvements - Route 7 (5G25-047-000)	775,000	76,427.73	358,560.87	0	0
Spot Roadway Improvements - 2014 (5G25-059-000)	15,970,000	420,668.82	15,539,078.38	0	0
Spring Hill Road (5G25-034-000)	10,084,184	73,364.60	0.00	0	0
Stringfellow Road Park & Ride Expansion (TF-000009)	5,500,000	3,817,031.06	564,225.06	0	0
Traffic Calming Program (2G25-076-000)	650,000	(5,112.40)	221,398.92	0	0
Wiehle Avenue (5G25-028-000)	17,578,638	301,271.28	1,863,125.90	0	0
Total	$258,889,311	$16,527,832.95	$137,490,083.18	$0	$0

Fund 30060
Pedestrian Walkway Improvements

Focus

Fund 30060, Pedestrian Walkway Improvements, supports pedestrian and walkway improvements throughout the County, including the Fairfax County Sidewalk Program and the Fairfax County Trail Program. The Fairfax County Sidewalk Program was originally established in coordination with the Fairfax County Public Schools (FCPS) to ensure safe walking conditions for public school students in the County. The program was later expanded to include critical walkway and trail segments in coordination with the Trails and Sidewalk Committee to serve the recreation and transportation needs of pedestrians, bicyclists and equestrians in the County. This program includes projects that link residential areas and public schools, as well as missing walkway and trail segments to provide connections to completed portions of the countywide trail network. The County is currently responsible for the maintenance and upgrade of walkways, including sidewalks connecting directly to school grounds, as well as subdivision sidewalks, trails and pedestrian bridges.



In addition to funding provided through Fund 30060, pedestrian improvement projects are also supported by revenue available to the County under the Transportation Funding and Reform Act of 2007 (HB 3202), which authorized a County commercial real estate tax in support of transportation. This commercial and industrial real estate tax revenue is budgeted within Fund 40010, County and Regional Transportation Projects, and is funded by an approved tax rate of 12.5 cents per $100 of assessed value. Lastly, on November 4, 2014, County residents voted to approve a $100 million Transportation Bond Referendum, of which approximately $78 million has been allocated to pedestrian improvement projects in Fund 30050, Transportation Improvements.

In FY 2018, $500,000 is included in Fund 30060 to meet emergency and critical infrastructure requirements for County trails, sidewalks and pedestrian bridges. In addition to the infrastructure replacement and upgrades of 673 miles of walkways, the Department of Public Works and Environmental Services (DPWES) and the Fairfax County Department of Transportation are responsible of 69 pedestrian bridges. On-going critical repairs include the correction of safety and hazardous conditions such as the damaged trail surfaces, retaining wall failures, handrail repairs, and the rehabilitation of pedestrian bridges. The FY 2018 funding level represents an increase of $100,000 over the FY 2017 Adopted Budget Plan based on the recommendations of the 2013 Rinker Study. This study was conducted in order to build an accurate inventory and condition assessment of County walkways and revealed that there are approximately 10 miles of trails in extremely poor condition requiring $3 million in reinvestment. It is anticipated that funding for the $3 million reinvestment program will be funded over a 3-year period, with funding from the allocation of the Capital Sinking Fund. Annual investment funding is recommended to increase each year. The FY 2018 annual funding level is consistent with the recommendation of the Rinker Study.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$4,092,714**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an increase of $4,092,714 due to the carryover of unexpended project balances in the amount of $3,378,242 and an adjustment of $714,472 to appropriate $68,901 in developer contributions received in FY 2016 and to appropriate $645,571 transferred from the General Fund for the Capital Sinking Fund for Walkways in accordance with recommendations of the Infrastructure Financing Committee (IFC).

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 30060
Pedestrian Walkway Improvements

FUND STATEMENT

Fund 30060, Pedestrian Walkway Improvements

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$2,129,077	$0	$2,920,453	$0	$0
Revenue:					
Federal TEA-21 Grant[1]	$23,333	$0	$526,690	$0	$0
VDOT Enhancement Grant[2]	385,571	0	0	0	0
Developer Contributions[3]	191,019	0	0	0	0
Total Revenue	$599,923	$0	$526,690	$0	$0
Transfers In:					
General Fund (10001)	$300,000	$400,000	$1,045,571	$500,000	$500,000
Infrastructure Replacement and Upgrades (30020)[4]	837,663	0	0	0	0
Total Transfers In	$1,137,663	$400,000	$1,045,571	$500,000	$500,000
Total Available	$3,866,663	$400,000	$4,492,714	$500,000	$500,000
Total Expenditures	$946,210	$400,000	$4,492,714	$500,000	$500,000
Total Disbursements	$946,210	$400,000	$4,492,714	$500,000	$500,000
Ending Balance[5]	$2,920,453	$0	$0	$0	$0

[1] Represents Transportation Enhancement Act (TEA-21) grant awards and supplemental agreements associated with Project ST-000024-006, Dranesville District Walkways-Georgetown Pike and ST-000028-002, Mount Vernon District Walkways-Mason Neck Trail Segment II. Remaining funding of $529,690 is anticipated in FY 2017 or beyond.

[2] Represents Virginia Department of Transportation Enhancement Grant funds in the amount of $385,571, approved by the Board of Supervisors on April 10, 2012 for Project ST-000024, Dranesville District Walkways-Georgetown Pike Trail. All revenue has been received for this project.

[3] Represents developer contributions associated with site plan approvals or proffer development conditions, where the developer has agreed to provide funds for the implementation of walkways or trails within a magisterial district.

[4] As part of the *FY 2016 Third Quarter Review*, the Capital Sinking Reserve was allocated to specific projects. A transfer from Fund 30020, Infrastructure Replacement and Upgrades, was included in Project 2G25-106-000, Capital Sinking Fund for Walkways. The Capital Sinking Reserve Fund was established as a direct result of the Infrastructure Financing Committee (IFC) recommendation. Future allocations to the Sinking Fund project will be transferred directly from the General Fund.

[5] Capital projects are budgeted based on the total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

Fund 30060
Pedestrian Walkway Improvements

FY 2018 Summary of Capital Projects

Fund 30060, Pedestrian Walkway Improvements

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Capital Sinking Fund for Walkways (2G25-106-000)	$229,756	$0.00	$229,756.11	$0	$0
Capital Sinking Fund For Walkways (ST-000042)	1,253,478	0.00	1,253,477.89	0	0
Contingency - General Fund (2G25-059-000)		0.00	44,916.13	0	0
Reinvestment and Repairs to County Walkways (2G25-057-000)		309,559.79	655,359.28	500,000	500,000
Richmond Highway Transp Initiatives (2G25-058-000)	2,482,842	286,402.63	277,866.30	0	0
Walkways - Braddock District (ST-000023)		0.00	45,978.84	0	0
Walkways - Dranesville District (ST-000024)		324,175.83	456,494.37	0	0
Walkways - Hunter Mill District (ST-000025)		0.00	4,163.46	0	0
Walkways - Lee District (ST-000026)		0.00	57,309.35	0	0
Walkways - Mason District (ST-000027)		6,106.65	63,147.43	0	0
Walkways - Mount Vernon District (ST-000028)		19,965.52	1,041,587.86	0	0
Walkways - Providence District (ST-000029)		0.00	189,858.18	0	0
Walkways - Springfield District (ST-000030)		0.00	30,023.84	0	0
Walkways - Sully District (ST-000031)		0.00	142,774.55	0	0
Total	$3,966,076	$946,210.42	$4,492,713.59	$500,000	$500,000

Fund 30070
Public Safety Construction

Focus

Fund 30070, Public Safety Construction, supports the construction of fire and police stations, governmental centers with police substations, and other public safety facilities. Projects are funded by several public safety bond referenda approved by the voters, and the General Fund. On November 6, 2012, the voters approved a $55 million Public Safety bond to support the expansion and renovation of three fire stations and 22 courtroom renovations. The Jefferson, Herndon and Bailey's Fire Stations had far exceeded their useful life and were in need of renovation to meet current Fire and Rescue operational requirements. In addition, several General District Court and Circuit Court courtrooms in the Jennings Judicial Center will be renovated to provide for safe, efficient and Americans with Disabilities Act (ADA) compliant rooms. Renovations include security upgrades, wall and ceiling replacement, improved lighting, ductwork realignment and ADA upgrades for juror deliberation rooms and restrooms. Modern technology will also be updated to support increased public and judiciary demands, which include digital evidence presentation capabilities and video conferencing to allow for video arraignments and testimony from remote witnesses. These projects are all underway or nearing completion.

On November 3, 2015, the voters approved a $151 million Public Safety bond to support the expansion, renovation, and/or construction of five fire stations and five police facilities. All of these fire stations, including the Merrifield, Reston, Penn Daw, Woodlawn, and Edsall Fire Stations, require replacement of major building subsystems such as HVAC and electrical systems which have reached the end of their useful life. The existing stations continue to be challenged by the need for female living space, storage space and limited apparatus bays. Stations do not meet the current and future operational needs of the Fire and Rescue Department. Many stations were constructed 20-30 years ago and lack women's accommodations to include bunkrooms, lockers, and bathroom facilities. Without these facilities, it can be difficult to meet the minimum shift staffing requirements per station. Additionally, the existing apparatus bays barely fit the current equipment assigned to the stations with no room to add units for future growth. Other building space deficiencies exist such as personal protective gear locker areas, shop areas, bay and medical storage, and decontamination areas. Continuous fire and rescue service will be provided to the communities during construction. In addition, the Police Department facilities, including the Police Tactical Operations Facility, Emergency Vehicle Operation Center, West Ox Road Heliport, and Franconia Police Station with Supervisor's Office, are well beyond their useful life expectancy and are currently undersized to meet the current functions/operations. These facilities are in need of renovation in order to replace or upgrade building systems at the end of their life cycle and to meet current and future operational needs of the Police Department. The Public Safety bond also includes a proposed new co-located South County Police Station/Animal Shelter to satisfy the need for a new police station and a new animal shelter in the South County area.

No funding is included in this fund for FY 2018. Work will continue on existing and previously funded projects.

Changes to <u>FY 2017 Adopted Budget Plan</u>

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the <u>FY 2017 Adopted Budget Plan</u>. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$293,832,856**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $293,832,856 due to the carryover of unexpended project balances of $292,967,856 and the appropriation of bond premium in the amount of $865,000.

- **Third Quarter Adjustments** **$60,000**

  As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved funding of $60,000 due to the appropriation of proffer revenue received in FY 2017 associated with the Fire Department's Emergency Vehicle Preemptive Program.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 30070
Public Safety Construction

FUND STATEMENT

Fund 30070, Public Safety Construction

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$138,717,021	$0	$89,430,335	$0	$0
Revenue:					
Sale of Bonds[1]	$17,672,200	$0	$202,865,000	$0	$0
Bond Premium[1]	865,000	0	0	0	0
Miscellaneous Revenue[2]	10,000	0	60,000	0	0
Total Revenue	$18,547,200	$0	$202,925,000	$0	$0
Transfers In:					
General Fund (10001)	$100,000	$0	$0	$0	$0
Total Transfers In	$100,000	$0	$0	$0	$0
Total Available	$157,364,221	$0	$292,355,335	$0	$0
Total Expenditures[3]	$67,933,886	$0	$292,355,335	$0	$0
Total Disbursements	$67,933,886	$0	$292,355,335	$0	$0
Ending Balance[4]	$89,430,335	$0	$0	$0	$0

[1] The sale of bonds is presented here for planning purposes only. Actual bond sales are based on cash needs in accordance with Board policy. On November 7, 2006, the voters approved a $125 million Public Safety Bond Referendum to support renovations and priority expansions at public safety facilities. An amount of $14.537 million was sold in January 2016, and all bonds associated with this referendum have now been sold. In addition, on November 6, 2012, the voters approved a $55 million Public Safety Bond, and on November 3, 2015, the voters approved a $151 million Public Safety Bond. An amount of $3.135 million from the 2012 referendum was sold in January 2016. An amount of $0.865 million was also applied to this fund in bond premium associated with the January 2016 sale. A balance of $202.865 million remains in authorized but unissued bonds for this fund.

[2] Miscellaneous revenue represents proffer funds received in FY 2016 and FY 2017 as part of the Fire Department's Emergency Vehicle Preemption Program.

[3] In order to account for expenditures in the proper fiscal year, an audit adjustment in the amount of $1,537,521.48 has been reflected as an increase to FY 2016 Total Expenditures. This impacts the amount carried forward and results in a decrease of $1,537,521.48 to the *FY 2017 Revised Budget Plan*. The projects affected by this adjustment are FS-000006, Herndon Fire Station-2012, FS-000008, Fire Training Academy-2006, and PS-000006, Public Safety Headquarters. The audit adjustment was included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustment were included in the FY 2017 Third Quarter package.

[4] Capital projects are budgeted based on the total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

FY 2018 Summary of Capital Projects

Fund 30070, Public Safety Construction

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
ADC Sewer Grinder (AD-000001)	$590,000	$74,143.17	$26,541.16	$0	$0
Annandale Volunteer Fire Station (2G92-008-000)	200,000	0.00	200,000.00	0	0
Bailey's Crossroads Fire Station-2012 (FS-000002)	9,184,337	403,989.60	913,015.16	0	0
Contingency - Bonds (2G25-061-000)		0.00	19,898,275.62	0	0
Contingency - General Fund (2G25-096-000)		0.00	80,727.08	0	0
Courthouse Data Center Critical Upgrades (CF-000004)	4,000,000	4,000,000.00	0.00	0	0
Courthouse Data Center Study (2G08-010-000)	350,000	164,437.05	24,556.21	0	0
Courthouse IT Equip. & Support-GDC (2G85-001-000)	333,550	41,326.20	0.00	0	0
Courtroom Renovation Equipment/Furniture (2G08-017-000)	489,169	12,408.26	476,761.23	0	0
Courtroom Renovations-Bond Funded-2012 (CF-000003)	16,000,000	2,681,040.30	12,657,119.21	0	0
Edsall Road Fire Station (FS-000017)	10,000,000	502.74	9,999,497.26	0	0
Emergency Vehicle Operations and K9 Center (PS-000012)	10,000,000	0.00	10,000,000.00	0	0
Fair Oaks Police Station Renovation-2006 (PS-000003)	14,800,000	33,999.98	284,938.68	0	0
Feasibility Studies (2G25-103-000)	291,487	9,529.44	281,957.85	0	0
Fire and Rescue Training Facilities (2G25-108-000)	1,575,000	0.00	1,575,000.00	0	0
Fire Training Academy Facility Study (2G25-093-000)	38,101	125.68	0.00	0	0
Fire Training Academy-2006 (FS-000008)	13,150,000	152,606.52	670,872.02	0	0
Franconia Police Station (PS-000013)	23,000,000	3,638.43	22,996,361.57	0	0
Herndon Fire Station-2012 (FS-000006)	13,350,000	4,648,060.30	4,763,510.45	0	0
IT Infrastructure Relocation from Massey (IT-000022)	2,025,650	329,148.45	1,696,501.55	0	0
Jefferson Fire Station-2012 (FS-000010)	14,000,000	610,859.12	13,272,719.91	0	0
Judicial Center Expansion (CF-000001)	126,931,313	98,966.49	0.00	0	0
Lorton Volunteer Fire Station (FS-000011)	13,765,000	554,868.16	12,991,707.19	0	0
Massey Complex Master Planning (2G25-104-000)	350,000	0.00	350,000.00	0	0
McLean Police Station Renovation-2006 (PS-000005)	19,500,000	744,935.69	2,346,940.54	0	0
Merrifield Fire Station (FS-000013)	8,000,000	612.69	7,999,387.31	0	0
Penn Daw Fire Station (FS-000015)	10,000,000	6,067.23	9,993,932.77	0	0
Police Evidence Rooms Upgrade (PS-000007)	650,000	147,293.92	456,654.08	0	0

Fund 30070
Public Safety Construction

FY 2018 Summary of Capital Projects

Fund 30070, Public Safety Construction

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Police Facilities Master Plan (2G25-086-000)	234,895	1,822.36	0.00	0	0
Police Heliport (PS-000010)	13,000,000	0.00	13,000,000.00	0	0
Police Tactical Operations (PS-000011)	24,000,000	4,691.00	23,995,309.00	0	0
Public Safety Facilities Equipment (2G25-101-000)	313,683	195,087.99	0.00	0	0
Public Safety Headquarters (PS-000006)	142,021,739	51,174,844.17	56,885,808.17	0	0
Public Safety Headquarters Equipment (2G25-099-000)	5,750,000	0.00	5,748,376.74	0	0
Public Safety Infrastructure Upgrades (GF-000025)	2,810,000	21,086.77	2,788,913.23	0	0
Reston Fire Station (FS-000014)	13,000,000	2,340.79	12,997,659.21	0	0
Reston Police Station Renovation-2006 (PS-000004)	18,000,000	1,761,909.19	1,060,691.58	0	0
Senior Center Security Enhancements (GF-000026)	150,000	0.00	150,000.00	0	0
Sheriff ADC Jail Security Design Study (2G91-001-000)	510,000	25,808.61	484,191.39	0	0
South Co. Police Station/Animal Shelter (PS-000009)	30,000,000	4,100.31	29,995,899.69	0	0
Stonecroft Widening Sully Police Station (2G25-062-000)	972,383	0.00	801,088.32	0	0
Traffic Light Preemptive Devices (PS-000008)	70,000	10,000.00	60,000.00	0	0
Traffic Light Signalization (2G25-060-000)	967,762	13,876.00	0.00	0	0
Tysons Fire Station Study (FS-000001)	81,322	4,259.94	0.00	0	0
Tysons Redevelopment Facilities Study (2G25-082-000)	143,678	30,305.15	102,812.64	0	0
West Ox Animal Shelter Renovation-2006 (OP-000001)	11,450,000	(40,210.98)	327,843.33	0	0
Wolftrap Fire Station (FS-000004)	10,301,968	5,170.00	0.00	0	0
Woodlawn Fire Station (FS-000016)	10,000,000	235.65	9,999,764.35	0	0
Total	$596,351,037	$67,933,886.37	$292,355,334.50	$0	$0

Fund 30080
Commercial Revitalization Program

Focus

The Commercial Revitalization Program funds the development and promotion of competitive, attractive and stable commercial centers leading to improved facilities for communities. Improvements include undergrounding utilities, sidewalk construction, street lighting, tree planting and other pedestrian amenities. In the past, Fairfax County voters have approved General Obligation bonds for public improvements in commercial and redevelopment areas of the County. The last bond referendum was dedicated to funding utility and street landscaping projects in three designated revitalization districts: Central Annandale, Central Springfield and Bailey's Crossroads. Bond funding also supported other projects including revitalization in the Town of Vienna, the McLean Central Business District and along a portion of the Route 1 corridor. In addition to bond proceeds, revenue from the Virginia Department of Transportation (VDOT) and developer contributions support improvement efforts within this fund.

Revitalization is one part of an overall County strategy to accomplish the economic rejuvenation of older retail and business centers. Through targeted efforts, it is anticipated that these areas will become more competitive commercially, offer better services and improved shopping opportunities and become viable candidates for private reinvestment.

No funding is included for Fund 30080 in FY 2018. Work will continue on existing and previously funded projects.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$1,810,694**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $1,810,694 due to the carryover of unexpended project balances.

- **Third Quarter Adjustments** **$213,072**

  As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved funding of $213,072 due to the appropriation of federal enhancement grant funding for the McLean Streetscape project.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 30080
Commercial Revitalization Program

FUND STATEMENT

Fund 30080, Commercial Revitalization Program

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$1,123,508	$0	$994,210	$0	$0
Revenue:					
VDOT Revenues[1]	$168,030	$0	$1,029,556	$0	$0
Total Revenue	$168,030	$0	$1,029,556	$0	$0
Total Available	$1,291,538	$0	$2,023,766	$0	$0
Total Expenditures	$297,328	$0	$2,023,766	$0	$0
Total Disbursements	$297,328	$0	$2,023,766	$0	$0
Ending Balance[2]	$994,210	$0	$0	$0	$0

[1] An amount of $1,029,556 is anticipated in VDOT revenue for Project CR-000004, McLean Streetscape, Project CR-000002, Annandale Streetscape, and Project CR-000003, Baileys Crossroads Streetscape, in FY 2017 and beyond.

[2] Capital projects are budgeted based on the total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

FY 2018 Summary of Capital Projects

Fund 30080, Commercial Revitalization Program

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Annandale Streetscape (CR-000002)	$7,304,596	$56,111.03	$174,481.37	$0	$0
Baileys Crossroads Streetscape (CR-000003)	6,498,147	0.00	225,542.25	0	0
McLean Streetscape (CR-000004)	3,392,898	216,633.93	1,310,370.07	0	0
Route 1 Streetscape (CR-000005)	1,642,160	6,209.94	100,818.23	0	0
Springfield Streetscape Phase I (CR-000001)	3,169,236	18,372.61	212,554.08	0	0
Total	$22,007,037	$297,327.51	$2,023,766.00	$0	$0

Fund 30090
Pro Rata Share Drainage Construction

Focus

Fund 30090, Pro Rata Share Drainage Construction, supports storm drainage capital projects through contributions in accordance with the Pro Rata Share Program approved by the Board of Supervisors on December 16, 1991. The Pro Rata Share Program provides a funding source to correct drainage deficiencies by collecting a proportionate share of the total estimated cost of drainage improvements from the developers of the land. As projects are identified and prioritized during scheduled budgetary reviews, Pro Rata funds on deposit are appropriated to this fund.

No funding is included for Fund 30090 in FY 2018. All funding for this program is from private sources. Existing projects will utilize Pro Rata funds received to support watershed planning, regional pond development and other drainage improvement projects.

Changes to <u>FY 2017 Adopted Budget Plan</u>

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the <u>FY 2017 Adopted Budget Plan</u>. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$1,404,866**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $1,404,866 due to the carryover of unexpended project balances in the amount of $1,076,953 and an adjustment of $327,913 to appropriate pro rata share revenues received during FY 2016.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 30090
Pro Rata Share Drainage Construction

FUND STATEMENT

Fund 30090, Pro Rata Share Drainage Construction

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$1,033,821	$0	$1,033,821	$0	$0
Revenue:					
Pro Rata Shares	$2,577,768	$0	$371,045	$0	$0
Total Revenue	$2,577,768	$0	$371,045	$0	$0
Total Available	$3,611,589	$0	$1,404,866	$0	$0
Total Expenditures	$2,577,768	$0	$1,404,866	$0	$0
Total Disbursements	$2,577,768	$0	$1,404,866	$0	$0
Ending Balance[1]	$1,033,821	$0	$0	$0	$0

[1] Capital projects are budgeted based on the total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

FY 2018 Summary of Capital Projects

Fund 30090, Pro Rata Share Drainage Construction

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Accotink Creek Watershed (SD-000001)	$2,983,553	$150,911.08	$68,838.00	$0	$0
Belle Haven Watershed (SD-000002)	316,104	62,480.56	56,792.69	0	0
Bull Run Watershed (SD-000003)	257,126	0.00	71,055.00	0	0
Bullneck Run Watershed (SD-000004)	198,186	52,031.36	6,168.00	0	0
Cameron Run Watershed (SD-000005)	1,896,479	93,001.74	28,141.00	0	0
Countywide Watershed Improvements (SD-000040)	1,133,511	1,033,918.00	99,593.00	0	0
Cub Run Watershed (SD-000006)	7,780,874	178,219.47	5,445.00	0	0
Dead Run Watershed (SD-000007)	206,668	13,006.54	6,668.00	0	0
Difficult Run Watershed (SD-000008)	2,595,712	330,684.61	135,676.76	0	0
Dogue Creek Watershed (SD-000009)	1,416,884	1,590.02	30,202.42	0	0
Four Mile Run Watershed (SD-000010)	16,817	0.00	16,817.00	0	0
High Point Watershed (SD-000011)	6,574	0.00	6,574.00	0	0
Horse Pen Creek Watershed (SD-000012)	2,630,500	39,969.34	349,838.29	0	0
Johnny Moore Creek Watershed (SD-000013)	15,734	0.00	15,734.00	0	0
Little Hunting Creek Watershed (SD-000015)	532,288	217,528.91	87,273.63	0	0
Little Rocky Run Watershed (SD-000016)	1,928,690	1,917.25	1,260.00	0	0
Mill Branch Watershed (SD-000017)	725,599	24,998.30	37,841.31	0	0
Nichol Run Watershed (SD-000018)	307,142	0.00	69,642.00	0	0
Old Mill Branch Watershed (SD-000020)	513	0.00	513.00	0	0
Pimmit Run Watershed (SD-000021)	642,287	109,748.32	92,796.74	0	0
Pohick Creek Watershed (SD-000022)	2,020,849	162,494.09	5,882.00	0	0
Pond Branch Watershed (SD-000023)	298,679	48,709.59	1,969.48	0	0
Popes Head Creek Watershed (SD-000024)	539,627	0.00	29,146.73	0	0
Sandy Run Watershed (SD-000026)	126,115	0.00	23,206.24	0	0
Scotts Run Watershed (SD-000027)	744,304	45,433.62	50,374.36	0	0
Sugarland Run Watershed (SD-000028)	1,507,993	6,124.91	85,658.01	0	0
Turkey Run Watershed (SD-000029)	69,518	5,000.72	4,518.00	0	0
Wolf Run Watershed (SD-000030)	60,147	0.00	17,241.00	0	0
Total	$30,958,473	$2,577,768.43	$1,404,865.66	$0	$0

Fund 30400
Park Authority Bond Construction

Focus

Fund 30400, Park Authority Bond Construction, provides for the continued design, construction and renovation of Fairfax County parks, and is primarily supported by General Obligation bonds. Projects within this fund provide for improvements to a wide range of recreational facilities such as playgrounds, picnic areas, trails and recreation center/swimming pool complexes. The existing program is most recently supported by $94.7 million in General Obligation bonds approved by the voters on November 8, 2016 to acquire new parks and develop and improve park facilities.

The Park Authority Board has adopted certain criteria for evaluating proposed acquisitions, including contiguity to existing parkland or stream valley areas, existing zoning and development conditions, reasonable development costs and support within the Fairfax County Comprehensive Plan. The Park Authority also works with the private sector to acquire easements and donations of land and funding in an effort to use land acquisition monies more effectively.

Photo of the Huntley Meadows wetland restoration project

No funding is included for Fund 30400 in FY 2018. Work will continue on existing and previously funded projects.

Changes to <u>FY 2017 Adopted Budget Plan</u>

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the <u>FY 2017 Adopted Budget Plan</u>. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$51,872,375**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $51,872,375 due to the carryover of unexpended project balances in the amount of $47,897,375 and the appropriation of bond premium in the amount of $3,975,000.

- **Third Quarter Adjustments** **$87,700,000**
  As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved funding of $87,700,000 due to the appropriation of bond funds approved as part of the fall 2016 Park Bond Referendum. The remaining Park bonds of $7.0 million were appropriated to Fund 30010, General County Construction and Contributions to support an Events Center in the Lorton area.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 30400
Park Authority Bond Construction

FUND STATEMENT

Fund 30400, Park Authority Bond Construction

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance[1]	($2,420,539)	$0	$3,591,823	$0	$0
Revenue:					
Sale of Bonds[2]	$13,025,000	$0	$135,960,000	$0	$0
Bond Premium[2]	3,975,000	0	0	0	0
Total Revenue	$17,000,000	$0	$135,960,000	$0	$0
Total Available	$14,579,461	$0	$139,551,823	$0	$0
Total Expenditures[3]	$10,987,638	$0	$139,551,823	$0	$0
Total Disbursements	$10,987,638	$0	$139,551,823	$0	$0
Ending Balance[4]	$3,591,823	$0	$0	$0	$0

[1] The negative FY 2016 Actual Beginning Balance was adjusted by authorized but unissued bonds sold during FY 2016.

[2] The sale of bonds is presented here for planning purposes only. Actual bond sales are based on cash needs in accordance with Board policy. On November 6, 2012, the voters approved a $63 million Park Bond. An amount of $13.025 million was sold in January 2016 and $3,975,000 has been applied to this fund in bond premium associated with the January 2016 sale. In addition, on November 8, 2016, the voters approved a Park bond in the amount of $94,7 million, of which $87.7 million is appropriated to Fund 30400 and $7 million is appropriated to Fund 30010, General Construction and Contributions. Including prior sales, an amount of $135.96 million remains in authorized but unissued bonds for this fund.

[3] In order to account for the expenditures in the proper fiscal year, an audit adjustment in the amount of $20,551.78 has been reflected as an increase to FY 2016 Total Expenditures. This impacts the amount carried forward and results in a decrease of $20,551.78 to the FY 2017 Revised Budget Plan. The projects affected by this adjustment are PR-000005, Park and Building Renovation-2008; PR-000009, Community Parks-New Facilities-2012; PR-000012, Stewardship-2008; PR-000016, Park Development-2008; PR-000091, Existing Facility Renovations-2012. The audit adjustment has been included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustment were included in the FY 2017 Third Quarter package.

[4] Capital Projects are budgeted based on total project cost. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

Fund 30400
Park Authority Bond Construction

FY 2018 Summary of Capital Projects

Fund 30400, Park Authority Bond Construction

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Community Parks-New Facilities-2012 (PR-000009)	$7,285,000	$102,178.71	$7,167,522.79	$0	0
Existing Facility Renovations-2012 (PR-000091)	30,990,730	5,467,518.49	19,759,537.23	0	0
Facility Expansion-2012 (PR-000092)	19,483,355	772,344.96	401,725.15	0	0
Grants and Contributions (PR-000010)	2,742,427	0.00	2,610.00	0	0
Land Acquisition and Open Space - 2016 (PR-000077)	7,000,000	0.00	7,000,000.00	0	0
Land Acquisition and Stewardship - 2012 (PR-000093)	12,915,000	437,286.02	9,164,541.65	0	0
Land Acquisition-2008 (PR-000021)	14,386,988	70,678.51	0.00	0	0
Natural and Cultural Stewardship - 2016 (PR-000076)	7,692,000	0.00	7,692,000.00	0	0
New Park Development - 2016 (PR-000079)	19,820,000	0.00	19,820,000.00	0	0
Park and Building Renovation-2008 (PR-000005)	30,711,192	1,607,729.69	8,524,319.08	0	0
Park Development-2008 (PR-000016)	18,832,103	1,311,363.19	4,504,741.38	0	0
Park Renovations and Upgrades - 2016 (PR-000078)	53,188,000	0.00	53,188,000.00	0	0
Stewardship-2008 (PR-000012)	11,541,881	486,758.02	2,326,825.88	0	0
Trails and Stream Crossings-2006 (PR-000008)	5,282,473	731,780.04	0.00	0	0
Total	$241,871,149	$10,987,637.63	$139,551,823.16	$0	$0

Fund S31000
Public School Construction

Focus

Fund S31000, Public School Construction, provides funding for new construction, facility renovation, expansion and improvements authorized by voter referendum, as well as funds for capital expenditures. Bond funding remaining from the 2011, 2013, and 2015 bond referenda support capital construction projects in this fund.

In FY 2018, progress will continue on the school bond referendum projects and projects funded by Fund S10000, School Operating. Major projects for FY 2018 include facility modifications, building maintenance, renovations, capacity enhancement, and infrastructure management.

Fund S31000
Public School Construction

FUND STATEMENT

Fund S31000, Public School Construction

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan[1]	FY 2018 Superintendent's Proposed	FY 2018 Adopted Budget Plan[2]
Beginning Balance	$36,866,476	$0	$41,328,563	$0	$0
Reserves:					
Reserve for Turf Replacement	$1,058,045	$1,058,045	$1,408,603	$1,628,220	$1,628,220
Total Reserve	$1,058,045	$1,058,045	$1,408,603	$1,628,220	$1,628,220
Revenue:					
Sale of Bonds[3]	$155,000,000	$155,000,000	$155,000,000	$155,000,000	$155,000,000
Federal Revenue	13,499,004	0	9,410,082	0	0
TJHSST Tuition- Capital Costs	418,948	500,000	500,000	800,000	800,000
Fairfax City	27,105	20,000	20,000	20,000	20,000
Miscellaneous Revenue	1,173,406	286,000	286,000	286,000	286,000
Synthetic Turf Field Initiative	1,500,000	0	0	0	0
Synthetic Turf Field Replacement	0	0	100,000	0	0
Turf Field Replacement Reserve	350,558	0	354,621	0	0
Subtotal Revenue	$171,969,021	$155,806,000	$165,670,703	$156,106,000	$156,106,000
Initiated Projects But Unissued Bonds	$0	$0	$338,299,610	$0	$0
Total Revenue	$171,969,021	$155,806,000	$503,970,313	$156,106,000	$156,106,000
Transfers In:					
School Operating Fund (S10000)					
Building Maintenance	$10,000,000	$6,449,030	$10,000,000	$6,449,030	$6,449,030
Classroom Equipment	397,756	0	0	1,951,233	1,951,233
Facility Modifications	600,000	600,000	600,000	600,000	600,000
Synthetic Turf Field Initiative	1,500,000	0	0	0	0
Synthetic Turf Field Replacement	0	0	305,774	983,084	983,084
Infrastructure Sinking Reserve	168,540	0	0	0	0
County General Fund (10001)					
Joint BOS/SB Infrastructure Sinking Reserve	13,100,000	13,100,000	13,100,000	13,100,000	13,100,000
Total Transfers In	$25,766,296	$20,149,030	$24,005,774	$23,083,347	$23,083,347
Total Available	$235,659,838	$177,013,075	$570,713,253	$180,817,567	$180,817,567
Expenditures:					
Subtotal Expenditures	$192,922,672	$175,955,030	$230,785,423	$179,189,347	$179,189,347
Contractual Commitments	0	0	338,299,610	0	0
Total Expenditures	$192,922,672	$175,955,030	$569,085,033	$179,189,347	$179,189,347
Total Disbursements	$192,922,672	$175,955,030	$569,085,033	$179,189,347	$179,189,347
Ending Balance	$42,737,166	$1,058,045	$1,628,220	$1,628,220	$1,628,220
Reserves:					
Reserve for Turf Replacement	$1,408,603	$1,058,045	$1,628,220	$1,628,220	$1,628,220
Available Ending Balance	$41,328,563	$0	$0	$0	$0

[1] The *FY 2017 Revised Budget Plan* reflects adjustments adopted by the Fairfax County School Board on March 23, 2017 during its *FY 2017 Third Quarter Review*.

[2] Fairfax County School Board action on the FY 2018 budget was taken on May 25, 2017 and will be included for approval by the Board of Supervisors as part of the *FY 2017 Carryover Review*.

[3] The actual sale of bonds is based on a review of cash needs rather than cash and encumbrances presented here for planning purposes. This is consistent with Board policy to sell bonds on a cash basis. Including prior sales, there is a balance of $429,410,500 in authorized but unissued school bonds.

Overview

Special Revenue Funds account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. These proceeds include state and federal aid, income derived through activities performed by the Solid Waste Management Program, special levies, program activity revenue and operation of the public school system. The funds that are classified within the Special Revenue Funds group are listed below.

PROGRAM ACTIVITY REVENUE

These funds support the County's bus and commuter rail service, and the County's cable operations. The primary sources of revenue for program activity funds are derived from receipts generated through program operations.

- **Fund 40000 – County Transit Systems**
- **Fund 40030 – Cable Communications**

COUNTY AND REGIONAL TRANSPORTATION

This fund provides for planning, coordinating and implementing a multi-modal transportation system for Fairfax County that moves people and goods, consistent with the values of the community and is supported by commercial and industrial taxes for transportation.

- **Fund 40010 – County and Regional Transportation Projects**

FAIRFAX-FALLS CHURCH COMMUNITY SERVICES BOARD (CSB)

Funding to support CSB programs for individuals and families affected by developmental delay, intellectual disability, serious emotional disturbance, mental illness and/or substance use disorders is derived from a variety of sources including the Cities of Fairfax and Falls Church, the state and federal governments, client/program fees and a transfer from the General Fund.

- **Fund 40040 – Fairfax-Falls Church Community Services Board**

COMMUNITY CENTERS

These funds provide for the construction, operation, and maintenance of community centers for use by the residents within the special tax districts who pay a special levy based on assessed value of real property.

- **Fund 40050 – Reston Community Center**
- **Fund 40060 – McLean Community Center**
- **Fund 40070 – Burgundy Village Community Center**

SERVICE DISTRICTS

These funds are service districts that provide a specific service to County residents. The Integrated Pest Management Program generates revenue through a special countywide tax levy on residential, commercial, and industrial properties to allow for the treatment of the gypsy moth, cankerworm and emerald ash borer populations as well as the prevention of the West Nile Virus. The Stormwater Services Program supports both staff operating requirements and stormwater capital projects, including repairs to stormwater infrastructure, measures to improve water quality, stream stabilization, rehabilitation and safety upgrades of dams, repair and replacement of underground pipe systems and surface channels, structural flood proofing and Best Management Practices (BMP) site retrofits. This funding also supports implementation of watershed master plans, increased public outreach efforts and stormwater monitoring activities. The Board of Supervisors established the Tysons Service District on January 8, 2013, providing a funding plan that is a multi-faceted approach to funding transportation infrastructure in Tysons. The Service District will fund projects that benefit all of the residential and non-residential landowners within Tysons. Establishment of the Reston Service District by the Board of Supervisors is expected in April 2017. The Board will consider the approval of a Funding Plan for Reston Transportation Projects in February 2017. This Service District will fund projects that benefit all of the residential and non-residential landowners within Reston Transit Station Areas.

- **Fund 40080 – Integrated Pest Management Program**
- **Fund 40100 – Stormwater Services**
- **Fund 40180 – Tysons Service District**
- **Fund 40190 – Reston Service District**

E-911 FUND

This fund was created to satisfy a state legislative requirement that E-911 revenues and expenditures be accounted for separately. All expenditures associated with the Public Safety Communications Center (PSCC) are budgeted in this fund.

- **Fund 40090 – E-911**

DULLES RAIL PHASE I TRANSPORTATION IMPROVEMENT DISTRICT

The District was formed by the Board of Supervisors on February 23, 2004 based on petition of the owners of commercial and industrial property in order to fund the extension of the Metrorail Orange line in the vicinity of West Falls Church to Wiehle Avenue in Reston. The District will contribute up to $400 million of the County's share for Phase I through the imposition of a voluntary tax on commercial and industrial properties within the Phase I District.

- **Fund 40110 – Dulles Rail Phase I Transportation District Improvements**

DULLES RAIL PHASE II TRANSPORTATION IMPROVEMENT DISTRICT

Phase II of the Dulles Metrorail project will run from just west of Wiehle Avenue to Ashburn in eastern Loudoun County. This extension will serve Reston Town Center, Herndon, Dulles Airport, Route 606, and Ashburn. Commercial and industrial properties in the Phase II District, which lie near the project on either side of the right-of-way of the Dulles Airport Access Road (DAAR) and Dulles Toll Road (DTR) within Fairfax County, will be taxed to help Fairfax County fund $330 million of the County's share of Phase II.

- **Fund 40120 – Dulles Rail Phase II Transportation District Improvements**

METRORAIL PARKING SYSTEM PLEDGED REVENUES

This fund supports collection and disbursement of funds related to revenue-generating activities at Metrorail parking facilities owned by and located within the County, including debt service, operating and maintenance expenses of those facilities.

- **Fund 40125 – Metrorail Parking System Pledged Revenues**

SOLID WASTE MANAGEMENT

These funds provide for the collection and disposal of refuse within Fairfax County, as well as the disposal of refuse delivered by local jurisdictions. Revenue is derived from collection and disposal charges of the various program components. It should be noted that as part of the FY 2018 Adopted Budget Plan, Fund 40160, Energy/Resource Recovery Facility, is being consolidated into Fund 40150, Refuse Disposal, as a result of a reorganization designed to generate efficiencies, maximize operational effectiveness and increase financial transparency.

- **Fund 40130 – Leaf Collection**
- **Fund 40140 – Refuse Collection and Recycling Operations**
- **Fund 40150 – Refuse Disposal**
- **Fund 40170 – I-95 Refuse Disposal**

STATE AND FEDERAL AID

These funds administer programs that benefit Fairfax County residents in accordance with County policy. Included are funds for programs that attempt to identify and alleviate the causes of poverty; manage grant resources for a variety of County programs ranging from public safety to human services issues; aid aging citizens within Fairfax County; and conserve and upgrade low- and moderate-income neighborhoods.

- **Fund 50000 – Federal-State Grant Fund**
- **Fund 50800 – Community Development Block Grant**
- **Fund 50810 – HOME Investment Partnerships Program**

OPERATION OF THE PUBLIC SCHOOL SYSTEM

These funds provide for recording expenditures required to operate, maintain, and support the Fairfax County Public School system programs, as well as the procurement, preparation, and serving of student breakfasts, snacks, and lunches. Primary sources of revenue include federal and state aid, transfers from the General Fund and receipts derived through food sales.

- **Fund S10000 – Public School Operating**
- **Fund S40000 – Public School Food and Nutrition Services**
- **Fund S43000 – Public School Adult and Community Education**
- **Fund S50000 – Public School Grants and Self-Supporting Programs**

Mission

To provide safe, reliable, clean and effective public transportation service that complements the other elements of the multi-modal transportation system in Fairfax County and provides a cost-saving alternative to Washington Metropolitan Area Transit Authority (WMATA) Metrobus service. To fund the County's share of operating costs for the Virginia Railway Express (VRE).

Focus

Fund 40000, County Transit Systems, provides funding for operating and capital expenses for the Fairfax Connector bus system. The Fairfax County Department of Transportation (FCDOT) manages, oversees and coordinates the activities of the Fairfax Connector bus system, which in FY 2016 operated 85 routes providing primarily intra-county service and access to Metrorail stations serving County residents. The system includes an authorized fleet of 295 buses.

Fairfax Connector bus service is operated by a private contractor from three operating facilities. The Huntington Division provides local service to the Huntington, Van Dorn Street and Franconia-Springfield Metrorail stations and in the Mount Vernon and Lorton areas and express service to the Pentagon Metrorail station. The Reston-Herndon Division includes service in the Reston, Herndon, McLean and Tysons areas to the Wiehle-Reston East, McLean, Spring Hill, and Tysons Corner Metrorail stations; express service between Reston, the Pentagon Metrorail station, and Crystal City; local service between Herndon, Reston, and Tysons, and cross-county service between Fair Oaks and Reston. The West Ox Division provides service primarily in the I-66 Corridor between the Vienna Metrorail station and the Centreville, Chantilly, Fair Oaks, Oakton, and Fairfax Center areas; and 495 Express service between Tysons, Burke Centre and Springfield.

Fairfax Connector expanded service in FY 2015 in conjunction with the opening of the first phase of the Dulles Corridor Metrorail Project, or Silver Line. The majority of new Fairfax Connector bus service in support of the Silver Line involved restructured and new service in the Reston, Herndon, McLean and Tysons areas. With the opening of the Silver Line on July 26, 2014, Fairfax Connector restructured approximately 40 percent of its bus service including 16 new routes, 28 restructured routes, and the elimination of five routes.

The majority of Fairfax Connector's Reston and Herndon service was realigned to provide connections with the new Wiehle-Reston East Metrorail station. As the temporary terminus for the Silver Line until full project completion (anticipated for late 2019), the Wiehle station includes a 2,300 space commuter parking facility, kiss-and-ride area with short-term parking, state of the art bicycle facility, as well as a 10-bus-bay transit center. Subsequent changes to the Silver Line Bus

Service Plan were implemented in January and May 2015 in response to ridership and travel changes, public feedback, and to reduce traffic congestion and improve connections in the Dulles Corridor.

County Transit Systems supports the following County Vision Elements:

Connecting People and Places

Practicing Environmental Stewardship

In FY 2016, Fairfax Connector, in partnership with Fairfax County Public Schools (FCPS), initiated the new Student Free Fare Pilot Program (SFFPP), which provides free bus rides to the County's middle and high school population, and was used by approximately eight percent of the eligible students during the first year. Through increased customer outreach efforts, the SFFPP saw an increase of 295 percent in student ridership from September 2015 to September 2016. Ridership in FY 2018 is expected to continue to increase as additional outreach events are planned.

FCDOT began implementing an Intelligent Transportation System (ITS) in FY 2014, which includes computer aided dispatching (CAD) and automatic vehicle locator (AVL) systems, mobile data terminals, automated passenger counters, stop annunciators, and real-time passenger information. Reports and information generated from the ITS system allow for more efficient scheduling, route refinement, and faster schedule development, which will increase Fairfax Connector operational efficiencies and provide real-time service information for riders. Phase I of the project is expected to be fully implemented in the second half of FY 2017. FY 2018 includes $1.2 million to support Phase II of ITS, which will enhance passenger and employee safety and security while also providing advances in technology for improved monitoring of the maintenance program for buses.

Also included in the FY 2018 budget is $1.1 million to work with WMATA and their vendor (Cubic) to develop a program which will allow Fairfax Connector to continue using the SmarTrip fare collection system. This funding is necessary to replace the current system, which is obsolete, and will enable Fairfax County to continue participating in the regional fare program.

FCDOT initiated a five-year update to its 2009 ten-year Transit Development Plan beginning in FY 2013. This new ten-year document, the Comprehensive Transit Plan (CTP), was developed with substantial public input and analysis of travel patterns, and population and job density within the county. The CTP will guide future investments in and changes to Fairfax Connector service, including new cross-county links between Springfield and the Richmond Highway Corridor via the new Jeff Todd Way, and Centreville and Vienna via I-66, and changes reflecting future investments in I-66.

FAIRFAX
CONNECTOR

FCDOT continues its commitment to the Emission Reduction Program as an agency focus. The program includes: buying vehicles equipped with Engineered Machine Products (EMP) which reduce emissions, improve fuel economy; an idling reduction program, and an auto shutdown program.

FCDOT continues to invest in infrastructure with major construction projects at the three operational garages. In FY 2014, FCDOT completed the addition of an 8,500 square feet storage building at the West Ox Road operating division bus garage. This enables the Fairfax Connector to maintain the fleet more efficiently. In early FY 2015, FCDOT completed renovation of the service lanes at the Huntington operating division garage. This project upgraded the existing service lane and provides efficiencies in the cleaning and servicing of the buses on a daily basis. FCDOT has started the design process for future construction projects at all three garages: the Huntington garage is in design for an additional storage building and two maintenance bays. The Reston-Herndon garage is in the design process for a complete renovation of the existing facility. The West Ox garage is under construction for Phase II expansion, which will increase bus storage and maintenance capacity.

FY 2018 Bus Services Funding

Total FY 2018 funding of $93.2 million is provided for bus services, including funding for the establishment of a mid-life bus rebuild program, Phase II of the Intelligent Transportation Systems (ITS) project, and farebox replacement and upgrades. A breakdown of the $93.2 million is included in the table below.

Bus Services	$88.4
Mid-Life Rebuild Program (20-25 buses) and other Capital Equipment	2.5
ITS Project (Phase II)	1.2
Farebox Upgrades	1.1
Total ($ in millions)	$93.2

County and Regional Transportation Projects

Commercial and Industrial (C&I) real estate tax revenue and Northern Virginia Transportation Authority (NVTA) local 30 percent funds are collected in Fund 40010, County and Regional Transportation Projects, and then a portion is transferred to the County Transit Systems budget. In FY 2018, this amount totals $34.2 million. This amount will be used to provide continued support for West Ox Division rush hour and midday service, enables the continuation of increased frequencies on overcrowded priority bus routes (Routes 171, 401/402 and 950), and continues support for service expansions at all three operating divisions. It also supports a route from Tysons to Dulles Airport, as endorsed by the Board on July 27, 2010; improves the frequency of Richmond Highway corridor routes; and improves the frequency of Route 310 servicing Franconia Road to Rolling Valley, where headways will decrease from every 30 minutes to every 20 minutes.

General Fund Support / Use of Balances

General Fund support is provided to Fund 40000 for Fairfax Connector requirements and for the County share of the subsidy for commuter rail services operated by the Virginia Railway Express (VRE). The FY 2018 General Fund transfer to Fund 40000 is $34.4 million, a decrease of $0.5 million from the FY 2017 Adopted Budget Plan level.

Establishment of a Fairfax Connector Bus Replacement Reserve

A significant long-term issue in transportation concerns the bus replacement needs for the Fairfax Connector fleet. To help fund the future bus replacement needs, funding is being reserved at the Northern Virginia Transportation Commission (NVTC). Annual funding allocations will help to minimize the fiscal impact in FY 2022 when an estimated 68 buses will need to be replaced for a total expenditure of approximately $38.1 million. In FY 2014, FCDOT began setting aside $5.7 million annually. The FY 2017 annual payment to the reserve increased to $7.2 million. In FY 2018, the annual payment increased to $7.7 million and will continue to be increased each year thereafter to meet estimated fleet replacement costs. The recommended plan spreads out the replacement over a slightly longer time horizon which is operationally and programmatically preferable for the department. At the end of FY 2018, the NVTC bus replacement reserve will be $32.1 million.

Virginia Railway Express (VRE)

Fund 40000, County Transit Systems, includes the County's share of the subsidy for commuter rail services operated by the Virginia Railway Express (VRE). The Board of Supervisors approved the County's participation in the regional rail service on August 1, 1988. The service is a joint effort among NVTC, the Potomac and Rappahannock Transportation Commission, the Virginia Department of Rail and Public Transportation, and the participating jurisdictions of Fairfax County, City of Manassas, City of Manassas Park, Fredericksburg, Prince William County, Spotsylvania County and Stafford County. The City of Alexandria and Arlington County are also contributing jurisdictions.

The operation and maintenance costs associated with the commuter rail system are funded from a combination of ridership revenues (which accrue directly to VRE), state contributions and contributions from the participating and contributing local jurisdictions. According to the VRE Master Agreement, at least 50 percent of the operating costs must be paid by passenger fares, with the remainder funded by the participating jurisdictions according to a funding formula. In spring 2007, the VRE Operations Board and member jurisdictions approved a change in the funding formula to transition from the previous calculation based on 90 percent ridership and 10 percent population, to a purely ridership-based formula that is more favorable to Fairfax County. Local jurisdiction subsidies are calculated based primarily on an annual ridership survey and the FY 2018 Fairfax County subsidy is estimated at $5.2 million, representing no increase over the FY 2017 level.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Bus Services					
Huntington Operating	$29,619,922	$34,285,204	$34,994,670	$37,552,812	$37,436,146
Reston/Herndon Operating	28,302,132	31,105,448	31,117,046	31,583,055	31,466,388
West Ox Operating	27,365,526	24,828,917	27,564,151	23,888,647	23,771,980
Capital Projects	3,756,965	4,500,000	8,440,069	2,300,000	2,300,000
Systemwide Projects	827,330	0	928,268	0	0
Subtotal - Bus Services, Connector & WMATA	$89,871,875	$94,719,569	$103,044,204	$95,324,514	$94,974,514
Commuter Rail (VRE)	$4,847,284	$5,160,911	$5,160,911	$5,160,911	$5,160,911
Total Expenditures	$94,719,159	$99,880,480	$108,205,115	$100,485,425	$100,135,425
Income:					
Miscellaneous Revenue	$56,770	$160,000	$100,000	$100,000	$100,000
Fare Revenue	5,394,588	6,211,117	5,400,000	5,400,000	5,400,000
Advertising Revenue	289,069	250,000	100,000	250,000	250,000
Bus Shelter Program	19,859	100,000	150,000	100,000	100,000
WMATA Reimbursements, West Ox	1,354,936	2,200,000	1,750,000	1,750,000	1,750,000
State Aid (NVTC) Operating	14,160,353	15,203,928	15,556,668	17,732,424	17,732,424
State Aid (NVTC) Capital	0	6,244,000	6,244,000	2,300,000	2,300,000
I-66 Inside the Beltway Tolls (NVTC) Operating	0	0	0	986,836	986,836
VA Dept. of Rail and Public Transportation (VDRPT) Operating	250,462	283,285	283,285	283,285	283,285
VDRPT Capital	2,418,009	0	0	0	0
Total Income	$23,944,046	$30,652,330	$29,583,953	$28,902,545	$28,902,545
NET COST TO THE COUNTY	$70,775,113	$69,228,150	$78,621,162	$71,582,880	$71,232,880

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Increased Expenditure Requirements** **$1,532,933**

An increase of $1,532,933 in expenditures includes a net $4,970,931 increase in operating requirements, a decrease of $2,200,000 in capital project requirements, and a decrease of $1,237,998 in capital equipment requirements in FY 2018.

♦ **Fuel Reduction** **($827,988)**

A decrease of $827,988 in Operating Expenses is included for Department of Vehicle Services charges based on anticipated billings for fuel.

♦ **WMATA Facility and Service Costs at West Ox** **($450,000)**
A decrease of $450,000 in expenditures and associated WMATA reimbursements is based on actual WMATA operational requirements at the West Ox Bus Operations Center, as demonstrated by experience in WMATA's operations at the site. Under the Joint Use Agreement, WMATA pays its share of on-going operating and maintenance costs to the County.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$8,324,635**
As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an increase of $8,324,635, including $4,384,566 in encumbered carryover and $3,940,069 in unspent Capital Projects funds.

Cost Centers

There are two cost centers in Fund 40000, County Transit Systems. The first represents the Fairfax Connector bus service, including three divisions, Huntington, Reston-Herndon, and West Ox. The second cost center is focused on VRE.

Key Performance Measures

	Prior Year Actuals			Current Estimate	Future Estimate
Indicator	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	FY 2017	FY 2018
Fairfax Connector					
Percent change in Fairfax Connector passengers	0.04%	(8.36%)	1.57%/(7.99%)	1.00%	1.00%
Percent change in service provided for platform hours	4.27%	10.67%	0.26%/0.77%	4.47%	4.90%
Percent change in service provided for platform miles	5.69%	1.41%	(2.11%)/(8.96%)	12.90%	0.17%
Commuter Rail					
Percent change in VRE passengers boarding at stations in Fairfax County	9.6%	(12.0%)	0.0%/(3.0%)	0.0%	3.0%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/40000.pdf

Performance Measurement Results

Fairfax Connector ridership has shown decreases comparable to many regional peers and is attributable to several factors including:

- WMATA SafeTrack rebuilding initiative
- Reduction in federal transit subsidy
- Low average fuel prices that encourage automobile use
- A mode shift from bus to rail in response to completion of the Silver Line Phase 1
- Possible effects of employment shifts due to sequestration and the economy

Fairfax Connector is seeing positive trends within select ridership categories such as consistent usage of bikes on buses (numbering over 10,000 annually), increases in bike room usage at the Wiehle-Reston East Metrorail station, higher utilization of park and ride facilities, and ridership increases in Tysons and McLean areas, as well as among seniors and passengers with disabilities.

Riders continue to evaluate commuting options in response to the Silver Line and major county bus service modifications. In response to the ridership decline in FY 2015, FCDOT developed several strategies to encourage new ridership on Fairfax Connector and Metrobus services. Strategies include the development of a robust targeted marketing campaign, which began in September 2015 and coincided with the Fairfax Connector's 30 year anniversary and Try Transit Week. Additionally, the Fairfax Connector has partnered with the Fairfax County Public Schools on a student free fare pilot program designed for middle school and high school students. After a successful pilot program during the 2015 – 2016 school year, the Board of Supervisors accepted staff recommendations to expand the Student Bus Pass Program. Over 9,000 student passes have been distributed for the 2016 – 2017 school year and total student ridership has exceeded 240,000 since program inception.

Many commuters in the region have expressed interest in new technologies that allow more interaction with bus services. Fairfax Connector is implementing advanced Intelligent Transportation System (ITS) technology on the Fairfax Connector bus fleet in two phases. Phase one is undergoing final testing and when fully implemented, the ITS system will feature real time bus arrival information that will enhance the travel experience of Fairfax Connector riders who will be able to determine when a bus will arrive at their stop. Improvements in accessibility for persons with disabilities is also a key goal of the ITS system.

The Department is updating the Comprehensive Transit Plan (CTP) which serves as a strategic guide for all decision making, including service to new markets and route refinements for the next ten years. The County is also heavily engaged in planning for the I-66 corridor (Transform66) in an effort to define new bus routes which will mitigate traffic congestion during construction activities, and will provide new linkages with reliable running times at project completion. Implementation of the first route will begin in conjunction with the start of tolling inside the beltway and will provide service from the Government Center to Foggy Bottom.

VRE anticipates ridership to increase approximately three percent during FY 2018 back to FY 2016 levels after an estimated drop in FY 2017. VRE will continue to work on plans to increase ridership by improving operational efficiencies such as new rail cars and extended platforms, and more conveniently located maintenance yards where trains can be parked midday (thus reducing the operating costs of running trains far away to a distant maintenance yard for parking). VRE continues to implement a number of operational and capital efforts to address on-time performance issues and increase capacity. In FY 2017, Fairfax County added 150 new surface parking spaces at the Lorton Station. In FY 2018, VRE will begin operation of an additional round-trip train on the Fredericksburg Line due to the opening of a new VRE station in Spotsylvania County.

FUND STATEMENT

Fund 40000, County Transit Systems

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$11,879,876	$125,000	$10,158,786	$765,774	$765,774
Revenue:					
Miscellaneous Revenue[1]	$56,770	$160,000	$100,000	$100,000	$100,000
SmarTrip Revenue[2]	5,394,588	6,211,117	5,400,000	5,400,000	5,400,000
Bus Advertising	289,069	250,000	100,000	250,000	250,000
Bus Shelter Program[3]	19,859	100,000	150,000	100,000	100,000
WMATA Reimbursements, West Ox Bus Operations Center[4]	1,354,936	2,200,000	1,750,000	1,750,000	1,750,000
State Aid (NVTC) Operating[5]	14,160,353	15,203,928	15,556,668	17,732,424	17,732,424
State Aid (NVTC) Capital[5]	0	6,244,000	6,244,000	2,300,000	2,300,000
I-66 Inside the Beltway Tolls (NVTC) Operating	0	0	0	986,836	986,836
VA Dept. of Rail and Public Transportation (VDRPT) Operating[6]	250,462	283,285	283,285	283,285	283,285
VDRPT Capital[6]	2,418,009	0	0	0	0
Total Revenue	$23,944,046	$30,652,330	$29,583,953	$28,902,545	$28,902,545
Transfers In:					
General Fund (10001)	$33,407,739	$34,929,649	$34,929,649	$34,579,649	$34,429,649
Metro Operations & Construction (30000)	2,591,895	2,695,571	2,695,571	2,803,394	2,803,394
County and Regional Transportation Projects (40010)[7]	33,054,389	31,602,930	31,602,930	34,199,837	34,199,837
Total Transfers In	$69,054,023	$69,228,150	$69,228,150	$71,582,880	$71,432,880
Total Available	$104,877,945	$100,005,480	$108,970,889	$101,251,199	$101,101,199
Expenditures:					
Fairfax Connector					
Huntington Division					
Operating Expenses	$29,605,298	$33,071,871	$33,691,338	$36,719,145	$36,602,479
Capital Projects	3,327,981	3,000,000	5,744,665	1,200,000	1,200,000
Capital Equipment	14,624	1,213,333	1,303,332	833,667	833,667
Subtotal - Huntington Division	$32,947,903	$37,285,204	$40,739,335	$38,752,812	$38,636,146
Reston-Herndon Division					
Operating Expenses	$28,301,632	$29,942,115	$29,891,152	$30,632,388	$30,515,721
Capital Projects	328,159	1,500,000	1,567,086	1,100,000	1,100,000
Capital Equipment	500	1,163,333	1,225,894	950,667	950,667
Subtotal - Reston-Herndon	$28,630,291	$32,605,448	$32,684,132	$32,683,055	$32,566,388
West Ox Division, County Connector					
Operating Expenses	$17,646,511	$21,241,584	$24,084,930	$21,396,980	$21,280,313
Capital Projects	100,825	0	1,128,318	0	0
Capital Equipment	8,364,079	1,387,333	1,729,221	741,667	741,667
Subtotal - West Ox Division, County	$26,111,415	$22,628,917	$26,942,469	$22,138,647	$22,021,980

FUND STATEMENT

Fund 40000, County Transit Systems

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
West Ox Division, WMATA[4]	$1,354,936	$2,200,000	$1,750,000	$1,750,000	$1,750,000
Subtotal - West Ox Division, County and WMATA	$27,466,351	$24,828,917	$28,692,469	$23,888,647	$23,771,980
Total Connector Service	$87,689,609	$92,519,569	$100,365,936	$93,574,514	$93,224,514
Total WMATA Service	$1,354,936	$2,200,000	$1,750,000	$1,750,000	$1,750,000
Total Bus Services, Connector & WMATA	$89,044,545	$94,719,569	$102,115,936	$95,324,514	$94,974,514
Systemwide Projects[8]	$827,330	$0	$928,268	$0	$0
Commuter Rail[9]	4,847,284	5,160,911	5,160,911	5,160,911	5,160,911
Total Expenditures	$94,719,159	$99,880,480	$108,205,115	$100,485,425	$100,135,425
Total Disbursements	$94,719,159	$99,880,480	$108,205,115	$100,485,425	$100,135,425
Ending Balance	$10,158,786	$125,000	$765,774	$765,774	$965,774
Transportation-Related Requirements	$10,033,786	$0	$640,774	$640,774	$840,774
Reserve for Bus Shelter Program[3]	125,000	125,000	125,000	125,000	125,000
Unreserved Balance	$0	$0	$0	$0	$0

[1] Miscellaneous revenue includes such items as reimbursement from the Washington Metropolitan Area Transit Authority (WMATA) for the value of WMATA tokens collected on Fairfax Connector routes, insurance recoveries, and miscellaneous developer contributions.

[2] Fare revenue is received either directly by the County as SmarTrip fare payments, or indirectly through contractor billings.

[3] The Bus Shelter Advertising Program was established in FY 2011 as a public-private partnership to provide for bus shelter construction and maintenance. An amount of $125,000 of revenue is held in reserve for unanticipated County maintenance expenditures in the event the developer defaults on the Bus Advertising Contract.

[4] WMATA reimburses the County for its share of space at the West Ox Bus Operations Center, a joint use facility for WMATA and the County Connector. WMATA initiated operations from this site in Spring 2009. Both WMATA expenditures and the offsetting WMATA reimbursement are being adjusted in FY 2018 to more accurately reflect the actual experience to date.

[5] State Aid for mass transit is disbursed to NVTC, where it is made available to the County.

[6] Anticipated reimbursement from the Virginia Department of Rail and Public Transportation (VDRPT) for operating assistance in implementing new I-95 Express Lane bus services.

[7] The FY 2018 transfer of $34.2 million from Fund 40010, County and Regional Transportation Projects, is consistent with a transportation funding list periodically updated and approved by the Board of Supervisors. Of this total, $23.7 million is from Commercial and Industrial (C&I) real estate revenue and $10.5 million is from HB 2313 local revenues.

[8] Funds in Systemwide Projects are used to support multi-year Board-approved transportation studies such as the comprehensive Transportation Development Plan (TDP) update required by the VDRPT.

[9] Fairfax County participates in the Viginia Railway Express (VRE) Master Agreement, and provides an annual subsidy to VRE operations and construction.

FY 2018 Summary of Capital Projects

Fund 40000, County Transit Systems

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
ADA Remediation (TF-000037)	$1,229,143	$100,825.00	$1,128,318.33	$0	$0
Connector Intelligent Transportation Sys (3G40-003-000)	12,160,560	3,200,710.18	6,425,395.84	1,200,000	1,200,000
Farebox Upgrade/Replacement (TF-000039)	1,100,000	0.00	0.00	1,100,000	1,100,000
Hunting Operating Facility (TF-000014)	1,000,000	120,284.18	525,088.89	0	0
Huntington Service Ln Renov/Expansion (TF-000015)	3,304,236	6,986.77	294,180.38	0	0
Reston Town Center Transit Station (TF-000016)	409,500	191,156.67	67,085.54	0	0
Reston/Herndon Renovation (TF-000017)	887,570	137,001.92	0.00	0	0
Total	$20,091,009	$3,756,964.72	$8,440,068.98	$2,300,000	$2,300,000

Fund 40010
County and Regional Transportation Projects

Focus

Fund 40010, County and Regional Transportation Projects supports the County's implementation of new transportation projects and is funded by the commercial and industrial real estate tax for transportation and Northern Virginia Transportation Authority (NVTA) local tax revenues. The taxing authority for commercial and industrial real property was authorized under the Transportation Funding and Reform Act of 2007 (HB 3202), approved by the Virginia General Assembly on April 4, 2007, and implemented by the Board of Supervisors as part of the FY 2009 Adopted Budget Plan. This revenue helps accelerate the County's implementation of roadway, transit, and pedestrian projects.

HB 3202 allows localities to assess a tax on the value of commercial and industrial real estate and to use the proceeds on new transportation improvements. The County's FY 2018 rate is $0.125 per $100 of assessed value (the maximum allowed per state code), which will generate approximately $53.3 million in revenue. This estimate is based on current projections in the commercial real estate market.

On April 3, 2013, the Virginia General Assembly approved HB 2313, a transportation funding package. The bill included regional components for planning districts that meet certain thresholds (population, registered vehicles, and transit ridership). Northern Virginia meets these criteria for the imposition of certain taxes, and HB 2313 is expected to generate over $300 million per year for transportation projects in the region. The bill mandates that 70 percent of this regional funding be allocated by the NVTA, with the remaining 30 percent provided to the individual localities embraced within NVTA for their determination. Fairfax County's local share of HB 2313 funds is projected to be $42.7 million in FY 2017 and $43.6 million in FY 2018. By adopting the commercial and industrial property tax rate of $0.125, the County qualifies to receive these 30 percent revenues.

Fund 40010 projects approved by the Board of Supervisors January 28, 2014 as part of the Transportation Priorities Plan include:

- roadway improvements;
- transit improvements;
- pedestrian, bike, and small intersection improvements;
- planning and design work for future projects; and
- advance right-of-way purchases for future projects.

FY 2018 disbursements include $8.9 million for operating and staff support for project implementation; $50.9 million for capital projects; $3.0 million for Economic Development Authority (EDA) transportation bonds debt service; and a $34.2 million transfer to Fund 40000, County Transit Systems, for the Fairfax Connector for bus service.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$3,215,741	$6,041,728	$6,578,023	$6,869,514	$6,869,514
Operating Expenses	1,770,891	1,614,614	1,800,000	2,019,630	2,019,630
Bond Expenses	0	0	0	0	0
Capital Projects	41,339,526	56,218,434	350,140,718	53,932,085	53,932,085
Total Expenditures	$46,326,158	$63,874,776	$358,518,741	$62,821,229	$62,821,229
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	47 / 47	47 / 47	52 / 52	54 / 54	54 / 54

1	Deputy Director	1	Program Analyst
1	Senior Engineer III	1	Senior Right-of-Way Agent
2	Engineers V	1	GIS Spatial Analyst I
2	Engineers IV	2	Planning Technicians II
5	Engineers III	1	Project Coordinator
2	Engineering Technicians III	1	HR Generalist II
1	Transportation Planner V	2	Administrative Associates
7	Transportation Planners IV	2	Management Analysts III
9	Transportation Planners III	1	Network/Telecom Analyst I
8	Transportation Planners II (1)	2	Administrative Assistants III
1	Transportation Planner I	1	Online Content Coordinator (1)

TOTAL POSITIONS
54 Positions (2) / 54.0 FTE (2.0)

( ) Denotes New Positions

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Employee Compensation** **$65,971**
An increase of $65,971 in Personnel Services is included for performance-based and longevity increases for non-uniformed merit employees, effective July 2017.

♦ **Other Post-Employment Benefits** **$2,450**
An increase of $2,450 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

- **State Transportation Funding Plan Positions** **$759,365**
  Staffing level adjustments are required to support delivery of projects funded by the State Transportation funding plan (HB 2313). An increase of $223,070 in Personnel Services is due to the establishment of 2/2.0 FTE positions in FY 2018 associated with supporting initial implementation of projects and services funded with HB 2313 revenue. This funding also includes $536,295 as previously approved by the Board of Supervisors as part of the *FY 2016 Carryover Review,* for five new positions to support both local and regional projects. These positions are necessary to handle the increased project workload related to HB 2313 revenues, including Route 1 planning, utility coordination, traffic engineering, and engineering design.

- **Operating Expenses** **$405,016**
  An increase of $405,016 in Operating Expenses is included in FY 2018 and includes adjustments for more accurate facility operating expenses from the Facilities Management Department.

- **Capital Projects** **$53,932,085**
  Funding in the amount of $53,932,085 is included for FY 2018 priority projects supported by the commercial and industrial tax revenue and funding received from the Northern Virginia Transportation Authority (NVTA), consistent with a transportation priorities periodically updated and approved by the Board of Supervisors. This amount also includes portions of NVTA regional funding allocated to the Towns of Herndon and Vienna. This total is a $2,286,349 or 4.1 percent, decrease from the FY 2017 Adopted Budget Plan amount of $56,218,434.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$293,586,040**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $293,586,040 due to the carryover of unexpended project balances of $278,499,223, net capital project adjustments of $14,365,136, and an Operating increase of $185,386 and a Personnel increase of $536,295 for five new positions to support both local and regional projects. These positions are necessary to handle the increased project workload related to HB 2313 revenues, including Route 1 planning, utility coordination, traffic engineering, and engineering design.

- **Third Quarter Adjustments** **$1,943,025**
  As part of the *FY 2017 Carryover Review*, the Board of Supervisors approved an increase of $1,943,025 to appropriate $1,927,117 of Commonwealth Revenue Sharing Funds and a $15,908 increase to the Construction Reserve for additional interest revenues received in FY 2016.

Fund 40010
County and Regional Transportation Projects

FUND STATEMENT

Fund 40010, County and Regional Transportation Projects

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$168,498,790	$1,883,519	$189,392,337	$7,200,587	$7,184,679
Revenue:					
Commercial Real Estate Tax for Transportation[1]	$52,596,580	$52,754,694	$52,754,694	$53,282,241	$53,282,241
Local/Regional Transportation Revenue - NVTA[2]					
Fairfax County - NVTA 30%	39,679,485	41,063,699	41,063,699	41,899,819	41,899,819
Town of Herndon - NVTA 30%	1,070,175	978,307	978,307	998,226	998,226
Town of Vienna - NVTA 30%	660,010	681,006	681,006	694,872	694,872
Regional Transportation Revenue - NVTA 70%[3]	7,005,132	0	38,917,129	0	0
Other State Revenue[4]	2,544,531	0	20,088,873	0	0
Federal Revenue[4]	688,662	0	0	0	0
Northern Virginia Transportation Commission (NVTC)[5]	0	0	6,000,000	0	0
EDA Transportation Bonds[6]	0	0	50,000,000	0	0
Miscellaneous Revenue[7]	15,908	0	130,000	130,000	130,000
Metropolitan Washington Airports Authority (MWAA)	234,124	0	1,520,818	0	0
Total Revenue	$104,494,607	$95,477,706	$212,134,526	$97,005,158	$97,005,158
Total Available	$272,993,397	$97,361,225	$401,526,863	$104,205,745	$104,189,837
Expenditures:					
Operating Expenditures					
Personnel Services	$3,215,741	$6,041,728	$6,578,023	$6,869,514	$6,869,514
Operating Expenses	1,770,891	1,614,614	1,800,000	2,019,630	2,019,630
Subtotal - Personnel and Operating	$4,986,632	$7,656,342	$8,378,023	$8,889,144	$8,889,144
Capital Expenditures[8]					
NVTC Capital Projects[5]	$0	$0	$6,000,000	$0	$0
Fairfax County - NVTA 70%[3]	5,798,305	0	38,917,129	0	0
Fairfax County - Commerical Real Estate Tax and NVTA 30%[2]	35,522,853	51,559,121	290,493,896	49,238,987	49,238,987
Town of Herndon - NVTA 30%	10,976	978,307	3,281,426	998,226	998,226
Town of Vienna - NVTA 30%	7,392	681,006	2,332,946	694,872	694,872
TIFIA Debt Service Reserve[9]	0	0	6,115,321	0	0
EDA Transportation Bonds Debt Service[6]	0	3,000,000	3,000,000	3,000,000	3,000,000
Subtotal - Capital	$41,339,526	$56,218,434	$350,140,718	$53,932,085	$53,932,085
Total Expenditures	$46,326,158	$63,874,776	$358,518,741	$62,821,229	$62,821,229

FUND STATEMENT

Fund 40010, County and Regional Transportation Projects

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Transfers Out:					
County Transit (40000)[10]	$33,054,389	$31,602,930	$31,602,930	$34,199,837	$34,199,837
Metrorail Parking System (40125)[11]	4,220,513	0	4,220,513	0	0
Total Transfers Out	$37,274,902	$31,602,930	$35,823,443	$34,199,837	$34,199,837
Total Disbursements	$83,601,060	$95,477,706	$394,342,184	$97,021,066	$97,021,066
Ending Balance	$189,392,337	$1,883,519	$7,184,679	$7,184,679	$7,168,771
TIFIA Debt Service Reserve[12]	$7,184,679	$1,883,519	$7,184,679	$7,184,679	$7,184,679
Unreserved Balance[13]	$182,207,658	$0	$0	$0	($15,908)
Rate per $100 of Assessed Value	$0.125	$0.125	$0.125	$0.125	$0.125

[1] The Board of Supervisors implemented this tax in FY 2009 at a rate of $0.11 per $100 of assessed value. In FY 2014, the rate increased from $0.11 to $0.125 per $100 of assessed value as part of the Board's Four Year Transportation Program; this rate remains unchanged in FY 2018. The Transportation Funding and Reform Act of 2007 (HB 3202) provided the enabling legislation for this tax.

[2] As a result of the State Transportation funding plan (HB2313) approved during the 2013 Session by the General Assembly, additional revenues are available to the County for transportation projects and transit needs. As a result, the County will benefit from approximately $145 million in regional transportation revenues in FY 2018. Of this total, $43.6 million, or 30 percent, will be available directly to the County and the towns of Herndon and Vienna with a balance of approximately $0.805 million returning to NVTA for operating costs.

[3] NVTA will have a call for projects for its next program (FY 2018 - FY 2023) in FY 2018. The County will be submitting projects for consideration and anticipates the the new six-year program will be approved in FY 2018. When and if project awards are known, funds will be appropriated during the *FY 2017 Carryover Review*.

[4] The Virginia Department of Transportation (VDOT) Revenue Sharing Program provides additional funding for use by locatlities to construct or improve highway systems within its locatliy. Since FY 2014, the County has been awarded $16.5 million in Revenue Sharing funds to be applied to construction costs for the Tysons area Jones Branch Connector and Route 29 Widening (Legato Road to Shirley Gate Road) projects. The County applied for additional Revenue Sharing funds for FY 2017 for the Route 28 Widening (Prince William County line to Route 29) project, which are included in the FY 2017 Revised Budget. The FY 2017 Revised Budget also includes a reduction of $4,841,461 in anticipated Revenue Sharing for Jones Branch Connector, and the remaining balance of previous awards since FY 2014, based on actual receipts to date and the new award for FY 2017. In addition, $5.86 million in VDOT HB2 funds for Route 28 Widening and $4.0 million in Department of Rail and Public Transportation (DRPT) funds for Route 1 Bus Rapid Transit are included in the FY 2017 Revised Budget. FY 2016 actual revenues included a portion of Revenue Sharing funds that were reimbursed by the federal government.

[5] As part of the *FY 2017 Revised Budget Plan*, the Northern Virginia Transporation Commission (NVTC) will fund $6.0 million for the Herndon Bus Facility renovations approve by the Board on January 28, 2014, as part of the Transportation Priorities Plan (TPP). The total cost of renovations is approximately $12.0 million and the remaining $6.0 million will be funded with bond proceeds in Fund 30050, Transportation Improvements.

[6] Economic Development Authority (EDA) revenue bonds in the amount of $50.0 million were included in the *FY 2016 Carryover Review*, and are consistent with the Board of Supervisors Four Year Transportation Plan approved July 10, 2012.

[7] Tysons Partnership contribution to operations costs associated with Tysons Bike Share and interest on balances.

[8] Capital Projects include roadway, pedestrian and transit capital funding. A portion of funding is held in a reserve and adjustments are made to reflect project funding for specific projects approved by the Board of Supervisors as projects approach implementation.

[9] On December 17, 2014, the County closed on a $403.3 million loan agreement with the U.S. Department of Transportation for Phase 2 of the Dulles Metrorail. This amount is for planned debt service reserve expenses required by the loan agreement and was reallocated to Project 2G40-094-000, TIFIA Debt Service Reserve.

[10] The FY 2018 transfer of $34.2 million from Fund 40010, County and Regional Transportation Projects, is consistent with a transportation funding list periodically updated and approved by the Board of Supervisors. Of this total, $23.7 million from Commercial and Industrial (C&I) real estate revenues will fund West Ox Division rush hour and midday service, support for increased frequencies on overcrowded priority bus routes, support of I-295 Express lanes service and the Tysons Circulator; and $10.5 million from HB 2313 local revenues will fund the implementation of new transit service planned for congestion relief.

[11] Provides for the balance of funds required to pay debt service on the Wiehle-Reston East Metrorail Station Parking Garage not covered by ground rent and parking fees on site.

[12] Represents funds held in reserve for TIFIA Debt Service, as required by the TIFIA Loan Agreement. The Reserve is not recorded as an expense, but is reallocated within the Project 2G40-094-000, TIFIA Debt Service Reserve, from Equity in Pooled Cash to Cash with Fiscal Agent.

[13] The negative ending balance will be adjusted with a reduction to capital projects as part of the *FY 2017 Carryover Review*.

Fund 40010
County and Regional Transportation Projects

FY 2018 Summary of Capital Projects

Fund 40010, County and Regional Transportation Projects

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Arlington Blvd & Cedar Hill 7 Corners Ramp (2G40-082-000)	$1,500,000	$0.00	$1,500,000.00	$0	$0
Bailey's Crossroads Land Acq/Demo (2G40-126-000)	7,810,000	0.00	7,810,000.00	0	0
Bicycle Facilities Program (2G40-096-000)	100,000	8,508.50	16,509.53	0	0
Bicycle Facilities Program (TS-000001)	3,650,000	34,812.70	2,782,831.29	0	0
Bonds Advanced Project Implementation (2G40-053-000)	1,660,000	140,085.57	852,901.60	0	0
BRAC-Mulligan Road (2G40-023-000)	13,658,984	0.00	3,000,000.00	0	0
BRAC-Rt. 1 Widening (2G40-012-000)	3,000,000	0.00	674,394.20	0	0
BRAC-Telegraph Rd. Widening S. Van Dorn (2G40-021-000)	3,600,000	601,794.40	819,601.01	0	0
Braddock Rd & Burke Lake Rd & Guinea Rd (2G40-081-000)	1,700,000	766,781.31	682,029.15	0	0
Braddock/Roanoke Road Improvements (2G40-050-000)	1,017,000	709.72	364,508.06	0	0
Burke Center Parkway & Marshall Pond (2G40-074-000)	175,000	0.00	175,000.00	0	0
Bus Stops - Braddock District (TS-000011)	490,000	182,873.84	54,097.09	0	0
Bus Stops - Countywide (TS-000010)	2,050,000	226,709.21	1,658,425.68	0	0
Bus Stops - Dranesville District (TS-000012)	475,000	163,162.40	111,716.36	0	0
Bus Stops - Hunter Mill District (TS-000013)	480,000	108,508.06	106,668.69	0	0
Bus Stops - Lee District (TS-000014)	330,000	87,603.05	185,729.40	0	0
Bus Stops - Mason District (TS-000015)	180,000	75,042.35	29,494.36	0	0
Bus Stops - Mt Vernon District (TS-000016)	695,000	209,329.28	196,898.44	0	0
Bus Stops - Providence District (TS-000017)	250,000	51,224.63	88,195.37	0	0
Bus Stops - Springfield District (TS-000018)	505,000	287,618.96	37,625.58	0	0
Bus Stops - Sully District (TS-000019)	85,000	1,477.49	76,255.20	0	0
Capital Expansion (TF-000030)	1,150,000	94,055.43	713,477.50	0	0
Construction Reserve (2G40-001-000)		0.00	56,057,158.59	22,570,023	22,570,023
Construction Reserve NVTA 30% (2G40-107-000)		0.00	8,946,065.00	26,668,964	26,668,964
Cost Benefit Analysis Support (2G40-060-000)	1,162,000	76,717.73	278,328.10	0	0
CSYP Bike & Pedestrian Program (2G40-088-000)	8,350,000	1,487,490.16	6,093,140.74	0	0
Dulles Toll Road & Soapstone Dr Overpass (2G40-078-000)	8,250,000	185,072.00	8,049,873.00	0	0
Dulles Toll Road Town Center Pkwy Underpass (2G40-073-000)	9,250,000	0.00	7,145,933.00	0	0

FY 2018 Summary of Capital Projects

Fund 40010, County and Regional Transportation Projects

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
EDA Revenue Bond - Debt Service (2G40-125-000)	6,000,000	0.00	3,000,000.00	3,000,000	3,000,000
Eskridge Rd. Extension (2G40-029-000)	4,416,777	677,067.74	72,268.73	0	0
Extension Frontier Drive (VDOT) (2G40-095-000)	8,000,000	1,000,000.00	5,000,000.00	0	0
Fair Lakes Lighting Project (2G40-104-000)	150,000	0.00	150,000.00	0	0
Flint Hill Road (ST-000039)	70,000	0.00	70,000.00	0	0
Frying Pan Road Widening (2G40-131-000)	1,500,000	0.00	1,500,000.00	0	0
Giles Run & Laurel Hill (2G40-067-000)	2,800,000	19,865.72	2,661,204.60	0	0
Graham Road (ST-000040)	75,000	0.00	75,000.00	0	0
Herndon Bus Garage Renovation (TF-000038)	6,000,000	0.00	6,000,000.00	0	0
Herndon Metrorail Parking - C&I (TF-000020)	3,800,000	1,511,643.97	687,263.82	0	0
Herndon Metrorail Parking-NVTA 30 (TF-000026)	4,000,000	540,955.00	3,447,275.48	0	0
Herndon NVTA 30% Capital (2G40-105-000)		10,976.22	3,281,425.78	998,226	998,226
HMSAMS (2G40-086-000)	3,600,000	0.00	3,600,000.00	0	0
Huntington Service Line Renov/Expansion C&I (TF-000025)	5,200,000	2,778,211.99	2,421,788.01	0	0
Innovation Center Metro Station NVTA70 (2G40-101-000)	10,000,000	3,792,291.46	6,207,708.54	0	0
Innovation Center Parking - C&I (TF-000021)	4,200,000	360,024.90	2,208,393.65	0	0
Innovation Center Parking-NVTA 30 (TF-000027)	1,200,000	(29,367.57)	881,767.31	0	0
Jones Branch Connector (County) (2G40-020-000)	1,929,637	151,400.17	27,372.40	0	0
Jones Branch Connector (County/VDOT) (2G40-062-000)	20,658,539	3,411,440.00	15,671,545.00	0	0
Laurel Hill Adaptive Reuse (TF-000028)	4,275,000	0.00	4,275,000.00	0	0
Lorton Road-Rt. 123 Silverbrook Rd. (2G40-022-000)	39,987,900	7,919,807.26	20,454,902.29	0	0
Lorton VRE Park & Ride Expansion (TF-000023)	2,100,000	127,068.09	1,903,658.05	0	0
Lorton/Cross County Trail Enhancements (ST-000034)	401,264	0.00	401,264.00	0	0
McLean Streetscape (ST-000041)	65,768	0.00	65,768.00	0	0
Pedestrian Task Force Recommendations (ST-000003)	19,340,700	1,026,582.70	6,504,303.01	0	0
Pohick Road Widening (2G40-130-000)	1,500,000	0.00	1,500,000.00	0	0
Richmond Highway Match - Sidewalks (2G40-049-000)	934,894	0.00	934,894.00	0	0
RMAG Phase II (2G40-085-000)	2,500,000	0.00	2,500,000.00	0	0
Rolling Rd Widening (OKM to FFX Co Pkwy) (2G40-109-000)	5,000,000	1,875,000.00	3,125,000.00	0	0

FY 2018 Summary of Capital Projects

Fund 40010, County and Regional Transportation Projects

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Rolling Rd. VRE Garage Feasibility Study (2G40-055-000)	250,000	14,737.86	97,857.48	0	0
RSTP Advanced Project Implementation-TMSAMS (2G40-051-000)	2,280,100	979.28	1,735,038.18	0	0
Rt. 1 BRT DRPT (2G40-135-000)	4,000,000	0.00	4,000,000.00	0	0
Rt. 1 Bus Rapid Transit (BRT) NVTA30 (2G40-114-000)	4,000,000	121,449.09	3,878,550.91	0	0
Rt. 1 Wdng (Napper to Mt Vrn Hwy) (2G40-132-000)	3,460,828	0.00	3,460,828.00	0	0
Rt. 1 Widening (Pohick to Occoquan) (2G40-119-000)	2,500,000	33,940.18	2,466,059.82	0	0
Rt. 123 & Braddock Rd. Improvements (2G40-015-000)	4,933,000	1,910,115.25	2,186,417.00	0	0
Rt. 123 & Kelley Dr. (2G40-066-000)	950,504	16,153.46	0.00	0	0
Rt. 123 Widening (Route 7 to I-495) (2G40-129-000)	6,600,000	0.00	6,600,000.00	0	0
Rt. 236 Widening I495-John Marr NVTA30 (2G40-111-000)	250,000	0.00	250,000.00	0	0
Rt. 28 Widening (Prince William Co Line to Rt. 29) NVTA70 (2G40-100-000)	10,000,000	1,027,168.51	8,972,831.49	0	0
Rt. 28 Widening HB2 (2G40-136-000)	5,860,000	0.00	5,860,000.00	0	0
Rt. 28 Widening Revenue Sharing (2G40-137-000)	3,076,035	0.00	3,076,035.00	0	0
Rt. 286/Popes Head Road Interchange – NVTA 30% (2G40-141-000)	4,300,000	0.00	4,300,000.00	0	0
Rt. 29 Widen Union Mill-Buckley Gate NVTA30 (2G40-110-000)	3,750,000	0.00	3,750,000.00	0	0
Rt. 29 Widening (Centreville To FFX City) (2G40-019-000)	14,427,117	2,964,455.99	10,300,535.92	0	0
Rt. 29 Widening Phase I – C & I (2G40-139-000)	5,327,538	0.00	5,327,538.00	0	0
Rt. 29 Widening Phase II – C & I (2G40-140-000)	5,652,000	0.00	5,652,000.00	0	0
Rt. 7 Georgetown Pike Lighting Project (2G40-070-000)	249,000	0.00	249,000.00	0	0
Seven Corners Interchange Improvements (2G40-076-000)	2,000,000	10,290.15	1,886,114.95	0	0
Shirley Gate/Braddock/FFX Co Pkwy/Popes (2G40-079-000)	3,000,000	122,605.40	2,741,157.40	0	0
Sidewalk Replacement VDOT Participation (ST-000001)	770,000	10,184.39	174,667.16	0	0
Spot Improvements (2G40-028-000)	10,779,000	1,263,363.89	4,002,841.08	0	0

FY 2018 Summary of Capital Projects

Fund 40010, County and Regional Transportation Projects

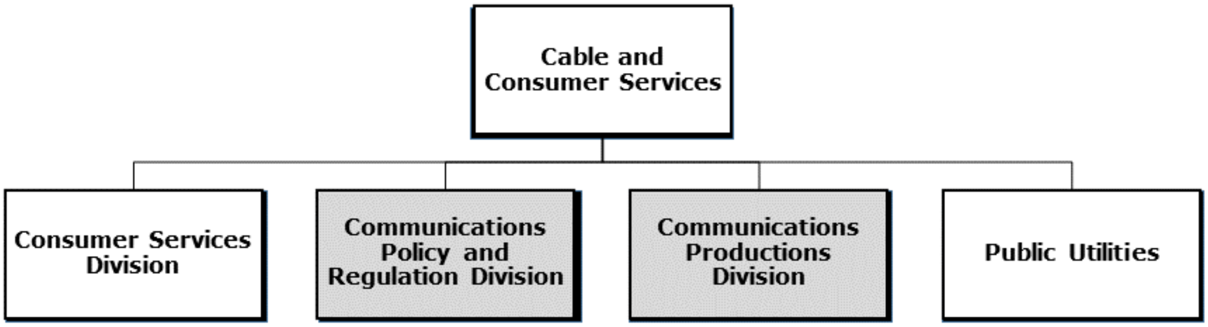
Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Spot Program (2G40-087-000)	7,106,000	230,657.85	6,806,091.95	0	0
Springfield Multi-Use Transit Hub (ST-000033)	6,880,000	53,700.54	6,631,986.63	0	0
Stormwater- Nutrient Credits (2G40-093-000)	495,000	(33,975.00)	303,975.00	0	0
Stringfellow Road P&R C&I (TF-000031)	1,150,000	169,970.30	65,034.40	0	0
Studies/Planning/Advanced Design/Prog Rsv (2G40-090-000)	3,000,000	483,703.30	2,494,436.70	0	0
Sully Braddock Road Parking & Ride (TF-000024)	550,000	0.00	550,000.00	0	0
Synchro/AutoCAD Hardware (TF-000041)	45,705	0.00	45,705.00	0	0
TIFIA Debt Service Reserve (2G40-094-000)	6,115,321	0.00	6,115,321.00	0	0
Town Center Parkway Underpass (2G40-054-000)	264,100	0.00	56,007.42	0	0
Traffic Signals (2G40-127-000)	1,200,000	0.00	1,200,000.00	0	0
Transportation Projects - At Large (2G40-003-000)	100,000	0.00	55,000.00	0	0
Transportation Projects - Braddock District (2G40-002-000)	100,000	0.00	100,000.00	0	0
Transportation Projects - Dranesville District (2G40-004-000)	100,000	0.00	29,092.34	0	0
Transportation Projects - Hunter Mill District (2G40-005-000)	100,000	0.00	55,000.00	0	0
Transportation Projects - Lee District (2G40-006-000)	100,000	0.00	100,000.00	0	0
Transportation Projects - Mason District (2G40-007-000)	100,000	0.00	100,000.00	0	0
Transportation Projects - Mt Vernon District (2G40-008-000)	250,000	0.00	250,000.00	0	0
Transportation Projects - Providence District (2G40-009-000)	100,000	0.00	100,000.00	0	0
Transportation Projects - Springfield District (2G40-010-000)	100,000	0.00	100,000.00	0	0
Transportation Projects - Sully District (2G40-011-000)	100,000	0.00	100,000.00	0	0
Tysons Neighborhood Projects (2G40-128-000)	14,118,174	0.00	14,118,174.00	0	0
Tysons Reserve (2G40-084-000)	84,326	66,586.91	17,739.09	0	0
VDOT Implemented Intersection Projects (2G40-092-000)	3,310,192	547,300.00	0.00	0	0
VDOT Plan Review (2G40-097-000)	700,000	450,000.00	0.00	0	0
Vienna NVTA 30% Capital (2G40-106-000)		7,392.41	2,332,945.59	694,872	694,872
Walney Road at Dallas Street (2G40-025-000)	380,000	157,997.27	222,002.73	0	0

FY 2018 Summary of Capital Projects

Fund 40010, County and Regional Transportation Projects

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
West Ox Bus Facility-Parking Expansion (TF-000003)	3,585,673	207,031.84	925,122.74	0	0
West Ox Bus Garage NVTA70 (TF-000035)	20,000,000	978,845.26	19,021,154.74	0	0
Wiehle Avenue Metrorail Facility (TF-000001)	23,562,145	562,327.57	143,796.84	0	0
Total	$423,390,221	$41,339,526.14	$350,140,718.17	$53,932,085	$53,932,085

Fund 40030
Cable Communications



The Department of Cable and Consumer Services is the umbrella agency for four distinct functions: Consumer Services, Communications Policy and Regulation, Communications Productions, and Public Utilities. The total agency staff is dispersed over two funding sources, the Cable Communications Fund and the General Fund. Communications Policy and Regulation and Communications Productions are presented in Fund 40030 (Volume 2). Fund 40030 is supported principally by revenue received from local cable operators through franchise agreements. Consumer Services and Public Utilities are presented within the Public Safety Program Area of the General Fund (Volume 1). While the functions of the Department of Cable and Consumer Services provide diverse services, they all provide quality customer service to the community and work collaboratively with County agencies, neighboring jurisdictions, and professional organizations.

Fairfax County Government Channel 16 is one of the best government access cable television stations in the nation.

It is important to note that as part of the FY 2017 Adopted Budget Plan, the Mail Services section of the General Fund, which manages outgoing and incoming U.S. mail as well as inter-office mail and distribution, was transferred to Fund 60020, Document Services, managed by the Department of Information Technology, as a result of a reorganization designed to generate efficiencies and facilitate the increased use of technology to perform mail services-related tasks. In addition, the Accounting and Finance section, which is responsible for the development and oversight of the Department's budget and other related work, was transferred to Fund 40030.

Mission

To promote the County's cable communications policy; to enforce public safety, customer service, and regulatory requirements among the County's franchised cable operators; and to produce television programming for Fairfax County Government Channel 16 and the Fairfax County Training Network.

To accomplish the mission, Communications Policy and Regulation and Communications Productions encourage competition, innovation, and inclusion of local community interests in the countywide deployment of cable communications services; negotiate, draft, and provide regulatory oversight and enforcement of cable communications contracts, ordinances, statutes, and customer service policies; protect the health, safety, and welfare of the public by enforcing safety codes and construction standards; ensure community access to public, educational, and governmental programming; maintain a reliable means of mass communication of official information during emergencies; provide digital media production services to create informational programming for County residents accessible through a variety of distribution channels; and support internal communications, including remote origination and viewing of training programs for County employees and emergency first-responders.

Focus

The Cable Communications Fund (CCF) was established by the Board of Supervisors in 1982 to provide accurate and auditable accounting of revenues and expenses associated with the administration of the County's cable communications ordinance and franchise agreements, communications productions, and cable-related consumer and policy services. CCF revenue supporting this fund comes from Public, Educational, and Governmental (PEG) access capital grants and state communications sales and use taxes received from local cable operators based on the operators' gross revenues.

Communications Policy and Regulation negotiates cable franchise agreements and is responsible for regulatory oversight of the County's three franchised cable television providers, serving over 285,000 cable subscribers. Communications Policy and Regulation ensures that cable operators provide high-quality customer service, safe cable system construction and operation, and access to PEG programming and emergency information.

Communications Policy and Regulation enforces construction codes and standards on a competitively neutral basis. In FY 2016, more than 93 percent of inspected work sites were in compliance with applicable codes.

Communications Policy and Regulation consults with the Department of Information Technology and monitors new developments in cable and broadband legislation, regulation, and technology; tracking cable and broadband regulatory matters before the Federal Communications Commission.

Communications Policy and Regulation will continue to administer financial support for the I-Net fiber optic network serving County and Fairfax County Public Schools (FCPS) locations. These locations are provided video, high-speed data, and voice services via the I-Net. The I-Net is the backbone of the County Enterprise-Wide Network and its operational management is the responsibility of the Department of Information Technology. It is composed of more than 4,000 kilometers of fiber linking over 400 County and FCPS locations.

Communications Productions operates Fairfax County Government Channel 16, and the Fairfax County Training Network. Channel 16 televises meetings of the Board of Supervisors, Planning Commission, and Board of Zoning Appeals; County Executive projects; Board-directed special programming; town meetings; monthly Board of Supervisors video newsletters; and programs highlighting the services of County agencies. Channel 16 reaches an estimated 788,000 residents via cable television and reaches an even larger audience through live video-streaming and video-on-demand. Channel 16 reaches an increasingly diverse community by offering programs translated into Spanish, Korean, and Vietnamese, as requested by County agencies. All Channel 16 programming is closed captioned.

Communications Productions televises training and internal communication programming on the Fairfax County Training Network through the Fairfax County I-Net, reaching approximately 30,000 Fairfax County Government and FCPS employees. Communications Productions operates an emergency message system, serves as the centralized resource for loan pool equipment, and supports video teleconferencing.

Fund 40030
Cable Communications

During the period from FY 2012 – FY 2018, approximately $23.0 million of the Fund 40030 balance has been used to support critical IT projects funded out of Fund 10040, IT Projects, including the Tax System Modernization Project, the Police In-Car Video Project, and several other IT-related projects.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$5,690,480	$6,449,459	$6,449,459	$6,544,102	$6,544,102
Operating Expenses	3,930,058	6,588,712	12,719,671	7,406,139	7,406,139
Capital Equipment	800,199	450,000	2,785,907	550,000	550,000
Total Expenditures	$10,420,737	$13,488,171	$21,955,037	$14,500,241	$14,500,241
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	52 / 52	54 / 54	54 / 54	54 / 54	54 / 54

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Employee Compensation** **$89,732**
An increase of $89,732 in Personnel Services includes $76,291 for performance-based and longevity increases for non-uniformed merit employees effective July 2017, and $13,441 for employee pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions.

♦ **Other Post-Employment Benefits** **$4,911**
An increase of $4,911 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

♦ **Operating Expenses Adjustment** **$817,427**
An increase of $817,427 in Operating Expenses is associated with I-Net equipment costs fully supported by available I-Net revenue in FY 2017.

♦ **Capital Equipment** **$550,000**
Capital Equipment funding of $550,000 includes $400,000 for video replacement equipment in the Communications Productions Division due to specific equipment being past its useful lifespan. In addition, $150,000 is included for I-Net data and video network equipment.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$8,466,866**

As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved encumbered funding of $1,538,101, an increase of $150,000 to cover phase one costs associated with the Arts Council of Fairfax County conducting a survey related to residents arts and entertainment needs, and an amount of $6,778,765 in unencumbered carryover primarily attributable to unexpended funds related to the design and operation of the I-Net.

Cost Centers

The three cost centers within Fund 40030, Cable Communications, are the Communications Policy and Regulation Division, the Communications Productions Division, and the Institutional Network. They work together to achieve the mission of the Fund.

Communications Policy and Regulation Division

The Communications Policy and Regulation Division (CPRD) negotiates cable franchise agreements and is responsible for regulatory oversight of the County's three franchised cable television providers.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$2,609,372	$3,483,173	$3,536,659	$3,533,167	$3,533,167
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	23 / 23	25 / 25	25 / 25	25 / 25	25 / 25

Office of the Director
1 Director, DCCS
1 Administrative Assistant V

Consumer Services Division
1 Director, Consumer Services Division
1 Administrative Assistant IV

Administrative Services
1 Financial Specialist III
1 Financial Specialist II

Communications Policy and Regulation Division
1 Director, Policy and Regulation
1 Administrative Assistant IV

Policy and Regulation
2 Management Analysts III

Public Utilities
2 Utilities Analysts

Regulation and Licensing
1 Administrative Assistant III

Inspections and Enforcement
1 Consumer Specialist III
1 Engineering Technician III
1 Communications Engineer
6 Senior Electrical Inspectors

Consumer Affairs
1 Consumer Specialist II
1 Consumer Specialist I
1 Administrative Assistant II

TOTAL POSITIONS
25 Positions / 25.0 FTE

Communications Productions Division

The Communications Productions Division (CPD) produces programming for Fairfax County Government Channel 16 and the Fairfax County Training Network and manages the Government Center Conference Center.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$4,509,791	$4,899,926	$5,291,340	$4,937,793	$4,937,793
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	29 / 29	29 / 29	29 / 29	29 / 29	29 / 29

Communications Productions Division
1 Director, Comm. Productions Division
1 Administrative Assistant IV
1 Administrative Assistant II

Communications Productions
1 Instructional Cable TV Specialist
5 Producers/Directors
5 Assistant Producers
1 Graphic Artist IV
4 Media Technicians

Communications Engineering
1 Network Telecom Analyst III
2 Network Telecom Analysts II
1 Network Telecom Analyst I

Consumer Affairs
1 Administrative Assistant II

Conference Center
1 Administrative Associate
1 Video Engineer
1 Administrative Assistant III
1 Administrative Assistant II

Regulation and Licensing
1 Administrative Assistant III

TOTAL POSITIONS
29 Positions / 29.0 FTE

Institutional Network

The Institutional Network cost center is responsible for the County Enterprise-Wide Network Services and is managed by the Department of Information Technology.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$3,301,574	$5,105,072	$13,127,038	$6,029,281	$6,029,281
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0

Key Performance Measures

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Communications Policy and Regulation Division					
Percent of homeowner cable construction complaints completed	100%	100%	100%/92%	90%	90%
Percent of inquiries completed	100%	100%	99%/97%	97%	97%
Percent of inspected work sites in compliance with applicable codes	91%	94%	93%/93%	93%	93%
Communications Productions Division					
Percent of requested programs completed	100%	99%	98%/100%	98%	98%
Percent of program transmission uptime	98.8%	99.7%	99.5%/99.8%	99.5%	99.5%
Percent of duplication requests completed within required deadline	100%	100%	100%/100%	NA	NA
Institutional Network					
Percent of I-Net locations constructed	88%	100%	90%/90%	90%	90%
Percent of I-Net locations activated for video	100%	100%	80%/100%	90%	90%
Percent of I-Net overall uptime	99.9%	99.9%	99.9%/99.9%	99.9%	99.9%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/40030.pdf

Performance Measurement Results

The Communications Inspections and Enforcement service area's output indicator has been updated to reflect cable communications construction work sites inspected by staff. In FY 2016, staff inspected 6,619 cable communications construction work sites. The service quality indicator has been updated to note the percentage of noncompliance notices issued within one business day after inspection. The outcome indicator has been updated to report the objective of the measure. In FY 2016, 93 percent of cable communications construction work sites inspected were in compliance with applicable codes.

In FY 2016, the Communications Productions Division (CPD) produced 849 hours of original programming, a decrease of approximately 87 hours from FY 2015. This was due to a reduction in the number of televised government meetings and a preference by County agencies for shorter program lengths. Due to the increased access to video programming on the Fairfax County website, FY 2016 will be the final year Communications Productions tracks performance measures related to duplication requests.

In FY 2016, 15 I-Net locations were constructed and five I-Net locations were activated for video transport. In addition, 132 I-Net incidents were repaired which was consistent with the estimate, and higher than previous year experience, due to increased construction and road repair activity within the County.

Fund 40030
Cable Communications

FUND STATEMENT

Fund 40030, Cable Communications

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$11,938,592	$1,681,053	$11,446,566	$1,870,255	$1,870,255
Revenue:					
Miscellaneous Revenue	$434	$1,000	$151,000	$1,000	$1,000
Fines and Penalties	10,150	0	0	0	0
I-Net and Equipment Grant	7,320,969	7,562,861	7,562,861	7,468,120	7,468,120
Franchise Operating Fees	18,313,257	18,300,000	18,300,000	18,350,000	18,350,000
Total Revenue	$25,644,810	$25,863,861	$26,013,861	$25,819,120	$25,819,120
Total Available	$37,583,402	$27,544,914	$37,460,427	$27,689,375	$27,689,375
Expenditures:					
Personnel Services	$5,690,480	$6,449,459	$6,449,459	$6,544,102	$6,544,102
Operating Expenses	3,930,058	6,588,712	12,719,671	7,406,139	7,406,139
Capital Equipment	800,199	450,000	2,785,907	550,000	550,000
Total Expenditures	$10,420,737	$13,488,171	$21,955,037	$14,500,241	$14,500,241
Transfers Out:					
General Fund (10001)[1]	$3,532,217	$3,869,872	$3,869,872	$3,772,651	$3,772,651
Information Technology (10040)[2]	3,680,240	2,000,000	2,000,000	2,300,000	2,300,000
Tech. Infrastructure Services (60030)[3]	4,621,425	3,545,391	3,545,391	2,506,443	2,506,443
Schools Operating Fund (S10000)[4]	600,000	600,000	600,000	600,000	600,000
Schools Grants & Self Supporting (S50000)[4]	2,932,217	3,269,872	3,269,872	3,172,651	3,172,651
Schools Grants & Self Supporting (S50000)[5]	350,000	350,000	350,000	350,000	350,000
Total Transfers Out	$15,716,099	$13,635,135	$13,635,135	$12,701,745	$12,701,745
Total Disbursements	$26,136,836	$27,123,306	$35,590,172	$27,201,986	$27,201,986
Ending Balance[6]	$11,446,566	$421,608	$1,870,255	$487,389	$487,389

[1] The base Transfer Out to the General Fund represents compensation for staff and services provided by the County primarily for cable-related activities and is calculated as 20 percent of the franchise operating fees. In addition, annual reconciliation of the revenue and subsequent transfer is conducted and necessary adjustments have been incorporated in the FY 2018 budget.

[2] In FY 2018, this funding reflects a direct transfer of $2.3 million to Fund 10040, Information Technology, to support multiple IT project requirements.

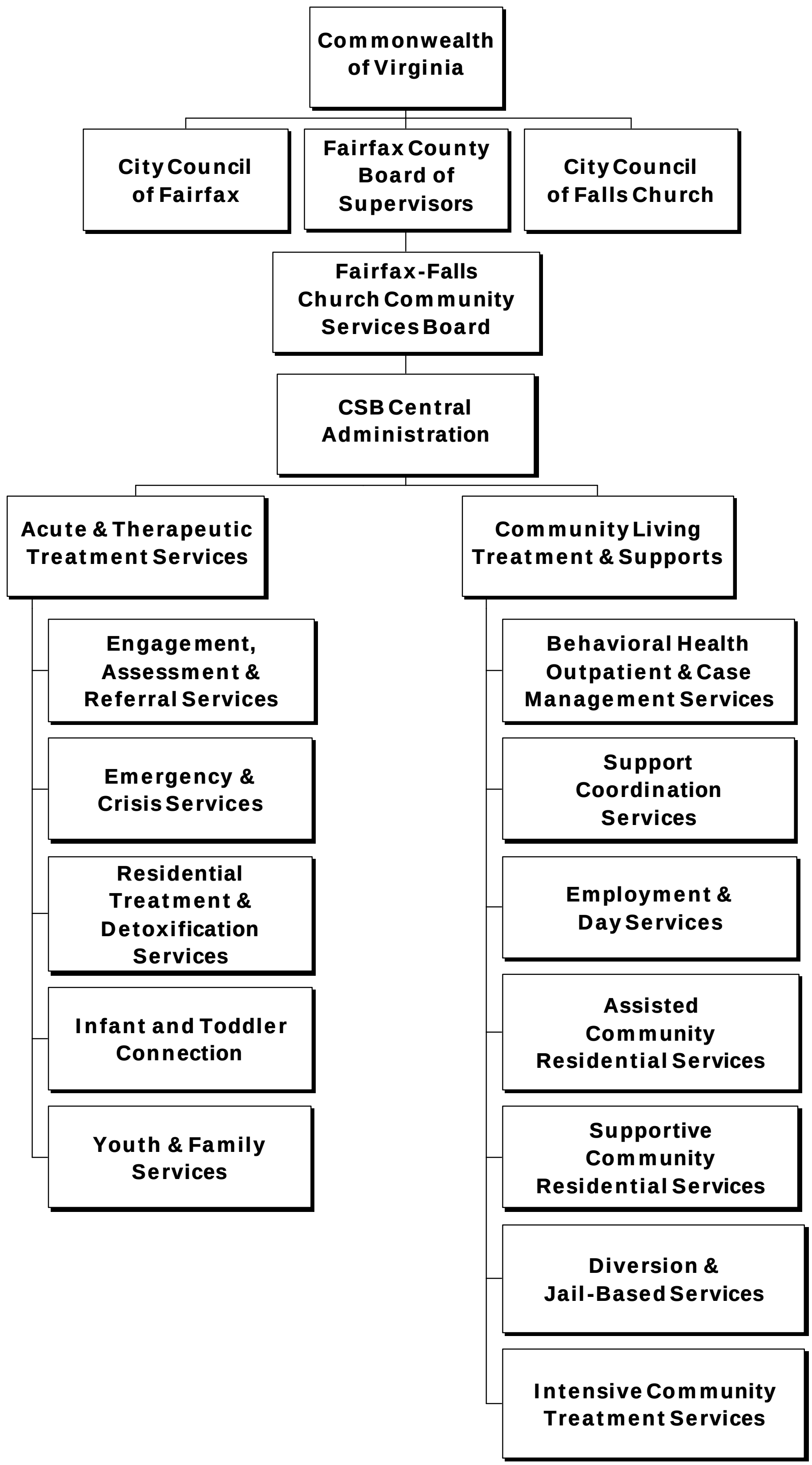
[3] FY 2018 funding of $1,814,103 reflects a direct transfer to Fund 60030, Technology Infrastructure Services, to support staff and equipment costs related to construction of the I-Net. In addition, in FY 2018 an amount of $692,340 is included reflecting the final year of a multi-year commitment to replace and refresh core elements of the I-Net. A new refresh cycle will begin in FY 2019 to ensure the I-Net continues to operate effectively.

[4] The base Transfer Out to the Schools funding reflects compensation for staff and services provided by the Fairfax County Public Schools (FCPS) and is calculated as 20 percent of the franchise operating fees. Of this total, FCPS directs $600,000 to Fund S10000, School Operating Fund, with the remaining total directed to Fund S50000, Schools Grants & Self Supporting. Annual reconciliation of the revenue and subsequent transfer is conducted and necessary adjustments have been incorporated in the FY 2018 budget.

[5] This funding reflects a direct transfer of $350,000 to FCPS to support a replacement equipment grant.

[6] Actual ending balances fluctuate year to year, as ending balances are reappropriated within Fund 40030. Equipment and services expenditure requirements fluctuate year to year based on I-Net construction and maintenance schedule.

Fund 40040
Community Services Board (CSB)



Fund 40040
Community Services Board (CSB)

Mission

To provide and coordinate a system of community-based supports for individuals and families of Fairfax County and the Cities of Fairfax and Falls Church that are affected by developmental delay, developmental disabilities, serious emotional disturbance, mental illness and/or substance use disorders.

The Fairfax-Falls Church Community Services Board supports the following County Vision Elements:

Maintaining Safe and Caring Communities

Creating a Culture of Engagement

Connecting People and Places

Maintaining Healthy Economies

Building Livable Spaces

Exercising Corporate Stewardship

AGENCY DASHBOARD

Key Data	FY 2014	FY 2015	FY 2016
1. Persons served by the CSB	21,249	21,874	22,105
2. Persons served by CSB emergency services*	4,931	5,170	5,253
3. Children served by Infant and Toddler Connection	3,164	3,372	3,559
4. Persons with intellectual disability on Medicaid Waiver waiting list who meet the Urgent Need criteria	733	905	1,039
5. Employment and Day Services			
▪ Persons with intellectual disability served	1,284	1,318	1,383
▪ Annual Special Education Graduates	79	85	91
6. Percent of individuals receiving behavioral health services who reported having a primary care provider	NA	63%	65%
7. Percent of individuals receiving behavioral health services who have Medicaid coverage	32%	36%	39%

* Prior to FY 2015, included general emergency services only.

Fund 40040
Community Services Board (CSB)

Focus

The Fairfax-Falls Church Community Services Board (CSB) is the public provider of services and supports to people with developmental delay, developmental disabilities, serious emotional disturbance, mental illness and/or substance use disorders in Fairfax County and the Cities of Fairfax and Falls Church. It is one of Fairfax County's Boards, Authorities, and Commissions (BACs) and operates as part of Fairfax County government's human services system, governed by a policy-administrative board with 16 members, 13 appointed by the Fairfax County Board of Supervisors, one by the Sheriff's Department, and one each by the Councils of the Cities of Fairfax and Falls Church. State law requires every jurisdiction to have a CSB or Behavioral Health Authority (BHA); the Fairfax-Falls Church CSB is one of 40 such entities (39 CSBs and one BHA) in the Commonwealth of Virginia.

All residents of Fairfax County and the Cities of Fairfax and Falls Church can access CSB's Emergency, Assessment and Referral, as well as Wellness, Health Promotion and Prevention Services. However, most of CSB's other non-emergency services are targeted primarily to people whose conditions seriously impact their daily functioning. As the single point of entry into publicly-funded behavioral health care services, CSB prioritizes access to services for those who are most disabled by their condition and have no access to alternative service providers.

CSB's community-based services and supports are designed to improve mental, emotional and physical health and quality of life for many of the community's most vulnerable residents. This continuum of services is provided primarily by over 1,000 CSB employees, including psychiatrists, psychologists, nurses, counselors, therapists, case managers, support coordinators, peer specialists, and administrative and support staff. Their efforts are combined with those of contracted service providers, dedicated volunteers and interns, community organizations, concerned families, faith communities, businesses, schools, and other Fairfax County agencies, all working together to provide a system of community-based supports for individuals and families that are affected by developmental delay, intellectual disability, serious emotional disturbance, mental illness and/or substance use disorders.

Strategic Priorities and Integrated Services

CSB has continued to evaluate and improve business and clinical operations strategically and systematically to enhance delivery of behavioral health care services. In 2013, CSB initiated an agency-wide strategic planning process to create a shared roadmap for fulfilling the CSB's mission. This resulted in the consolidation of three separate service areas – mental health, intellectual disability, and substance abuse – into one integrated, combined service organization which is now reflected in the CSB Strategic Plan. While past CSB strategic plans focused on specific disability areas and populations, the strategic plan adopted by the CSB Board in 2014 – with input and participation from staff, partner organizations, community members, advocacy groups, and individuals and families receiving services – reflects the agency's goals and objectives as an integrated system of care.

The plan is organized around three primary goals: 1) services will support individuals and families to live self-determined and healthy lives, 2) the workforce will be capable of achieving CSB's mission, and 3) the agency will be fiscally and operationally sound.

All CSB initiatives, including those to improve business and clinical operations, will be aligned with these goals and strategic priorities. A Strategic Plan Implementation Team evaluates progress and ensures that the plan evolves with the needs of the people CSB serves, the community, and the agency.

CSB continues to evaluate and improve business and clinical operations strategically and systematically to enhance delivery of behavioral health care services. As the County's Health and Human Services information technology roadmap takes shape, coupled with the continually changing health care landscape, CSB is working closely with its electronic health record vendor, Credible, to ensure that the agency's unique data management needs are met.

CSB is committed to providing high-quality behavioral health care services modeled on evidence-based practices. Historically, the CSB delivered services through separate systems based upon disability, such as mental illness or substance use disorder. As individuals served often have multiple needs, a disability-based system provides services in a fragmented, and often inefficient, manner. By realigning the organization and service delivery model according to individual needs and level of care required, which is a best practice in recovery-oriented services, the CSB is better able to provide the right services at the right time, increasing the likelihood of successful outcomes at reduced cost.

CSB continues to integrate services and incorporate evidence-based practices. For instance, CSB merged mental health and substance use disorder outpatient and case management services to target resources and supports to individuals with co-occurring mental illness and substance use disorders. In addition, CSB assessment staff members are now all trained to assess for substance use disorders as well as for mental health and co-occurring disorders. Adults and children can now walk in to the Merrifield Center, without prior appointment, and receive a free, face-to-face screening to determine if they meet CSB priority access guidelines for services. If they do meet the guidelines, they can be seen that same day, often by the same staff member, for a full assessment. With this improved, more efficient system, people who need CSB services no longer have to wait for assessments.

Integration of primary and behavioral health care is one of the CSB's strategic priorities. In FY 2017, the CSB completed the first year of its new "BeWell" program, launched with a four-year, $1.6 million grant from the federal Substance Abuse and Mental Health Services Administration. The program's goal is to integrate primary care into behavioral health settings, with a focus on serving people with serious mental illness and co-occurring disorders. Ongoing partnerships with Federally Qualified Health Centers (FQHC) and the Community Health Care Network (CHCN) have offered opportunities for integrated health care. A part-time health clinic now operates on-site at the CSB's Gartlan Center, and CSB staff are embedded at HealthWorks for Northern Virginia Herndon, an FQHC site in the north part of the County. In late 2015, CHCN (now operated by Inova Health System) moved its central Fairfax clinic to the Merrifield Center and began prioritizing enrollment for all people served by the CSB who are in need of health care. In FY 2016, 65 percent of individuals served in CSB behavioral health programs reported having a primary care provider. This is a significant improvement from FY 2015, when only 47 percent reported having a primary care provider.

The Merrifield Center is an excellent example of how CSB is integrating service delivery. Opened in January 2015, Merrifield Center includes a wide range of services provided by over 400 CSB employees from seven previously separate sites. Inova Behavioral Health, CHCN, and the Northern Virginia Dental Clinic provide services on the building's fourth floor, and a pharmacy is available on the second floor. Having multiple services at one site allows individuals to access and receive comprehensive and coordinated services – for behavioral and primary health care – in an integrated manner.

Also located at the Merrifield Center is the Merrifield Crisis Response Center (MCRC), for individuals with mental illness, developmental disabilities, and co-occurring substance use disorders who come in contact with law enforcement. This is a key component of the County's "Diversion First" initiative, a comprehensive, community-wide effort that offers alternatives to incarceration for people who come into contact with the criminal justice system for low-level offenses. Law enforcement officers can transfer custody of individuals who are in need of mental health services to a specially trained officer at the MCRC 24/7/365, where emergency mental health professionals can provide clinical assessment and stabilization, as well as referral and linkage to appropriate services. In the first nine months of MCRC operation (January 1 – September 30, 2016), law enforcement transported 1,164 people to the MCRC. Of those, 294 (approximately 25 percent) had potential criminal charges but were diverted to mental health services.

Another priority for CSB and Fairfax County is the need for suicide prevention and intervention strategies. In Virginia, suicide is the third leading cause of death among 10-24 year olds. In Fairfax County, an annual youth survey found that local youth in 10th and 12th grades are at significantly higher risk for depression and suicide ideation than their peers statewide. CSB continues to offer an online, evidence-based Kognito suicide prevention training. This tool is currently being used successfully in Fairfax County Public Schools and is a training requirement for school faculty and staff. All of the online training is interactive and focuses on skill-building for effective communication and intervention with someone who is experiencing psychological distress. It is available, at no cost, to anyone in the community at http://www.fairfaxcounty.gov/csb/at-risk/. Over 22,500 people have taken the online training since CSB began offering it in 2014. CSB also continues to support a contract with PRS/CrisisLink to provide a crisis and suicide prevention text line and call-in hotline, which are broadly promoted throughout the County and Fairfax County Public Schools (FCPS). CSB has a lead role with the regional Suicide Prevention Alliance of Northern Virginia (SPAN), launched by the Northern Virginia Health Planning Region II (Planning District 8) with grant funding from the Virginia Department of Behavioral Health and Developmental Services. The group includes regional stakeholders from the community, CSBs, schools, and advocacy groups and is chaired by a CSB board member. SPAN coordinates and implements a regional suicide prevention plan, expanding public information, training, and intervention services throughout the broader Northern Virginia community.

CSB continues to implement a nationally certified Mental Health First Aid (MHFA) program that introduces key risk factors and warning signs of mental health and substance use problems, builds understanding of their impact, and describes common treatment and local resources for help and information. Over 3,600 people throughout the local community have successfully completed MHFA to date. As part of the County's Diversion First initiative, CSB is also providing MHFA training to the Office of the Sheriff's jail-based staff, Fire and Rescue personnel, and other first responders.

CSB recognizes and supports the uniquely effective role of individuals who have experienced mental illness or substance use disorders and who are themselves in recovery. People with serious mental illness and substance use disorders can and do recover and are well suited to help others achieve long-term recovery. Within the behavioral healthcare field, this service is known as peer support services. CSB contracts with a peer-run organization to deploy 10 peer specialists to provide support in 12 CSB programs. In FY 2016, CSB trained 28 certified peer specialists who have subsequently taken paid or volunteer positions in peer-run organizations throughout the region. CSB also contracts with another peer-run organization to deploy 36 individuals who are in recovery to facilitate wellness workshops in Northern Virginia. In FY 2016, CSB provided 19 eight-week Wellness Recovery Action Plan (WRAP) workshops to 122 individuals. These efforts in training and peer services provision are supported by state and local funding, and with scholarships established by state and local funding as well as through a Fairfax family. CSB is developing a strategy for additional peer and family support services to address the recovery and support needs of individuals and family members in all programs.

CSB has also integrated cross-system supports. CSB's intern and volunteer program contributes significantly to the agency's overall mission, with volunteers and interns providing support to individuals and families throughout the CSB service continuum. Internship also provides an excellent training ground for future clinicians in CSB's workforce and community. In FY 2016, the intern and volunteer program had 177 participants who provided 28,819 hours of service to the CSB community. Based on the Virginia Average Hourly Value of Volunteer Time, as determined by the Virginia Employment Commission Economic Information Services Division, the value of these services in FY 2016 was $751,894. Program policies were revised to remove barriers that had previously prevented people who had received CSB services from volunteering. This shift in policy has opened the door for broader use of peer support throughout CSB's system, another best practice in the field.

Identified Trends and Future Needs

In the dynamic field of behavioral health care, multiple influences such as changes in public policy and community events shape priorities and future direction. Some of the current trends on the horizon include the following:

Department of Justice Settlement Agreement

The CSB has experienced and will continue to experience significant change as a result of the 2012 settlement agreement between the United States Department of Justice (DOJ) and the Commonwealth of Virginia. The Commonwealth is closing institutions (training centers), shifting services into the community, and restructuring Medicaid waiver funding to comply with the agreement. The redesigned waivers only partially address the chronic underfunding of community services, and waiver rates continue to be well below the cost of providing necessary services in Northern Virginia.

By 2020, Virginia will have closed four of the Commonwealth's five training centers that had provided residential treatment for individuals with intellectual and developmental disabilities. The Northern Virginia Training Center (NVTC) in Fairfax County closed in January 2016. Starting years earlier, in 2012, CSB staff began helping individuals at NVTC and their families select new residences and service providers that would best meet their needs and preferences. Before NVTC closed, CSB support coordination staff had helped transition all 89 Fairfax-Falls Church individuals from NVTC into new homes and services. CSB staff continues to work with Fairfax-Falls Church individuals residing at the remaining training centers and will soon help other Fairfax-Falls Church residents, who in the past had been placed in nursing homes and out-of-state facilities, to move back into the community where possible.

State efforts to comply with court direction increased the number of individuals seeking services from the CSBs, with an accompanying increase in the level of intensity of services needed. The state response to the settlement agreement required increases to discharge planning, oversight of transition to community services, ongoing monitoring, and enhanced support coordination for individuals who were being discharged from the training centers. New requirements for enhanced support coordination include monthly, rather than quarterly, face-to-face visits, increased monitoring, and extensive documentation. The settlement also requires enhanced support coordination services for certain individuals on the Medicaid Waiver waitlist and those with Waiver who live in larger group homes, or have other status changes.

Medicaid Waiver Redesign

Pursuant to DOJ settlement implementation, the Commonwealth of Virginia has redesigned the previously separate service delivery systems for people with intellectual disability (ID) and developmental disabilities (DD) into one Developmental Disabilities (DD) services system. The term "developmental disabilities" is now understood to include intellectual disability as well as disorders on the autism spectrum and other developmental disabilities. As of July 1, 2016, all CSBs throughout the Commonwealth, including the Fairfax-Falls Church CSB, became the single point of eligibility determination and case management for people with intellectual and developmental disabilities. CSB's role and oversight responsibility have grown larger, and the number of people served is increasing. As of May 2017, there were approximately 2,000 Fairfax residents on the state waiting list for Medicaid Waivers. The U.S. Department of Justice has ordered the Commonwealth to develop waivers to address those waiting for services at the time of the settlement.

This increase in demand and responsibility has led to resource challenges including insufficient public and private provider capacity, insufficient Medicaid waiver rates for the Northern Virginia area, and insufficient state/federal funding to support the system redesign costs. In order for CSB to manage the workload of coordinating support for individuals receiving new Medicaid waivers, it is estimated to require one new support coordinator position for every 20 new Medicaid waivers. In FY 2017, the CSB received support to hire 14 additional support coordinators, with another 12 included as part of the FY 2018 Adopted Budget Plan.

CSB also faces a difficult funding challenge with Employment and Day Services as a result of Medicaid waiver redesign and new access for people with developmental disabilities. Providing equitable access to the same services for people with DD as are now afforded to people with ID will require additional funding, and a waiting list may be required when existing funds are depleted.

Ensuring the creation of sufficient and appropriate housing and employment/day supports, without shifting costs to localities, remains essential to the achievement of an adequate community-based service system. Unfortunately, the Commonwealth has failed to create such housing and support options in Northern Virginia, and in Fairfax County in particular, due to high costs of real estate and service delivery, paired with insufficient Medicaid waiver reimbursement rates. This will continue to be a challenge.

Diversion First

Fairfax County's Diversion First initiative, launched in FY 2016, offers alternatives to incarceration for people with mental illness, developmental disabilities, and co-occurring substance use disorders who come into contact with the criminal justice system for low-level offenses. The goal is to intercede whenever possible to provide assessment, treatment or needed supports. Diversion First is designed to prevent repeat encounters with the criminal justice system, improve public safety, promote a healthier community, and is a more cost effective and efficient use of public funding.

In January 2016, the Merrifield Crisis Response Center (MCRC), a key intercept point of Diversion First, became operational. Located with CSB's Emergency Services at the Merrifield Center, the MCRC operates as an assessment site where specially trained police officers and deputy sheriffs are on duty to accept custody when a patrol officer from Fairfax County law enforcement or neighboring jurisdictions brings in someone who is experiencing a mental health crisis and needs to receive a CSB mental health assessment. The ability to transfer custody at the MCRC enables patrol officers to return quickly to their regular duties and facilitates the efficient provision of appropriate services for the individual in crisis.

The investment Fairfax County has made in Diversion First is already providing positive results. In calendar year (CY) 2016, law enforcement officers transported 1,580 people to the MCRC. Of those 1,580 individuals, 375 (approximately 25 percent) had potential criminal charges but were diverted from potential arrest to mental health services. This has significantly increased the workload for CSB Emergency Services staff. For example, during CY 2016, CSB Emergency Services staff conducted 1,033 mental health evaluations related to emergency custody orders (ECOs), an increase of 123 percent over the 463 evaluations conducted during CY 2015.

Other key components of Diversion First are also progressing. CSB is setting up multiple Mobile Crisis Units to increase capacity to provide emergency mental health personnel and services on site across the County. However, the hiring and retaining of qualified CSB Emergency Services personnel to maintain multiple MCUs remains a challenge due to the highly specialized skills needed. Crisis Intervention Team (CIT) training continues to expand the pool of officers and deputies who are trained to interact effectively with persons experiencing a mental health crisis. In FY 2016, 170 law enforcement officers graduated from the intensive week-long CIT training. In addition, CSB now offers a version of its popular Mental Health First Aid (MHFA) training specifically tailored for fire and rescue personnel and other first responders.

All of the County's magistrates have also completed MHFA training since January 1, 2016. Discussions continue regarding establishing a Mental Health Docket in the County court system. The docket will apply problem-solving approaches and procedures that will be sensitive and specific to addressing defendants with mental illness. Finally, given the high priority afforded to Diversion First effort, in FY 2017 CSB hired a new service director for Diversion and Jail-Based Services, whose office is headquartered at the Adult Detention Center.

The goal for the future is a robust, coordinated County-based local diversion system to interrupt the cycle of court and legal system involvement experienced by many nonviolent offenders – youth and adults – who have mental illness, substance use disorders, developmental disabilities, and behavioral issues. Diversion First is designed to improve public safety, including the safety of people with mental illnesses, their families, friends, neighbors, coworkers, law enforcement personnel and others; improve health outcomes for people with mental illnesses by enabling them to access appropriate mental health services; and reduce costs that are shouldered by local taxpayers, including the costs of incarceration and police overtime. Hospital emergency department costs are also likely to be reduced, as the crisis assessment and initial mental health treatment provided at the CSB Merrifield Center will in many instances deescalate the crisis situation such that continued treatment and recovery can be achieved on an outpatient basis. Full implementation of Diversion First will require not only a sustained commitment from County, city and community leaders, but also additional investments from the Commonwealth for such resources as more CIT training, reintegration services for youth and adults who are at risk for re-hospitalization, and improved screening and assessment tools.

Increased Use of Heroin and Other Opiates

Fairfax County has not been spared from the growing heroin and opioid addiction crisis affecting the nation. CSB reported a 16 percent increase in the number of individuals served with a history of heroin use from FY 2014 to FY 2016. In FY 2016, the Fairfax County Fire and Rescue Department assisted 134 patients with suspected heroin or opiate overdose and an additional 99 individuals with suspected complications due to heroin use.

CSB has been a leader in implementing Project Revive, a training program piloted by the Commonwealth to teach non-medical personnel to administer the life-saving opioid-reversal medication naloxone (Narcan®). CSB staff have been trained as instructors and now offer Revive training to individuals in all

CSB residential treatment programs and to their families and loved ones. In FY 2016, CSB trained 640 people to be lay rescuers, and continues to offer trainings at its Gartlan and Merrifield sites. Trainings are being widely publicized and are open to anyone who is interested, including individuals receiving CSB services, staff, community partners and members of the public.

CSB participates in a multi-disciplinary task force to combat opiate use and is the lead County agency for the treatment and education component of this effort. Working with community partners, CSB staff developed overdose prevention cards that are given to and reviewed with people receiving services. CSB provides frequent community and media presentations about opiate use and resources for treatment. Individuals who are using heroin or any other type of opiate have priority for CSB substance use disorder services and can walk in to the Merrifield Center, without prior appointment, to receive a screening and assessment for services.

To be able to serve more people, CSB has shortened its intermediate length residential treatment program and has increased the number of people served at its longer length residential treatment program. Despite these measures, however, a waiting list remains for individuals needing residential treatment for substance use and co-occurring mental health disorders. People who need medical detoxification services must also wait, on average, about three weeks. This is a significant concern, and CSB continues to explore strategies to reduce this wait time.

CSB has expanded the use of Medication Assisted Treatment and is currently the only CSB-licensed outpatient detoxification program in our region. CSB has developed and implemented a Substance Abuse Outreach, Monitoring and Engagement (SOME) program that provides follow-up services to individuals in contracted medical detoxification services. The SOME staff also engages and follows-up with people who have been in detoxification, but who are unlikely to seek further needed services without this extra engagement. The Detoxification Diversion program offers individuals a treatment opportunity in lieu of incarceration.

Substance use disorders affect people at various ages and stages of life, including older adults. The need for substance use disorder services for older adults is growing, but CSB has limited capacity to meet this need. Strategies are needed to coordinate and combine the best of traditional approaches with emerging best practices to promote recovery and community inclusion.

Mental Health Law Reform

Mental health law reform is another legislative change that has modified service delivery. The 2014 Virginia General Assembly passed several legislative changes to state laws impacting mental health emergency services, and CSBs implemented protocols and procedures to comply with the new laws. Legislative changes have lengthened the maximum duration of an emergency custody order (ECO) from four hours with a possible two hour extension to eight hours with no extension; extended the maximum period of a temporary detention order (TDO) prior to a hearing from 48 to 72 hours; mandated that state hospitals admit individuals who meet the criteria for TDO if an alternative facility cannot be located; placed a five-day time frame on the acknowledgement of receipt of a Mandatory Outpatient Treatment order; and required the Virginia Department of Behavioral Health and Developmental Services (DBHDS) to operate an online acute psychiatric bed registry providing real-time information on bed availability. The ECO and TDO extensions provide additional time for Emergency Services staff to find an appropriate psychiatric facility for individuals in crisis.

Issues related to state psychiatric hospital capacity also impact CSB services. The Virginia General Assembly provided funding in FY 2015 for 11 additional psychiatric hospital beds at the Northern Virginia Mental Health Institute for individuals experiencing mental health crises. However, state funding remains insufficient for the intensive community resources that allow hospitalized individuals to transition to community care.

Medicaid Expansion and Managed Care

A key public policy issue to monitor is expanded health care access for the uninsured in the Commonwealth of Virginia. In FY 2016, 39 percent of individuals receiving CSB behavioral health services had Medicaid coverage. With the addition of Magellan as the Behavioral Health Services Administrator (BHSA) for the Virginia Department of Medical Assistance Services (DMAS), new billing and preauthorization requirements are changing CSB involvement with managed care systems. CSB currently has provider agreements with eight managed care organizations and continuously responds to changing requirements and provider agreement adjustments. CSB's ability to respond and adapt to a changing managed care environment will be critical to the agency's efforts in the future.

Beginning in July 2017, Virginia will move from a fee-for-service delivery model into a managed care model, to be known at the Commonwealth Coordinated Care Program Plus (CCCP), for individuals who receive both Medicare and Medicaid. This statewide managed care program will serve approximately 213,000 individuals throughout the Commonwealth. There are six CCCP regions, and at least seven health plans have been selected to be providers throughout all regions. The CCCP program allows individuals who receive both Medicare and Medicaid the opportunity to receive integrated coordinated care to improve health outcomes.

Infant and Toddler Connection (ITC)

The demand for early intervention services for children ages 0-3 with developmental delays and disabilities has been on a steady rise. There is a small window of opportunity to intervene early for maximum success with a child who has developmental delays, and the effectiveness of such early intervention services is clearly documented. In Fairfax, the average monthly number of children seeking and/or receiving early intervention services from CSB's Infant and Toddler Connection (ITC) program has grown by nearly 40 percent in recent years – from 1,115 in FY 2011 to 1,554 per month in FY 2016. The state, not Fairfax County, is legally responsible for providing these services to eligible families, but state funding does not fully cover the cost of services. A recent article in the American Academy of Pediatrics, states that "for every dollar we spend on high quality early childhood development programs, there's a 7-10 percent annual return rate in cost savings to society – and the younger the child served, the wiser the investment." With state funding uncertainties and a growth trend of 6 to 8 percent per year anticipated to continue in FY 2018 and beyond, this is a trend that requires careful attention. It should be noted that there is a $1.5 million reserve available for the ITC program to ensure that the County has funds to provide state-mandated services in the event of unanticipated decreases in state reimbursement.

Employment and Day Services

The need for CSB services continues to increase on an annual basis in other areas. For example, the number of special education graduates with developmental disabilities seeking employment and day support services after graduation continues to place demands on the CSB. Services provided to these individuals are largely funded through local dollars. In June 2016, 91 special education students with an intellectual disability graduated from the school system, and most transitioned to CSB employment and day support services.

As mentioned above, Employment and Day Services has seen the existing funding challenge become even more difficult as a result of Medicaid waiver redesign and new access for people with developmental disabilities (DD). Addressing this additional demand for services will require additional funding, and in FY 2017 the Board of Supervisors appropriated the one-time $1.6 million Employment First Reserve to help address the initial increase in demand for services.

CSB is gathering data on how many newly eligible individuals with DD apply for and expect CSB services. CSB is also analyzing the impact on the sustainability of current services once new Medicaid waiver reimbursement rates go into effect. Staff will continue to provide updates to the Board of Supervisors so that the Board can provide direction on how to proceed with service delivery in FY 2019 to accommodate advance planning for June 2018 graduates and others in the community who come forward for service.

The Self-Directed Services (SDS) program was established in July 2007 as a programmatic and cost-saving alternative to traditional day support and employment services for people with intellectual disability. Starting in FY 2017, people with developmental disabilities other than ID may also participate. CSB provides funds directly to families who can purchase customized services for a family member, rather than have CSB coordinate the service. Services can include training in functional self-help and daily living skills; task-learning skills which improve motor and perceptual skills; community integration and awareness; safety skills; work and work environment skills; social/interpersonal skills; and participation in community-based recreational activities, work, or volunteer activities. Funding for each SDS contract is calculated at 80 percent of the average cost of traditional day support and employment services, for recurring annualized costs avoided of approximately $4,500 per person achieved by eliminating CSB as the pass-through entity. In FY 2016, 73 families were served in SDS, an increase from 58 families in FY 2015.

<u>Youth Behavioral Health</u>

The Behavioral Health System of Care Program is an initiative of the County Board of Supervisors to expand the Children's Services Act (CSA) System of Care (SOC) to improve access to behavioral health services for children and youth in the community who have significant behavioral health issues but are not eligible for other CSA or CSB services. The SOC Program contracts for behavioral health treatment and supports families' ability to access behavioral health services through improved system navigation tools and processes. It is currently providing short-term therapeutic interventions for at-risk teens and building an online navigation tool that will help parents of youth with serious mental health issues access needed services on a timely basis, reducing the risk of suicide and other negative outcomes. The CSA System of Care plays a leadership role in promulgating evidence-based treatments such as trauma-informed care, Motivational Interviewing and trauma-focused cognitive-behavioral therapy across all child-serving systems. The CSB participates in interagency planning, monitoring and implementation of services to ensure that the needs of youth and families are met. Youth who require longer periods of behavioral health care will receive a seamless handoff to CSB services.

<u>Services for Young Adults</u>

Nationally and locally, there is a growing need for specialized services for young adults (ages 16-25), with emergency mental health and substance abuse needs. Often, traditional services designed for adolescents or for adults do not meet the needs of people in this age group. By targeting specialized intervention services for young adults, early intervention can occur and reduce the need for more intensive future services. National Institute of Mental Health (NIMH) data from 2012 indicates that 5 percent of the general population, within the age range of 16 to 30, has a serious mental illness. According to recent

Fairfax County population data, approximately 250,000 people or 22.5 percent of the population fall within the 16 to 30 year old age range. Extrapolating the NIMH data suggests that over 12,000 of these individuals have a serious mental illness. Specialized evidence-based services for young adults offering early intervention and treatment can be a crucial turning point toward recovery. Intervening early is demonstrated to reduce the need for future, longer-term and ongoing services. In response to this trend, the CSB applied for and received funding to replicate evidence-based interventions to serve this older youth/young adult population. In partnership with PRS, a nonprofit behavioral health service provider in the community, the new program "Turning Point," was launched in FY 2015. This program provides a way to intervene rapidly after a first episode of psychosis, and to provide wrap-around services for the young person with the goal of getting them re-engaged in the community and less dependent on a service system. The early intervention program helps the young people and their families understand and manage symptoms of mental illness and/or substance use disorder, while also building skills and supports that allow them to be successful in work, school, and life in general. DBHDS is highly engaged in this program and is carefully tracking progress to assure solid outcomes and successful implementation of evidence-based supports.

Services for Older Adults

Another trend that will impact service provision is the growing older adult population, with Fairfax County projecting a dramatic increase in this age group. Between 2005 and 2030, the County expects the 50 and over population to increase by 40 percent, and the 70 and over population by 88 percent. The older adult population is growing and their needs are increasing. Emergent mental health disorders, risk for suicide, and substance abuse are tremendous concerns for this population. Some specialized services for this population are provided by the CSB and are tailored to meet the unique needs of aging adults. Interventions support recovery and independence, are appropriate to the individual's physical and cognitive abilities, and are often community-based, depending on the need. In addition, CSB is partnering with the Fairfax Area Agency on Aging (AAA) and other Northern Virginia AAAs to increase public awareness about depression in older adults, risks and sources of support. The County's 50+ Action Plan makes several strategic recommendations to address these needs, and alignment with countywide strategic recommendations for the County's growing older adult population will be a continuing area of focus for the CSB.

Fund 40040
Community Services Board (CSB)

Relationship with Boards, Authorities, and Commissions

As one of the County's official Boards, Authorities, and Commissions (BACs), the CSB works with other BACs and numerous other community groups and organizations. It is through these relationships that broader community concerns and needs are identified, information is shared, priorities are set, partnerships are strengthened, and the mission of the CSB is carried out in the community.

Examples include:

- Alcohol Safety Action Program Local Policy Board
- Community Action Advisory Board (CAAB)
- Community Criminal Justice Board (CCJB)
- Community Policy and Management Team (CPMT), Fairfax-Falls Church
- Community Revitalization and Reinvestment Advisory Group
- Criminal Justice Advisory Board (CJAB)
- Fairfax Area Disability Services Board
- Fairfax Community Long-Term Care Coordinating Council
- Health Care Advisory Board
- Oversight Committee on Drinking and Driving
- Fairfax County Redevelopment and Housing Authority
- Planning Commission
- Northern Virginia Regional Commission

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$97,621,717	$103,012,616	$105,929,616	$107,507,500	$108,600,658
Operating Expenses	53,409,088	59,964,382	66,388,302	59,971,782	60,016,927
Capital Equipment	213,800	0	122,676	0	0
Subtotal	$151,244,605	$162,976,998	$172,440,594	$167,479,282	$168,617,585
Less:					
Recovered Costs	($1,822,127)	($1,650,160)	($1,650,160)	($1,738,980)	($1,738,980)
Total Expenditures	$149,422,478	$161,326,838	$170,790,434	$165,740,302	$166,878,605
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	958 / 954	969 / 965	979 / 975	983 / 979	994 / 990

This agency has 65/64.8 FTE Grant Positions in Fund 50000, Federal-State Grant Fund.

Fund 40040
Community Services Board (CSB)

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
CSB Service Area Expenditures					
CSB Central Administration	$31,345,298	$35,034,524	$39,016,531	$33,919,980	$33,957,550
Acute & Therapeutic Treatment Services	41,044,464	42,716,672	43,784,154	46,146,881	46,146,881
Community Living Treatment & Supports	77,032,716	83,575,642	87,989,749	85,673,441	86,774,174
Total Expenditures	$149,422,478	$161,326,838	$170,790,434	$165,740,302	$166,878,605
Non-County Revenue by Source					
Fairfax City	$1,510,434	$1,614,654	$1,614,654	$1,776,119	$1,776,119
Falls Church City	684,613	731,851	731,851	805,036	805,036
State DBHDS	11,850,482	11,716,017	11,716,017	11,886,443	11,886,443
Federal Block Grant	4,073,692	4,073,691	4,073,691	4,053,659	4,053,659
Federal Other	153,269	154,982	154,982	154,982	154,982
Medicaid Waiver	2,127,218	2,756,068	2,156,068	2,371,024	2,371,024
Medicaid Option	8,903,122	9,318,424	9,318,424	8,092,500	8,122,500
Program/Client Fees	6,339,650	5,414,527	5,414,527	6,396,751	6,406,751
CSA Pooled Funds	686,868	654,973	654,973	858,673	858,673
Miscellaneous	36,296	14,100	14,100	14,100	14,100
Total Revenue	$36,365,644	$36,449,287	$35,849,287	$36,409,287	$36,449,287
County Transfer to CSB	$116,243,498	$124,877,551	$126,077,551	$129,331,015	$130,429,318
County Transfer as a Percentage of Total CSB Expenditures	77.8%	77.4%	73.8%	78.0%	78.2%

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Employee Compensation** **$1,690,760**
  An increase of $1,690,760 in Personnel Services includes $1,678,805 for performance-based and longevity increases for non-uniformed merit employees effective July 2017, as well as $11,955 for employee pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions.

- **Support Coordination** **$2,298,007**
  An increase of $2,298,007 and 12/12.0 FTE positions, including a baseline funding adjustment of $1,200,000 to reflect funding approved by the Board of Supervisors as part of the *FY 2016 Carryover Review*, is required to provide support coordination services to individuals with developmental disabilities (DD) in the community and comply with current state and federal requirements, primarily those pursuant to the DOJ Settlement Agreement and implementation of Virginia's Medicaid Waiver redesign, effective July 1, 2016.

- **Fringe Benefit Support** **$1,350,000**
  An increase of $1,350,000 in Personnel Services is required to support increased fringe benefit requirements in FY 2018 based on projected health insurance premium increases and increases in employer contribution rates to the retirement systems.

- **Diversion First** **$725,000**
  An increase of $725,000 and 7/7.0 FTE positions includes an increase of $679,855 in Personnel Services and an increase of $45,145 in Operating Expenses to support the second year of the County's successful Diversion First initiative. Diversion First is a multiagency collaboration between the Police Department, Office of the Sheriff, Fire and Rescue Department, Fairfax County Court system, and the CSB to reduce the number of people with mental illness in the County jail by diverting low-risk offenders experiencing a mental health crisis to treatment rather than bring them to jail. The $725,000 and 7/7.0 FTE positions partially funds the second year of the original Diversion First implementation plan, representing the most critical needs for FY 2018 as discussed in detail at the March 21, 2017, Board Public Safety Committee meeting and will align CSB services with the Courts, including providing timely assessments, treatment recommendations, case management, and service linkages in order to make diversion work.

- **Program Adjustments** **$0**
  A net zero adjustment includes an increase of $88,820 in Personnel Services with a commensurate increase in Recovered Costs due to additional CSB staff providing services that will be reimbursed by the Regional Discharge Assistance Program grant in Fund 50000, Federal-State Grants.

- **Department of Vehicle Services Charges** **($52,000)**
  A decrease of $52,000 in Operating Expenses is included for Department of Vehicle Services charges based on anticipated billings for fuel.

- **Reductions** **($460,000)**

A decrease of $460,000 and 4/4.0 FTE positions reflects reductions utilized to balance the FY 2018 budget. The following table provides details on the specific reduction:

Title	Impact	Posn	FTE	Reduction
Eliminate the Youth Day Treatment Program	This reduction eliminates the Youth Day Treatment Program and 4/4.0 FTE positions, including one Mental Health Manager, one Behavioral Health Supervisor, one Mental Health Therapist, and one CSB Aide/Driver providing therapeutic day treatment to youth ages 13 to 18 with medium to high acuity serious emotional disturbance or co-occurring substance use disorders. In FY 2016, the Youth Day Treatment program served 82 youth, providing significant supportive and intensive services including individual, group, and family therapy, case coordination, medication management, and an onsite alternative school program operated by Fairfax County Public Schools. As a result of this reduction, resources will be redeployed to continue serving this population through outpatient services such as individual, group and family therapy and case coordination. Outpatient services will be supplemented by in-home and intensive in-home services provided by contracted providers with dedicated funding streams, such as Mental Health Initiative state and local funds as well as Children's Services Act (CSA) funds, to maintain stability by utilizing natural community supports. In the event these outpatient services are insufficient for youth to maintain stability in the community, there are alternatives including community-based partial hospitalization for youth with private insurance, therapeutic day treatment programs operated in partnership with FCPS for youth with Medicaid, residential diversion programs, or CSA services.	4	4.0	$460,000

- **General Fund Transfer**

The FY 2018 budget for Fund 40040, Fairfax-Falls Church Community Services Board requires a General Fund Transfer of $130.43 million, an increase of $5.6 million over the FY 2017 Adopted Budget Plan primarily due to performance-based and longevity increases for non-uniformed merit employees, as well as employee pay increases for specific job classes identified in the County's benchmark class survey; increased fringe benefit requirements in FY 2018; additional funding and positions to support the second year of the County's successful Diversion First initiative; and additional funding and positions to provide support coordination services to individuals with intellectual and developmental disabilities in the community. These increases are partially offset by decreases associated with reductions utilized to balance the FY 2018 budget.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$9,463,596**

As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $9,463,596, including $4,913,596 in encumbered funding in Operating Expenses primarily attributable to ongoing contract obligations, pharmaceuticals and pharmacy services, housing assistance to CSB consumers at risk of homelessness, Credible enhancements, and building maintenance and repair projects; $1,250,000 in Personnel Services associated with pay adjustments for psychiatrists and emergency services personnel to address retention and recruitment issues; and $500,000 to support projected increases in fringe benefit requirements in FY 2017; $1,200,000 and 10/10.0 FTE positions, with a commensurate increase in the General Fund Transfer, to provide support coordination services to individuals with Developmental Disabilities (DD) newly eligible for services as a result of Medicaid Waiver Redesign effective July 1, 2016; and, an appropriation of $1,600,000 from fund balance reflecting utilization of the Intellectual Disability (ID) Employment & Day Reserve to provide employment and day services to individuals with DD as a result of Medicaid Waiver Redesign effective July 1, 2016.

Cost Centers

CSB Central Administration

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$22,559,740	$22,582,133	$24,332,133	$24,314,023	$24,314,023
Operating Expenses	8,840,873	12,616,791	14,848,798	9,770,019	9,807,589
Capital Equipment	173,535	0	0	0	0
Subtotal	$31,574,148	$35,198,924	$39,180,931	$34,084,042	$34,121,612
Less:					
Recovered Costs	($228,850)	($164,400)	($164,400)	($164,062)	($164,062)
Total Expenditures	$31,345,298	$35,034,524	$39,016,531	$33,919,980	$33,957,550
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	164 / 163.5	165 / 164.5	165 / 164.5	165 / 164.5	165 / 164.5

Fund 40040
Community Services Board (CSB)

	<u>CSB Central Administration</u>	1	Information Officer III		<u>Medical Services</u>
1	Executive Director	2	Communications Specialists II	1	Medical Director of CSB
2	Deputy Directors	1	Medical Records Administrator	1	Public Health Doctor, PT
3	Assistant Deputy Directors	1	Volunteer Services Prog. Manager	24	Psychiatrists
1	Dir. of Facilities Manag. & Admin. Ops.	1	Human Service Worker III	1	Mental Health Manager
1	Comm. Svs. Planning/Devel. Dir.	5	Human Service Workers II	1	Physician Assistant
1	CSB Service Area Director	2	CSB Aides/Drivers	7	Nurse Practitioners
1	Program Manager	2	DD Specialists III	1	BHN Clinician/Case Manager
1	Resident. and Facilities Devel. Mgr.	1	DD Specialist II		
3	Management Analysts IV	1	DD Specialist I		<u>Wellness, Health Promotion & Prevention Services</u>
7	Management Analysts III	2	Administrative Associates		
3	Management Analysts II	3	Administrative Assistants V	1	Substance Abuse Counselor IV
1	Management Analyst I	10	Administrative Assistants IV	2	Behavioral Health Supervisors
2	Business Analysts IV	38	Administrative Assistants III	13	Substance Abuse Counselors II
2	Business Analysts III	10	Administrative Assistants II		
4	Business Analysts II				

<u>TOTAL POSITIONS</u>
165 Positions / 164.5 FTE

PT Denotes Part-Time Position

CSB Central Administration Unit (CAU) provides leadership to the entire CSB system, supporting over 21,000 individuals and their families, over 1,000 employees and more than 70 nonprofit partners. The CSB executive staff oversees the overall functioning and management of the agency to ensure effective operations and a seamless system of community services and key supports. CAU staff also provides support to the 16 citizen members of the CSB Board and serves as the liaison between the CSB; Fairfax County, the Cities of Fairfax and Falls Church; DBHDS; Northern Virginia Regional Planning; and the federal government.

The CAU is responsible for the following functions: regulatory compliance, risk management, and emergency preparation; communications and public affairs; consumer and family affairs including the development of a peer support system, human rights and other problem resolution; facilities management and administrative operations; management of the technology including the Electronic Health Record functions; oversight of Health Planning Region initiatives; partnerships and resource development; organizational development and training; and strategic planning and performance management. For example, the CAU includes the Financial Assessment and Screening Team (FAST), which assists individuals with applications and enrollment in qualified health plans and/or medical homes by screening and assessing their health care needs once assigned to a CSB service.

Medical Services
Medical Services provides and oversees psychiatric/diagnostic evaluations; medication management; pharmacy services; physical exams/primary health care and coordination with other medical providers; psychiatric hospital preadmission medical screenings; crisis stabilization; risk assessments; residential and outpatient detoxification; intensive community/homeless outreach; jail-based forensic services; public health and infectious diseases; and addiction medicine and associated nursing/case management. Nurses work as part of interdisciplinary teams and have several roles within the CSB, including medication administration and monitoring, psychiatric and medical screening and assessment and education and counseling.

A focus on whole health is a priority for Medical Services and key to the overall wellness of people served by the CSB. A current strategic priority is the development and implementation of integrated primary and behavioral health care. Most prominent among the initiatives is the CSB's Patient Assistance Program (PAP) which arranges for the provision of ongoing, free prescription medications to eligible consumers with chronic conditions.

Wellness, Health Promotion and Prevention Services

Wellness, Health Promotion and Prevention Services (WHPP) focuses on strengthening the health of the entire community. WHPP uses proven approaches to address known risk factors and build resiliency skills. By engaging the community, increasing awareness and building and strengthening skills, people gain the capacity to handle life stressors. Initiatives such as Mental Health First Aid (MHFA), regional suicide prevention planning, and the Chronic Disease Self-Management Program are examples of current efforts. Over 3,600 community members and staff have been trained in MHFA since launching local programming in late 2011. In May 2014, the CSB launched Kognito, an evidence-based suicide prevention training. Kognito provides a suite of online courses and is available to anyone in the community who is interested in learning suicide prevention skills. As of September 2016, over 22,500 people had received this training.

Acute & Therapeutic Treatment Services

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$35,448,293	$38,088,921	$38,088,921	$39,254,466	$39,254,466
Operating Expenses	6,648,746	5,637,325	6,699,172	7,912,362	7,912,362
Capital Equipment	22,708	0	5,635	0	0
Subtotal	$42,119,747	$43,726,246	$44,793,728	$47,166,828	$47,166,828
Less:					
Recovered Costs	($1,075,283)	($1,009,574)	($1,009,574)	($1,019,947)	($1,019,947)
Total Expenditures	$41,044,464	$42,716,672	$43,784,154	$46,146,881	$46,146,881
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	369 / 367	371 / 369	372 / 370	368 / 366	368 / 366

Engagement, Assessment & Referral Services

1	CSB Service Area Director
1	Mental Health Manager
6	Behavioral Health Supervisors
7	Behavioral Health Senior Clinicians
6	Mental Health Therapists
13	Substance Abuse Counselors II, 1 PT

Emergency & Crisis Services

1	CSB Service Area Director
3	Mental Health Managers
1	Clinical Psychologist
7	Emergency/Mobile Crisis Suprvs.
4	Behavioral Health Supervisors
23	Crisis Intervention Specialists, 1 PT
5	Behavioral Health Senior Clinicians
3	BHN Clinicians/Case Managers
19	Mental Health Therapists
1	Substance Abuse Counselor II
1	Substance Abuse Counselor I
3	Mental Health Counselors
1	Cook

Residential Treatment & Detoxification Services

1	CSB Service Area Director
11	Behavioral Health Supervisors
8	BHN Clinicians/Case Managers
6	Substance Abuse Counselors IV
4	Substance Abuse Counselors III
34	Substance Abuse Counselors II
23	Substance Abuse Counselors I
1	Behavioral Health Senior Clinician
3	BHN Supervisors
2	Mental Health Therapists
3	Mental Health Counselors
2	Administrative Assistants V
7	Licensed Practical Nurses
3	Assistant Residential Counselors
3	Food Service Supervisors
6	CSB Aides/Drivers
2	Day Care Center Teachers I, 1 PT
6	Cooks

Infant and Toddler Connection

1	CSB Service Area Director
1	Early Intervention Manager
1	DD Specialist IV
5	Early Intervention Supervisors
10	Early Intervention Specialists II
4	DD Specialists II
3	Occupational Therapists II
5	Physical Therapists II
6	Speech Pathologists II
1	Business Analyst II
1	Administrative Assistant V
3	Administrative Assistants III

Youth & Family Services

2	CSB Service Directors
3	Mental Health Managers (-1)
3	Clinical Psychologists
1	Emergency/Mobile Crisis Supervisor
12	Behavioral Health Supervisors (-1)
42	Behavioral Health Sr. Clinicians, 1 PT
1	BHN Clinician/Case Manager
15	Mental Health Therapists (-1)
3	Substance Abuse Counselors IV
11	Substance Abuse Counselors II
2	Substance Abuse Counselors I
1	CSB Aide/Driver (-1)

TOTAL POSITIONS
368 Positions (-4) / 366.0 FTE (-4.0)

PT Denotes Part-Time Positions
(-) Denotes Abolished Positions due to Budget Reductions

Engagement, Assessment & Referral Services

Engagement, Assessment and Referral Services provides information about accessing services both in the CSB and the community, as well as assessment services for entry into the CSB service system. These services include an Entry and Referral Call Center that responds to inquiries from people seeking information and services; an Assessment Unit that provides comprehensive screening, assessment, referral and stabilization services for adults; and Outreach Services for people who are homeless or unsheltered and may need CSB services. The goal of all these services is to engage people who need services and/or support, triage people for safety, and help connect people to appropriate treatment and support. Not everyone with a concern related to mental illness, substance use or intellectual disability is eligible for CSB services. People seeking information about available community resources or who are determined to be ineligible are linked with other community services whenever possible. Call center staff can take calls in English and in Spanish, and language translation services for other languages are available by telephone when needed.

Emergency & Crisis Services

Emergency & Crisis Services are available for anyone in the community who has an immediate need for short-term intervention related to substance use or mental illness. CSB Emergency Services staff provides recovery-oriented crisis intervention, crisis stabilization, risk assessments, evaluations for emergency custody orders, voluntary and involuntary admission to public and private psychiatric hospitals, and services in three regional crisis stabilization units. The CSB's emergency services site at the Merrifield Center is open 24/7. In addition to the services listed above, staff there can also provide psychiatric and medication evaluations and prescribe and dispense medications. Located within CSB emergency services is the Merrifield Crisis Response Center (MCRC), part of the County's Diversion First initiative. Law enforcement officers who encounter individuals who are in need of mental health services can bring them to the MCRC, rather than to jail, and transfer custody to a specially trained officer at MCRC. There, the individual can receive a clinical assessment from emergency mental health professionals and links to appropriate services and supports. Two Mobile Crisis Units (MCUs), rapid deployment teams drawn from CSB emergency services staff, respond 24/7 to high-risk situations in the community, including hostage/barricade incidents involving the County's Special Weapons and Tactics (SWAT) team and police negotiators. A key component of Diversion First has been to recruit and train additional CSB emergency clinicians to staff the second MCU, which became operational in FY 2017. The Court Civil Commitment Program provides "Independent Evaluators" (clinical psychologists) to evaluate individuals who have been involuntarily hospitalized prior to a final commitment hearing, as required by the Code of Virginia. They assist the court in reaching decisions about the need and legal justification for longer-term involuntary hospitalization.

Emergency services, MCU and Independent Evaluators provide approximately 10,000 evaluations annually, to include evaluations for emergency custody and temporary detention orders, civil commitment, psychiatric and medication evaluations, risk assessments, mental status exams and substance abuse evaluations. CSB Emergency Services also includes a disaster response team and a team that provides critical incident stress management and crisis debriefing during and after traumatic events.

The Woodburn Place Crisis Care program offers individuals experiencing an acute psychiatric crisis an alternative to hospitalization. It is an intensive, short-term (7-10 days), community-based residential program for adults with severe and persistent mental illness, including those who have co-occurring substance use disorders. In FY 2016, 47 percent of those who received Crisis Care services had both mental health and substance use disorders, and 2 percent had intellectual disability. Services include comprehensive risk assessment; crisis intervention and crisis stabilization; physical, psychiatric and medication evaluations; counseling; psychosocial education; and assistance with daily living skills. During FY 2016, this program served 390 individuals (unduplicated).

Residential Treatment Services

Residential Treatment Services (Fairfax Detoxification Center, Crossroads, New Generations, A New Beginning, A New Direction, Residential Support Services, and Cornerstones) offers comprehensive services to adults with substance use disorders and/or co-occurring mental illness who have been unable to maintain stability on an outpatient basis, even with extensive supports, and who require a stay in residential treatment to stabilize symptoms, regain functioning and develop recovery skills. At admission, individuals have significant impairments affecting various life domains, which may include criminal justice involvement, homelessness, employment, impaired family and social relationships, and health issues.

The Fairfax Detoxification Center provides a variety of services to individuals who are in need of assistance with their intoxication/withdrawal states. Length of stay depends upon the individual's condition and ability to stabilize. The center provides clinically managed (social) and medical detoxification; buprenorphine detoxification; daily acupuncture (acudetox); health, wellness, and engagement services; assessment for treatment services; HIV/HCV/TB education; universal precautions education; case management services; referral services for follow-up and appropriate care; and an introduction to the 12-Step recovery process. The residential setting is monitored continuously for safety by trained staff. The detox milieu is designed to promote rest, reassurance and recovery. During FY 2016, this program provided a total of 6,665 bed days.

Services are provided in residential treatment settings and align with the level and duration of care needed, which may be intermediate or long-term. Services include individual, group and family therapy; psychiatric services; medication management; access to health care; and case management. Continuing care services are provided to help people transition back to the community. Specialized services are provided for individuals with co-occurring disorders (substance use and mental illness), for pregnant and post-partum women, and for people whose primary language is Spanish.

Infant and Toddler Connection

The Infant and Toddler Connection (ITC) of Fairfax-Falls Church provides family-centered intervention to children from birth to age three who need strategies to assist them in acquiring basic developmental skills such as sitting, crawling, walking and/or talking. ITC is part of a statewide program that provides federally-mandated early intervention services to infants and toddlers as outlined in Part C of the Individuals with Disabilities Education Act (IDEA). The CSB serves as the fiscal agent and local lead agency for the program, with advice and assistance from a local interagency coordinating council. Families receive a screening to determine eligibility, service coordination, and development of an Individual Family Service Plan. The family is assigned a "primary provider" who, with support of a multidisciplinary team, meets the needs of the family. This model replaces the previous practice of providing multiple, single discipline service providers to one family, and prevents the unnecessary addition of services to Individual Family Service Plans.

Through public and private partnerships, ITC provides a range of services including physical therapy, occupational therapy and speech therapy; developmental services; hearing and vision services; assistive technology (e.g. hearing aids, adapted toys, and mobility aids); family counseling and support; and service coordination. County staff provides central intake, service coordination, initial assessments, and approximately 20 percent of the ongoing therapeutic services. Contractors provide the remaining 80 percent of the ongoing therapeutic services. Combined, more than 68,000 visits with families were provided in FY 2016. ITC staff collaborates with the Health Department, Department of Family Services, Department of Neighborhood and Community Services, Inova Fairfax Hospital, and FCPS to ensure that infants and toddlers receive appropriate services as soon as eligibility for the program has been determined. ITC contracts with individuals who provide interpretation services to meet the needs of families in Fairfax County's linguistically diverse community.

Youth & Family Services

Youth & Family Services provides assessment, education, therapy and case management services for children and adolescents ages 4 through 18 who have mental health, substance use and/or co-occurring disorders. All services support and guide parents and treat youth who have, or who are at risk for, serious emotional disturbance, and who are involved with multiple youth-serving agencies.

Child, Youth, and Family Youth Outpatient Services provide mental health and substance use disorder treatment and case management for children, adolescents, and their families. Services are provided using evidenced-based practices for youth who are, or are at risk of being, seriously emotionally disturbed and for those who have issues with substance use or dependency. Youth may be experiencing emotional or behavioral challenges, difficulties in family relationships, alcohol use, or drug use. Family socioeconomic and other issues are frequently present. In FY 2016, 77 percent of the families served had incomes below $50,000. Of the youth served, 32 percent were ages 4 through 12; 53 percent were ages 13 through 17; and 15 percent were ages 18 through 22. For youth ages 4 through 17, family or schools are the main referral sources. For those ages 13 through 17, court/juvenile justice/law enforcement referrals are the next highest source. Programs are funded through state block grants, as well as County, state and federal funding. Revenue is also received from Medicaid, private insurance, and payments from parents.

Youth and Family Intensive Treatment Services offers a variety of services to support youth and their families. Wraparound Fairfax provides an intensive level of support for youth who are at high risk for residential or out-of-home placement, or who are currently served away from home and are transitioning back to their home community. Services are provided for up to 15 months and are designed to enable youth to remain safely in the community with their families. Resource team services include state-mandated discharge planning, behavioral health consultation, monitoring Mental Health State Initiative funds and lead CSB case management. Services are also provided for youth involved with the Juvenile and Domestic Relations District Court (JDRDC). These services include psychological evaluations, behavioral health care assessments, competency evaluations, urgent and crisis interventions, psycho-educational groups and short-term individual and family treatment.

Community Living Treatment & Supports

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$39,613,684	$42,341,562	$43,508,562	$43,939,011	$45,032,169
Operating Expenses	37,919,469	41,710,266	44,840,332	42,289,401	42,296,976
Capital Equipment	17,557	0	117,041	0	0
Subtotal	$77,550,710	$84,051,828	$88,465,935	$86,228,412	$87,329,145
Less:					
Recovered Costs	($517,994)	($476,186)	($476,186)	($554,971)	($554,971)
Total Expenditures	$77,032,716	$83,575,642	$87,989,749	$85,673,441	$86,774,174
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	425 / 423.5	433 / 431.5	442 / 440.5	450 / 448.5	461 / 459.5

Behavioral Health Outpatient & Case Management Services

1	CSB Service Area Director
4	Mental Health Managers
5	BHN Supervisors
1	BHN Clinical Nurse Specialist
14	Behavioral Health Supervisors
37	Behavioral Health Sr. Clinicians, 1 PT
7	BHN Clinician/Case Managers
23	Mental Health Therapists
2	Substance Abuse Counselors IV
14	Substance Abuse Counselors II
3	Licensed Practical Nurses

Support Coordination Services

1	CSB Service Area Director
5	DD Specialists IV (1)
12	DD Specialists III (2)
75	DD Specialists II (3)
8	DD Specialists I (6)

Employment & Day Services

1	CSB Service Area Director
1	Mental Health Manager
2	DD Specialists IV
8	DD Specialists II
1	Behavioral Health Supervisor
1	BHN Clinician/Case Manager
1	Management Analyst III
2	Mental Health Therapists
1	Mental Health Counselor
1	Administrative Assistant III

Assisted Community Residential Services

1	CSB Service Area Director
2	DD Specialists IV
3	DD Specialists III
8	DD Specialists II
69	DD Specialists I
1	BHN Supervisor
1	BHN Clinician/Case Manager
2	Licensed Practical Nurses

Supportive Community Residential Services

1	CSB Service Area Director
4	Mental Health Managers
11	Behavioral Health Supervisors
3	Behavioral Health Senior Clinicians
25	Mental Health Therapists
23	Mental Health Counselors, 2 PT
1	Substance Abuse Counselor I
3	Licensed Practical Nurses
1	Assistant Residential Counselor
1	Food Service Supervisor
1	Cook

Diversion and Jail-Based Services

1	CSB Service Area Director
1	Mental Health Manager
4	Behavioral Health Supervisors
2	Behavioral Health Senior Clinicians
1	BHN Clinician/Case Manager (1)
1	Public Health Nurse III
5	Substance Abuse Counselors II
15	Mental Health Therapists (6)
1	Mental Health Counselor
1	Peer Support Specialist

Intensive Community Treatment Services

1	CSB Service Area Director
2	Mental Health Managers
1	MH Supervisor/Specialist
5	Behavioral Health Supervisors
7	Behavioral Health Senior Clinicians
5	BHN Clinician/Case Managers
1	Public Health Nurse III
3	Substance Abuse Counselors II
11	Mental Health Therapists
1	Peer Support Specialist

TOTAL POSITIONS
461 Positions (19) / 459.5 FTE (19.0)

( ) Denotes New Positions
PT Denotes Part-Time Positions

Behavioral Health Outpatient & Case Management Services

Behavioral Health Outpatient & Case Management Services includes outpatient programming, case management, day treatment, adult partial hospitalization and continuing care services for people with mental illness, substance use disorders and/or co-occurring disorders. Individuals served may also have co-occurring developmental disabilities.

Outpatient programs include psychosocial education and counseling (individual, group and family) for adults whose primary needs involve substance use, but who may also have a mental illness. Services help people make behavioral changes that promote recovery, develop problem-solving skills and coping strategies, and help participants develop a positive support network in the community. Intensive outpatient services are provided for individuals who would benefit from increased frequency of services, and day treatment services are provided for those who need a greater level of structure and intensity. Continuing care services are available for individuals who have successfully completed more intensive outpatient services but who would benefit from periodic participation in group therapy, monitoring and service coordination to connect effectively to community supports.

Case management services are strength-based, person-centered services for adults who have serious and persistent mental or emotional disorders and who may also have co-occurring substance use disorders. Services focus on interventions that support recovery and independence and include supportive counseling to improve quality of life, crisis prevention and management, psychiatric and medication management and group and peer supports. The goal of case management services is to work in partnership with individuals to stabilize behavioral health crises and symptoms, facilitate a successful life in the community, help manage symptom reoccurrence, build resilience, and promote self-management, self-advocacy, and wellness.

Adult Partial Hospitalization (APH) programs provide intensive recovery-oriented services to adults with mental illness or co-occurring disorders coupled with other complex needs. Services are provided within a day programming framework and are designed to help prevent the need for hospitalization or to help people transition from recent hospitalization to less intensive services. APH focuses on helping individuals develop coping and life skills, and on supporting vocational, educational, or other goals that are part of the process of ongoing recovery. Services provided include service coordination, medication management, psycho-educational groups, group and family therapy, supportive counseling, relapse prevention and community integration.

Support Coordination Services

Support Coordination Services provide a continuum of case management services for people with developmental disabilities and their families, engaging with them to provide a long-term, intensive level of service and support. CSB support coordinators help individuals and families identify needed services and resources through an initial and ongoing assessment and planning process. They then link the individual to services and supports, coordinate and monitor services, provide technical assistance, and advocate for the individual. These individualized services and supports may include medical, educational, employment/vocational, housing, financial, transportation, recreational, legal, and problem-solving skills development services. Support coordinators assess and monitor progress on an ongoing basis to make sure that services are delivered in accordance with the individual's wishes and regulatory standards for best practice and quality. To assess the quality of the services, support coordinators are mandated to work with individuals in various settings, including residential, institutional, and employment/vocational/day settings.

Employment & Day Services

Employment & Day Services provides assistance and employment training to improve individual independence and self-sufficiency to help individuals enter and remain in the workforce. Employment and day services for people with serious behavioral health conditions and/or developmental disabilities are provided primarily through contracts and partnerships with private, nonprofit and/or public agencies. This service area includes developmental services; sheltered, group and individualized supported employment; the Cooperative Employment Program (CEP); self-directed employment services; and psychosocial rehabilitation, including the Turning Point program.

Developmental services provides self-maintenance training and nursing care for people with developmental disabilities who have severe disabilities and conditions and need various types of services in areas such as intensive medical care, behavioral interventions, socialization, communication, fine and gross motor skills, daily and community living skills, and employment. Sheltered employment provides employment in a supervised setting with additional support services for habilitative development. Group supported employment provides intensive job placement assistance for community-based, supervised contract work and competitive employment in the community, as well as support to help people maintain successful employment. Individualized supported employment helps people work in community settings, integrated with workers who do not have disabilities. CEP is jointly funded and operated by the Virginia Department of Aging and Rehabilitative Services and the CSB, and provides supported competitive employment services to eligible individuals who have developmental disabilities. Self-directed employment services involve the CSB providing funding directly to families for customized services, calculated at 80 percent of the annual weighted average cost of CSB-contracted services. Using an individualized approach, program staff assesses skills, analyze job requirements, and provide on-the-job training, coupled with disability awareness training for employers.

Psychosocial rehabilitation services provide a period for adjustment and skills development for persons with serious mental illness, substance use, and/or co-occurring disorders who are transitioning to employment. Services include psycho-educational groups, social skills training, services for individuals with co-occurring disorders, relapse prevention, training in problem solving and independent living skills, health literacy, pre-vocational services and community integration. Services are available in a small, directly-operated program or through contract with private providers. CSB contracts with community partners to provide psychosocial rehabilitation services to individuals who have limited social skills, have challenges establishing and maintaining relationships, and need help with basic daily living activities. The model is called "Recovery Academy," and the above focus areas are addressed in multi-week "courses", such that the experience can be tailored for each person. At the end of a term, courses can be repeated or new courses can be selected depending on an individual's goals and progress.

Turning Point is a grant-funded, coordinated, specialty service program for adolescents and young adults aged 16 through 25 who are experiencing serious behavioral health conditions, including a first episode of psychosis. Psychotic disorders can derail a young adult's social, academic and vocational development; but rapid, comprehensive intervention soon after the first episode can set the course toward recovery. Turning Point is based on the evidence-based model known as *Recovery After an Initial Schizophrenia Episode (RAISE)*. The early intervention program helps young people and their families understand and manage symptoms of mental illness and/or substance use disorder, while also building skills and supports that allow them to be successful in work, school, and life in general. The program can serve up to 120 people per year, and participation in the program may continue for up to three years as needed.

Assisted Community Residential Services

Assisted Community Residential Services (ACRS) provides an array of needs-based, long-term residential supports for individuals with developmental disabilities and for individuals with serious mental illness and comorbid medical conditions who require assisted living. Supports are not time-limited, are designed around individual needs and preferences, and emphasize full inclusion in community life and a living environment that fosters independence consistent with an individual's potential. These services are provided through contracts with a number of community-based private, non-profit residential service providers and through services directly operated by ACRS. While services are primarily provided directly to adults, some supports are provided to families for family-arranged respite services to individuals with developmental disabilities, regardless of age.

Services include an Assisted Living Facility (ALF) with 24/7 care for people with serious mental illness and medical needs. For individuals with developmental disabilities, services include Intermediate Care Facilities (ICFs) that provide 24/7 supports for individuals with highly intensive service, medical and/or behavioral support needs; group homes that provide 24/7 supports (small group living arrangements, usually four to six residents per home); supervised apartments that provide community-based group living arrangements with less than 24-hour care; daily or drop-in supports based on individual needs and preferences to maintain individuals in family homes, their own homes or in shared living arrangements (such as apartments or town homes); short-term, in-home respite services; long-term respite services provided by a licensed 24-hour home; and emergency shelter services. Individualized Purchase of Service (IPOS) is provided for a small number of people who receive other specialized long-term community residential services via contracts.

Supportive Community Residential Services

Supportive Community Residential Services (SCRS) provides a continuum of residential services with behavioral health supports of varying intensity that help adults with serious mental illness or co-occurring substance use disorders live successfully in the community. Individuals live in a variety of settings (treatment facilities, apartments, condominiums and houses) across the County and receive various levels of staff support, in terms of frequency of staff contact and degree of involvement, ranging from programs that provide 24/7 onsite support to programs providing drop-in services on site as needed. The services are provided based on individual need, and individuals can move through the continuum of care. Often individuals enter SCRS after a psychiatric hospitalization or to receive more intensive support to avert the need for an inpatient stay. Individuals admitted to SCRS typically have had multiple psychiatric hospitalizations, periods of homelessness, justice system involvement, and interruptions in income and Medicaid benefits. The programs offer secure residence, direct supervision, counseling, case management, psychiatric services, medical nursing, employment, and life-skills instruction to help individuals manage as independently as possible their primary care, mental health, personal affairs, relationships, employment, and responsibilities as good neighbors. Many of the residential programs are provided through various housing partnerships and contracted service providers.

Residential Intensive Care (RIC) is a community-based, intensive residential program that provides up to daily 24/7 monitoring of medication and psychiatric stability. Counseling, supportive and treatment services are provided daily in a therapeutic setting. The Supportive Shared Housing Program (SSHP) provides residential support and case management in a community setting. Fairfax County's Department of Housing and Community Development (HCD) and the CSB operate these designated long-term permanent subsidized units that are leased either by individuals or the CSB.

The CSB's moderate income rental program and HCD's Fairfax County Rental Program provide long-term permanent residential support and case management in a community setting, and individuals must sign a program agreement with the CSB to participate in the programs. CSB also contracts with a local service provider to offer long-term or permanent housing with support services to individuals with serious mental illness and co-occurring disorders, including those who are homeless and need housing with supports.

Diversion and Jail-Based Services

Diversion and Jail-Based Services provides treatment, engagement, and services to justice-involved individuals with behavioral health concerns and developmental disabilities. This treatment area includes community-based multi-disciplinary teams focused on diverting individuals away from the criminal justice system and into treatment. It also includes an interdisciplinary team at the Fairfax County Adult Detention Center (ADC) to provide crisis intervention, stabilization and continuation of psychiatric medications, facilitation of emergency psychiatric hospitalization for individuals who are a danger to themselves or others, release planning, and re-entry case management connecting individuals with community treatment and supports. The Diversion teams engage individuals prior to arrest, from the magistrates, or from the courts. They provide an intensive level of treatment and support to enhance the individual's existing resources, link to on-going supports, and help them attain their goals of community living without further justice involvement. Diversion and Jail-Based Services works closely with law enforcement, magistrates, courts, and other CSB services such as Emergency, Detox, and Intensive Community Treatment Services.

Intensive Community Treatment Services

Intensive Community Treatment Services include discharge planning services for individuals in state psychiatric hospitals, Program of Assertive Community Treatment (PACT), and intensive, community-based case management and outreach provided by multidisciplinary teams to individuals with acute and complex needs. Discharge planning services are provided to individuals in state psychiatric hospitals to link individuals to community-based services that enhance successful community-based recovery. PACT is a multi-disciplinary team that provides enhanced treatment and support services for individuals with mental illness and co-occurring disorders. Intensive Case Management (ICM) Teams provide intensive, community-based case management and outreach services to persons who have serious mental illness and or/co-occurring serious substance use disorders. Both PACT and ICM teams work with individuals who have acute and complex needs and provide appropriate levels of support and services where individuals live, work, and relax in the community. Many of the individuals served in these programs are homeless and have previously been hospitalized or involved with the criminal justice system. Services include case management, mental health supports, crisis intervention and medication management.

Key Performance Measures

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Central Administration					
Percent of CSB service quality objectives achieved	75%	76%	80%/63%	80%	80%
Percent of CSB outcome objectives achieved	63%	56%	80%/38%	80%	80%
Percent of individuals trained in Mental Health First Aid that completed certification	95%	95%	90%/96%	90%	92%
Percent of individuals receiving an assessment who attend their first scheduled service appointment	76%	65%	80%/73%	80%	80%
Emergency & Crisis Services					
Percent of crisis intervention/stabilization services provided that are less restrictive than psychiatric hospitalization	89%	73%	75%/74%	75%	75%
Residential Treatment & Detoxification Services					
Percent of individuals served who have reduced alcohol and drug use at one-year post-discharge	NA	NA	80%/90%	80%	80%
Percent of individuals served who are employed at one year after discharge	80%	76%	80%/77%	80%	80%
Infant and Toddler Connection					
Percent of families that received completed Individual Family Support Plans within 45 days of referral	80%	99%	100%/99%	100%	100%
Average number of days from referral to completion of Individual Family Support Plan	45	36	36/39	36	36
Percent of families that agree that services promoted healthy child and family development	98%	98%	98%/97%	98%	NA
Percent of children who improve the use of age-appropriate behaviors to meet their needs	52%	54%	NA/55%	55%	55%

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Youth & Family Services					
Percent of youth who maintain or improve school functioning after participating in at least 90 days of outpatient services	NA	NA	90%/88%	90%	90%
Behavioral Health Outpatient & Case Management Services					
Percent of individuals who maintain or improve employment status after participating in at least 30 days of substance use treatment	86%	80%	80%/76%	80%	80%
Support Coordination Services					
Percent of Person Centered Plan objectives met for individuals served in Targeted Support Coordination	94%	91%	95%/88%	85%	88%
Employment & Day Services					
Average annual wages of individuals with a developmental disability receiving group supported employment services	$6,006	$5,891	$5,900/$5,992	$5,900	$5,900
Average annual wages of individuals with a developmental disability receiving individual supported employment services	$16,831	$16,777	$16,725/$17,107	$16,725	$16,725
Average hourly rate of individuals with serious mental illness, substance use, and/or co-occurring disorders receiving individual-supported employment services	$11.80	$11.58	$11.80/$11.42	$11.80	$11.50
Assisted Community Residential Services					
Percent of individuals served in directly-operated and contracted group homes and supported apartments who maintain their current level of residential independence and integration in the community	98%	98%	97%/98%	98%	98%
Supportive Community Residential Services					
Percent of individuals receiving intensive or supervised residential services who are able to move to a more independent residential setting within one year	6%	16%	13%/13%	13%	13%
Diversion and Jail-Based Services					
Percent of individuals who had a forensic assessment that attend a follow-up appointment after their assessment	69%	55%	70%/55%	60%	60%
Intensive Community Treatment Services					
Percent of adults referred to the CSB for discharge planning services that remain in CSB services for at least 90 days	61%	63%	75%/61%	70%	70%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/40040.pdf

Performance Measurement Results

Central Administration

In FY 2016, the CSB achieved 63 percent of its service quality objectives (12 out of 19) and 38 percent of its outcome objectives (6 out of 16), as compared to the estimates of 80 percent for these objectives. It should be noted that an additional 5 out of 19 service quality objectives were within 3 percentage points of meeting the target, which would bring the total percentage met to 89 percent. Similarly, an additional five outcome indicators fall within 3 percentage points of meeting the targets, which would bring the total percentage to 69 percent. While the outcomes are lower than the estimates, factors that impact program outcomes include legislative and policy changes at the state-level, changes in program models, and shifts in program populations. In FY 2017, the CSB will use data from the electronic health record, ongoing quality improvement activities and input from community members, staff, and individuals served to demonstrate improved outcomes for those receiving services.

Wellness, Health Promotion and Prevention Services

In FY 2016, Wellness, Health Promotion and Prevention Services (WHPP) provided Mental Health First Aid (MHFA) training to 920 County staff, community members, and community partners at an average cost of $77 per individual. MHFA is an evidence-based public education program that helps participants identify, understand and respond to signs of mental health and substance use disorders. In FY 2016, 93 percent of individuals were satisfied with training, while 96 percent of individuals were certified in MHFA, both exceeding the targets of 90 percent. In the past two years, WHHP added specific training for youth and Spanish-speaking participants, public safety/first-responders and older adults. As interest in MHFA training has continued to grow, WHPP is monitoring another outcome – the percent of certified MHFA participants who, after taking the training, use the skills to assist someone either in crisis or exhibiting signs of a mental health or substance use problem. Results from approximately three years of surveys consistently show that 67 percent of respondents applied the skills from MHFA training either at work or in their personal life.

Engagement, Assessment and Referral Services

In FY 2016, Engagement, Assessment and Referral Services (EAR) served 2,375 individuals, an increase of 49 percent over FY 2015, at an average cost of $795 per individual. The increase in the number served and corresponding decrease in average cost is primarily attributable to a new service model implemented in late FY 2015 to provide walk-in screening and assessment services at the CSB's Merrifield Center. During FY 2016, the first full year of implementation, EAR provided assessment services to 1,103 individuals, the majority of whom also received an initial screening. In addition, CSB completed an initial screening for 1,272 individuals who were referred to services in the community.

It should be noted that CSB's Priority Access Guidelines determine which individuals are referred to services in the community versus those who qualify for CSB services. Based on criteria from DBHDS, the Federal Substance Abuse Prevention and Treatment Block Grant, and Part C of the Individuals with Disabilities Education Act, among others, CSB provides non-emergency/non-acute services to individuals whose conditions seriously impact their daily functioning. While these guidelines ensure equal and consistent access to limited non-emergency/non-acute services for those who need it most, all residents of Fairfax County and the Cities of Fairfax and Falls Church have access to Emergency and Crisis Services, Wellness, Health Promotion and Prevention Services, as well as information and referral to services in the community.

In FY 2016, implementation of the walk-in service model resulted in 100 percent of individuals who requested an assessment through the CSB Call Center being able to access an appointment within 10 days. Consequently, this performance measure is being evaluated for future relevance and will likely be replaced by a new service quality indicator for FY 2019. Of those who received an assessment, 73 percent attended their first scheduled CSB service appointment. While this is lower than the target of 80 percent, it is up from 65 percent in FY 2015, indicating a higher level of engagement and linkage to services.

Emergency & Crisis Services

In FY 2016, Emergency and Crisis Services served 5,253 individuals through general emergency services and the mobile crisis unit at an average cost of $778 per person. This program, which operates 24 hours a day, 7 days a week, provides services to every individual who presents for services. In FY 2016, 68 percent of individuals received face-to-face services within one hour of check in, short of the target of 80 percent. The length of time for face-to-face services has increased over the past two years primarily due to an increase in the proportion of the most time-intensive services required, such as those for temporary detention orders (TDO), as well as higher than anticipated staff vacancies and an increase in the number of individuals served. Emergency Services has recently hired staff and will be filling additional vacancies in order to achieve a more timely provision of services in FY 2017.

In FY 2016, 74 percent of crisis intervention and stabilization services provided by general emergency services and the mobile crisis unit were less restrictive than psychiatric hospitalization, similar to FY 2015 but lower than the 89 percent reported in FY 2014 and the target of 75 percent. It should be noted that in FY 2015, this measure was revised to include individuals served by the mobile crisis unit which had a significant impact on the number of psychiatric hospitalizations. Approximately half of mobile crisis unit responses result in a TDO. In addition, recent changes in mental health legislation have led to a considerable increase in the overall number served, including the number of TDOs which have increased 41 percent since FY 2014. In addition, several barriers that previously existed for those who do need hospitalization have been addressed through legislative changes, such as real-time hospital bed registry and extended time periods for psychiatric placement. While providing the least restrictive intervention remains a critical goal of service provision, CSB ensures that those who truly require the level of care provided through hospitalization are able to access it. Emergency and Crisis Services will continue to closely monitor the impact of mental health legislation on operations and will evaluate current targets, as necessary.

Residential Treatment & Detoxification Services

In FY 2016, 454 individuals received Residential Treatment and Detoxification Services. This represents people who received services through primary treatment, community re-entry, and aftercare services. The number served is slightly higher than FY 2015 though some variation in number served can be expected in residential programs. Modest fluctuations are typically due to the length of stay and admissions and discharges that span across fiscal years. The cost to serve each individual in FY 2016 was $21,140, an increase over the $19,121 average cost in FY 2015, primarily attributable to fewer position vacancies. Many of the residential treatment programs in this service area are large in size, allowing the programs to produce an economy of scale that, combined with successful outcome measures, provide a positive return on investment.

Research indicates that individuals who receive substance abuse treatment and are able to obtain employment are more likely to have better long-term outcomes, including a lower chance of relapse. Additionally, individuals who receive vocational services while in treatment are able to improve competitive employment outcomes. While residential treatment programs recognize the importance of employment to ensure economic stability and the benefits of daily structure, responsibility and accountability, one recent trend within this service area is an increase in younger individuals served, which may make employment more difficult if the individuals lack job skills or prior experience that allow them to obtain and retain solid employment. During the past fiscal year, 77 percent of those served were employed one year after discharge. This is a slight increase from last year, when 76 percent were employed, while slightly lower than the goal of 80 percent. Individuals are also asked about their current substance use status one year after leaving the program. Of the respondents, 90 percent indicated that they had reduced their substance use at one year after discharge, compared to the target of 80 percent, and a significant portion reported no substance use one year after treatment ended. Additionally, 99 percent of individuals indicated that they were satisfied with the services received.

Infant and Toddler Connection

In FY 2016, the Infant and Toddler Connection (ITC) program served 3,559 infants and toddlers and their families, a 5.5 percent increase over FY 2015 and surpassing the estimate of 3,450 children and families. The average cost to serve each child was $3,350, slightly lower than the estimated $3,390 per child. In FY 2013, ITC introduced Natural Learning Environment Practices, including the Primary Provider model. The model increases the multidisciplinary competence of ITC staff members and contracted providers, which allows for one main provider to serve as the expert with that child. This practice change has created efficiencies for ITC and families and helped to reduce the rate of growth in average cost per child.

In FY 2016, 99 percent of families received completed Individual Family Support Plans (IFSP) within 45 days of the intake call, the same as FY 2015 but slightly below the target of 100 percent. While this federal benchmark of 45 days may not be increased, local lead agencies are able to revise this target to best meet local needs. Based on feedback received from family surveys, ITC changed business processes to decrease the length of time from referral to completion of the IFSP to 36 days so that parents are able to access targeted resources for their children sooner. In FY 2016, the average length of time from intake call to completed IFSP was 39 days, due primarily to a significant increase in the number of intakes in the spring of 2016. ITC anticipates meeting the goal in FY 2017 and FY 2018.

In alignment with the state focus on child outcomes, ITC has adopted the state's child outcome indicators, which target improvement in areas of behavioral growth. CSB has exceeded the state benchmarks for percent of children who substantially increased their rate of behavioral growth and skill acquisition by the time they turned three years of age or exited the program. In addition, the percent of infants and toddlers functioning within age expectations by the time they turned three years of age or exited the program was 55 percent, meeting the current state goal.

Lastly, 95 percent of families indicated they were satisfied with services, meeting the target. The percent of families who agreed that services promoted healthy child and family development was 97 percent, slightly below the target of 98 percent. Because these measures have been consistently met, and built into existing business practices, these measures will be replaced with the child outcome indicator outlined above for FY 2018 forward.

Youth & Family Services

In FY 2016, Youth & Family Outpatient Services served 1,786 youth. While these services are provided to youth and their family members, it should be noted that the numbers served only reflect direct services provided to youth. The cost to serve each child was $2,896, which is slightly lower than previous years, in part due to the increased number of youth served. Eighty-eight percent of families reported that they were satisfied with services, slightly lower than the target of 90 percent. In addition, 88 percent of adolescents and their families reported an improvement in school functioning, defined as improvement in school attendance, behavior, and academic achievement. There are a number of factors that contribute to this outcome including acuity of the child's emotional and behavioral issues, attendance at treatment sessions and overall family functioning at the start of treatment.

Behavioral Health Outpatient & Case Management Services

In FY 2016, Behavioral Health Outpatient & Case Management Services (BHOP) provided services to 4,076 people with mental health, substance use and/or co-occurring disorders at an average cost of $2,516 per individual. The number served reflects a decrease from the 4,707 individuals served in FY 2015 and was lower than the projected number of 4,397. The decrease in the number served and the corresponding increase in the average cost per individual is primarily attributable to programmatic changes implemented in FY 2014 when two formerly distinct service areas were merged to provide integrated care for those with co-occurring behavioral health disorders. Some programs that served individuals with lower acuity were discontinued, while other more intensive services were enhanced to meet the needs of the current CSB priority population. These changes have resulted in programs that provide intensive services to individuals who have more acute and complex needs and are most disabled by their behavioral health disorders. BHOP output projections for FY 2017 and FY 2018 reflect these changes in service design, and programs will continue to monitor the impact on number served.

Ninety-one percent of those surveyed in BHOP were satisfied with the services they received, meeting the target of 90 percent. Outcome surveys are reviewed by program management and program modifications are made, as appropriate, to meet the needs of those served. For example, based on feedback, BHOP has reallocated existing resources to provide an Intensive Outpatient Program to be located in the northern part of the county. This service area has tracked employment outcomes for those receiving treatment primarily for substance use for the past several years. In FY 2016, 76 percent of those served obtained or maintained employment, representing a decrease from both the target of 80 percent and FY 2015. This is reflective of an overall population that has multiple needs and challenges to be addressed to successfully obtain employment.

Support Coordination Services

In FY 2016, 3,388 individuals with an intellectual disability received an assessment, case coordination, and/or Targeted Support Coordination services, exceeding the target of 3,012. Specifically, while most individuals received case coordination services, 915 individuals received Targeted Support Coordination services, which consists of at least monthly contacts. Additionally, 794 individuals received assessment services. The cost to serve each individual receiving Targeted Support Coordination services, the largest portion of the work in this service area, was $5,319, lower than the target of $5,748.

Ninety-nine percent of individuals receiving Targeted Support Coordination reported satisfaction with services, exceeding the target of 95 percent. While 88 percent of Person Centered Plan objectives were met for individuals served in Targeted Support Coordination, this fell short of the target of 95 percent. This outcome represents the Person Centered Plan objectives developed by CSB Support Coordinators, with active participation from the individual, as well as family members and others who are close to the individual. By asking questions and gathering input from the group, an effective plan can be developed that incorporates the person's needs and goals. The result is an individualized plan that supports personal life choices. Due to recent changes in federal and state policy prioritizing employment-related services, this outcome will be monitored to determine if the benchmark needs to be changed.

Employment & Day Services

In FY 2016, 1,383 individuals with intellectual disability received directly-operated and contracted day support and employment services, of which 851 received services that were fully funded by Fairfax County and 532 received services funded partially through Medicaid Waiver and partially by Fairfax County. The number of people receiving services increased during the past year due primarily to new participants who graduated from Fairfax County Public Schools in June 2015. This increase coupled with decreased days of services due primarily to weather-related closures resulted in an average cost of $17,427 per adult served in FY 2016, a slight decrease from FY 2015 and lower than the target of $18,821.

Ninety-six percent of individuals served expressed satisfaction with services, slightly lower than the estimated 98 percent. Average wages for individuals increased from last year and exceeded the targets. Individuals who received group supported employment services, earned an average annual wage of $5,992, and those who received individual supported employment earned an average annual wage of $17,107.

During the past fiscal year, Employment Services were provided to 485 adults with serious mental illness, substance use and/or co-occurring disorders. The number served represents people who are documented in the CSB's electronic health record, and does not capture a number of other people who received employment services in groups located within CSB drop-in sites. The CSB has developed a solution to accurately reflect the number of people served in group settings, and it is anticipated that the number served will increase in FY 2017 with this change. In addition, more adults are expected to receive services as outreach is provided to Fairfax County Public Schools with the goal of engaging graduating students with behavioral health issues who may benefit from CSB employment services. In FY 2016, Employment Services staff focused on individual job development. Approximately 70 percent of those served received individual-supported employment services. Of those who received individual-supported employment, 62 percent obtained paid employment, the same level as FY 2015 but a slight decrease from the target of 65 percent. Employment specialists also encourage individuals to undertake volunteer work if paid employment is not a viable option. With these additional placements, a total of 67 percent of individuals were engaged in an employment setting, whether paid or unpaid. The individuals who obtained paid employment worked an average of twenty-five hours per week and received an average wage of $11.42. The average wage earned has decreased slightly from previous years and is below the target of $11.80.

Assisted Community Residential Services

In FY 2016, Assisted and Community Residential Services (ACRS) served 360 adults with intellectual disability in CSB directly-operated and contracted group homes and supported apartments at an average cost of $37,026 per person. During FY 2016, services from one residential location were consolidated into other, existing locations and nursing services were added to meet the needs of an aging population. One hundred percent of individuals served in Assisted Community Residential programs were satisfied with services in FY 2016, a slight increase in satisfaction over the 98 percent level experienced in the past several years.

ACRS seeks to address individuals' needs, while affording opportunities to live within communities and participate in the general life of the Fairfax-Falls Church community. Ninety-eight percent of adults served maintained their current level of residential independence and integration. ACRS provides alternatives to institutional, hospital and nursing home care. Many of the individuals currently receiving services in the community originally resided in somewhat isolated state facilities (hospitals or training centers). ACRS program placements provide opportunities for the natural socio-economic progression from living in one's family to moving into one's own home by oneself or with friends, roommates or other housemates while continuing to receive necessary supports and remaining within the community.

Supportive Community Residential Services

Supportive Community Residential Services (SCRS) served 474 individuals in FY 2016, 10 fewer than both the target and FY 2015. The decrease is due to the closure of a directly-operated residential program that served approximately 13 people a year. It is anticipated that these services will be contracted out to a community provider for future fiscal years. The cost to serve each individual was $22,798 in FY 2016, a slight increase from the previous year, but slightly lower than the target.

In FY 2016, 88 percent of adults reported satisfaction with services, slightly less than the estimated 90 percent, which may be attributed to the client movement within the continuum of care provided within SCRS. Client placements across SCRS were impacted this fiscal year due to decisions to consolidate care within the supervised residential level of care, and ten individuals receiving services were moved to different programing that was appropriate for their clinical needs. Moving to a new location can be a stressful and unsettling event, even when it is clinically supported, and it is likely that satisfaction was impacted.

The percentage of individuals receiving Intensive or Supervised services who were able to move to a more independent residential setting within one year met the target of 13 percent, but represented a slight decrease from FY 2015. This decrease is likely related to the multiple client transitions to affordable housing that occurred in FY 2015. Following these transitions, SCRS had multiple new admissions, and individuals who are newly admitted to the intensive and supervised level of care may not be ready for lower levels of care within one year of their admission date.

During the past fiscal year, the Bridging Affordability Program had fewer vouchers than anticipated, and the clients within CSB programming had significant financial barriers to qualify for the vouchers. Overall the population served by SCRS programs continues to experience financial and clinical challenges in moving to more independent community-based settings. The lack of affordable housing stock within Fairfax County is a major financial barrier, as the individuals served by SCRC typically have the most limited financial resources. In addition, CSB continues to see a trend in increasing medical complexity that co-occurs with the severe and persistent mental illness, requiring a more intensive level of care.

Diversion and Jail-Based Services

During FY 2016, jail-based services at the Adult Detention Center (ADC) provided 1,598 forensic assessments, a 5.9 percent decrease from FY 2015, to 1,320 individuals with mental health, substance use and co-occurring disorders. Given the transient nature of the jail population, an individual may have more than one assessment at the ADC in a fiscal year. The reduction in number of assessments is largely attributable to an increase in mental health screenings in the jail prior to an assessment. When the number of those who received a screening is included, the number rises to 1,863. During the fiscal year, a total of 2,000 individuals received a CSB service in the ADC, at a cost of $886, lower than the estimated $973.

In FY 2016, 95 percent of those referred for a forensic assessment received the assessment within two days of referral, exceeding the target of 90 percent and representing a seven percentage point increase over FY 2015. The 5 percent of assessments that did not occur within 2 days were the result of holiday or weekend scheduling, or because the individual was not available for the assessment due to release from jail or transfer to another facility.

Following a forensic assessment at the ADC, individuals who need services or supports to address their mental health, substance use and/or co-occurring disorders receive follow up appointments for further services. In FY 2016, 55 percent of those who received a forensic assessment attended a follow-up appointment after their assessment, which is lower than the estimated 70 percent but consistent with experience in FY 2015. It should be noted that not all individuals who receive an assessment are in need of follow-up services. Additionally, individuals are sometimes scheduled for follow-up appointments but are transferred out of the jail prior to their appointment. The estimate has been adjusted in future years to account for actual experience.

CSB programming and services provided at the Adult Detention Center are changing significantly. Staff are actively working to track and monitor relevant data to evaluate program efficacy and further assess outcomes for individuals served. The County's Diversion First effort is providing an opportunity to review current business processes and practices that meet the needs of the ADC population. While the jail and the CSB use different data systems, staff are working together to identify and implement solutions to effectively align data elements. It is anticipated that this effort will lead to best practice interventions during incarceration, discharge planning and post-incarceration community integration, as well as more comprehensive and meaningful evaluation and performance measurement.

Intensive Community Treatment Services

In FY 2016, CSB discharge planners served 478 adults, exceeding the estimate of 360 and representing an 11.7 percent increase over FY 2015. The increase in number served over the past two years is largely attributable to changes in mental health legislation leading to an increase in hospital admissions. Increased demand in hospital admissions generally results in decreased length of hospital stay and greater need for responsive discharge planning services. The cost to serve each individual was $1,109, lower than both FY 2015 and the estimate of $1,432. Ninety-nine percent of all adults were scheduled for an assessment within seven days of hospital discharge, exceeding the target of 90 percent. The target has been increased to 95 percent for future fiscal years. Timely access to assessment is a vital component of discharge planning, and efforts have been successful due in large part to outreach and engagement efforts. Ninety-two percent of those served reported satisfaction with services, exceeding the target of 90 percent.

In terms of ongoing CSB services post-assessment, 61 percent of those assessed remained in CSB services after 90 days, which is below the estimated 75 percent but consistent with the past two years. Post-discharge planning services are voluntary and individuals may choose not to continue services after an initial appointment. Engagement occurs throughout treatment and in various settings to ensure that those individuals at risk of re-hospitalization know how to access services to best meet their needs. However, an increase of rapid discharges from state hospital impacts opportunities to engage, educate and encourage follow-up with ongoing treatment services. Treatment recommendations are made by a multi-disciplinary team based on risk levels and acuity, and are intended to match the appropriate service level to the individual's needs. The CSB is conducting a thorough analysis to identify clients who do not continue with recommended services to determine additional ways to engage individuals throughout the treatment process.

Fund 40040
Community Services Board (CSB)

FUND STATEMENT

Fund 40040, Fairfax-Falls Church Community Services Board

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$11,411,867	$4,834,935	$14,598,531	$5,734,935	$5,734,935
Revenue:					
Local Jurisdictions:					
Fairfax City	$1,510,434	$1,614,654	$1,614,654	$1,776,119	$1,776,119
Falls Church City	684,613	731,851	731,851	805,036	805,036
Subtotal - Local	$2,195,047	$2,346,505	$2,346,505	$2,581,155	$2,581,155
State:					
State DBHDS	$11,850,482	$11,716,017	$11,716,017	$11,886,443	$11,886,443
Subtotal - State	$11,850,482	$11,716,017	$11,716,017	$11,886,443	$11,886,443
Federal:					
Block Grant	$4,073,692	$4,073,691	$4,073,691	$4,053,659	$4,053,659
Direct/Other Federal	153,269	154,982	154,982	154,982	154,982
Subtotal - Federal	$4,226,961	$4,228,673	$4,228,673	$4,208,641	$4,208,641
Fees:					
Medicaid Waiver	$2,127,218	$2,756,068	$2,156,068	$2,371,024	$2,371,024
Medicaid Option	8,903,122	9,318,424	9,318,424	8,092,500	8,122,500
Program/Client Fees	6,339,650	5,414,527	5,414,527	6,396,751	6,406,751
CSA Pooled Funds	686,868	654,973	654,973	858,673	858,673
Subtotal - Fees	$18,056,858	$18,143,992	$17,543,992	$17,718,948	$17,758,948
Other:					
Miscellaneous	$36,296	$14,100	$14,100	$14,100	$14,100
Subtotal - Other	$36,296	$14,100	$14,100	$14,100	$14,100
Total Revenue	$36,365,644	$36,449,287	$35,849,287	$36,409,287	$36,449,287
Transfers In:					
General Fund (10001)	$116,243,498	$124,877,551	$126,077,551	$129,331,015	$130,429,318
Total Transfers In	$116,243,498	$124,877,551	$126,077,551	$129,331,015	$130,429,318
Total Available	$164,021,009	$166,161,773	$176,525,369	$171,475,237	$172,613,540
Expenditures:					
Personnel Services	$97,621,717	$103,012,616	$105,929,616	$107,507,500	$108,600,658
Operating Expenses	53,409,088	59,964,382	66,388,302	59,971,782	60,016,927
Recovered Costs	(1,822,127)	(1,650,160)	(1,650,160)	(1,738,980)	(1,738,980)
Capital Equipment	213,800	0	122,676	0	0
Total Expenditures	$149,422,478	$161,326,838	$170,790,434	$165,740,302	$166,878,605
Total Disbursements	$149,422,478	$161,326,838	$170,790,434	$165,740,302	$166,878,605

FUND STATEMENT

Fund 40040, Fairfax-Falls Church Community Services Board

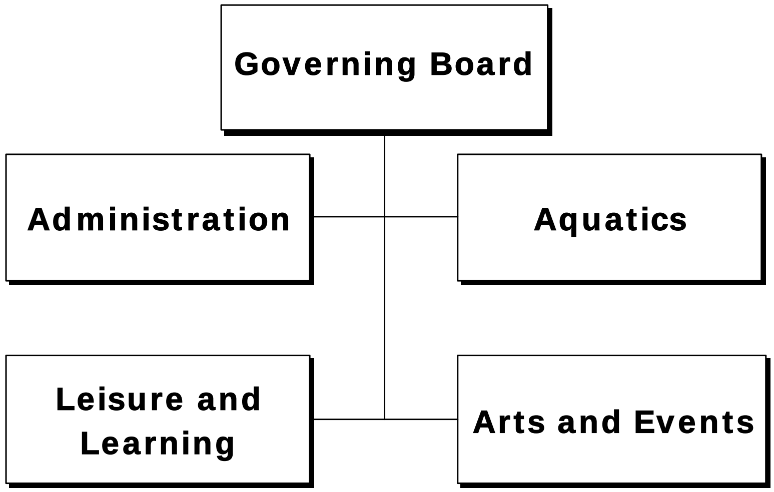
	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Ending Balance	$14,598,531	$4,834,935	$5,734,935	$5,734,935	$5,734,935
Infant and Toddler Connection Reserve[1]	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000
ID Employment & Day Reserve	1,600,000	1,600,000	0	0	0
DD Medicaid Waiver Redesign Reserve[2]	0	0	2,500,000	2,500,000	2,500,000
Encumbered Carryover Reserve	4,913,596	0	0	0	0
Unreserved Balance[3]	$6,584,935	$1,734,935	$1,734,935	$1,734,935	$1,734,935

[1] The Infant and Toddler Connection Reserve ensures that the County has funds to provide federal and state-mandated services to children from birth to age 3 in the event of unanticipated decreases in federal and state funding.

[2] The DD Medicaid Waiver Redesign Reserve ensures the County has sufficient funding to provide services to individuals with developmental disabilities in the event of greater than anticipated costs due to the Medicaid Waiver Redesign effective July 1, 2016.

[3] The *FY 2017 Revised Budget Plan* Unreserved Balance of $1,734,935 is a decrease of 73.7 percent from the FY 2016 Actual amount of $6,584,935 and reflects utilization to offset FY 2017 program requirements.

Fund 40050
Reston Community Center



Mission

To create positive leisure, cultural and educational experiences which enhance the quality of life for all people living and working in Reston by providing a broad range of programs in arts, aquatics, enrichment, recreation and life-long learning; creating and sustaining community traditions through special events, outreach activities, and facility rentals; and building community through collaboration and celebration.

The Reston Community Center supports the following County Vision Elements:

Maintaining Safe and Caring Communities

Building Livable Spaces

Connecting People and Places

Maintaining Healthy Economies

Creating a Culture of Engagement

Exercising Corporate Stewardship

Focus

Reston Community Center (RCC) is a community leader, bringing the community together through enriching leisure time experiences that reach out to all and contribute to Reston's sense of place.

The operations for RCC are supported by revenues from a special property tax collected on all residential and commercial properties within Small District 5. The Small District 5 tax rate is $0.047 per $100 of assessed property value within boundaries revised in March 2006. In FY 2018, total property assessments in Small District 5 are 1.74 percent higher than FY 2017 assessments.

RCC also collects internal revenues generated by program registration fees, theatre box office receipts, gate admissions and facility rental fees. These activity fees are set at a level substantially below the actual costs of programming and operations since Small District 5 property owners have already contributed tax revenues to fund RCC. Consequently, Small District 5 residents and employees have enjoyed RCC programs at greatly reduced rates. The Board of Governors has an established financial policy that limits the cost recovery of programs/services fees to a maximum of 25 percent of the agency expenditures for

Personnel and Operating costs (combined). Revenue performance across program levels is also affected by patrons using RCC's Fee Waiver Program which fully subsidizes their individual participation in activities of their choosing. The balance of RCC's revenue is composed of tax receipts and interest.

Aggregate participation across all program areas provides a snapshot of RCC's impact in Reston. Current facility and resource limitations constrict the ability to serve more than approximately 200,000 "participations" in directly delivered community services. RCC looks toward partnerships or development projects with the Park Authority and/or others to achieve a new additional indoor recreation facility in Reston and to deliver a new performing arts venue to the community. These added facilities will help address the demand pressures on our programs and services that are constrained by our existing facilities.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$5,001,603	$5,421,003	$5,421,003	$5,536,788	$5,536,788
Operating Expenses	2,436,117	2,758,036	2,778,532	2,797,570	2,797,570
Capital Equipment	0	0	0	0	0
Capital Projects	198,525	471,300	1,417,267	1,904,000	1,904,000
Total Expenditures	$7,636,245	$8,650,339	$9,616,802	$10,238,358	$10,238,358
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	49 / 49	49 / 49	49 / 49	49 / 49	49 / 49
Exempt	1 / 1	1 / 1	1 / 1	1 / 1	1 / 1

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Capital Projects** **$1,432,700**
  Capital Project funding of $1,904,000 is an increase of $1,432,700 and includes $804,000 for improvements to Reston Community Center, as well as $1,100,000 in operational enhancements to the natatorium.

- **Employee Compensation** **$55,055**
  An increase of $55,055 in Personnel Services is included for performance-based and longevity increases for non-uniformed merit employees effective July 2017.

- **Other Post-Employment Benefits** **$2,606**
  An increase of $2,606 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

- **Program Adjustments** **$58,124**
  An increase of $58,124 in Personnel Services is primarily due to projected salary and fringe benefits requirements for planned programs and activities in FY 2018.

- **Operating Expenses** **$39,534**
  An increase of $39,534 in Operating Expenses is primarily associated with programmatic requirements in professional consultant and contractual services related to expanded program activities.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$966,463**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved encumbered funding of $20,496, as well as unexpended Capital Project balances of $945,967 for RCC Hunters Woods facility upgrades.

Cost Centers

The four cost centers in Fund 40050, Reston Community Center, are Administration (which includes facility rentals), Arts and Events, Aquatics, and Leisure and Learning. These distinct program areas work to fulfill the mission and carry out the key initiatives of Reston Community Center.

Administration

The Administration Cost Center provides effective leadership, supervision and administrative support for center programs and maintains and prepares the facilities of Reston Community Center for Small District 5 patrons.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$4,466,986	$5,076,660	$6,024,674	$6,585,133	$6,585,133
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	30 / 30	30 / 30	30 / 30	30 / 30	30 / 30
Exempt	1 / 1	1 / 1	1 / 1	1 / 1	1 / 1

1	Executive Director, E	1	Management Analyst I	1	Administrative Assistant V
1	Deputy Director	1	Public Information Officer I	3	Administrative Assistants IV
1	Financial Specialist II	1	Chief, Bldg. Maintenance Section	2	Administrative Assistants III
1	Financial Specialist I	2	Senior Maintenance Workers	6	Administrative Assistants II
1	Network Telecom Analyst I	5	Maintenance Workers	2	Graphic Artists III
1	Communications Specialist II	1	Facility Attendant II		

TOTAL POSITIONS
31 Positions / 31.0 FTE

E Denotes Exempt Position

Arts and Events

The Arts and Events Cost Center provides Performing Arts, Arts Education and Community Event presentations to Small District 5 in order to increase the cultural awareness of the community in disciplines of dance, theatre, music and related arts as well as to create and sustain community traditions through community events.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$1,366,196	$1,524,562	$1,535,662	$1,577,229	$1,577,229
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	7 / 7	7 / 7	7 / 7	7 / 7	7 / 7

1	Theatrical Arts Director	1	Theatre Technical Director	1	Administrative Assistant IV
2	Park/Recreation Specialists II	2	Asst. Theatre Technical Directors		

TOTAL POSITIONS
7 Positions / 7.0 FTE

Aquatics

The Aquatics Cost Center provides a safe and healthy pool environment and balanced Aquatic programming year-round for all age groups in Small District 5 in the Terry L. Smith Aquatics Center and the community.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$728,236	$750,248	$756,846	$763,797	$763,797
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5

1	Park/Recreation Specialist II	1	Park/Recreation Assistant
1	Park/Recreation Specialist I	2	Administrative Assistants II

TOTAL POSITIONS
5 Positions / 5.0 FTE

Leisure and Learning

The Leisure and Learning Cost Center provides recreational, educational and social activities to all age groups, encouraging communitywide, positive and meaningful leisure experiences in Small District 5.

Note: This Cost Center continues to reorganize personnel to address external community collaboration efforts.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$1,074,827	$1,298,869	$1,299,620	$1,312,199	$1,312,199
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	7 / 7	7 / 7	7 / 7	7 / 7	7 / 7

1	Park/Recreation Specialist IV	4	Park/Recreation Specialists II	2	Park/Recreation Assistants

TOTAL POSITIONS
7 Positions / 7.0 FTE

Key Performance Measures

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Administration					
Community Partnerships	24	35	20/40	20	30
On-line registration percentage	NA	NA	50%/49%	51%	53%
• High Quality	92%	98%	90%/98%	90%	90%
• Reasonable Cost	100%	97%	90%/97%	90%	90%
• Clean/Accessible	100%	96%	90%/96%	90%	90%
• Employees Helpful/Courteous	91%	91%	90%/91%	90%	90%
• Recommend Reston Community Center	90%	96%	90%/96%	90%	90%
Arts and Events					
• High Quality	94%	97%	90%/98%	90%	90%
• Reasonable Cost	98%	95%	90%/97%	90%	90%
• Clean/Accessible	88%	98%	90%/99%	90%	90%
• Employees Helpful/Courteous	96%	95%	90%/98%	90%	90%
• Recommend Reston Community Center	98%	97%	90%/97%	90%	90%

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Aquatics					
• High Quality	98%	95%	90%/95%	90%	90%
• Reasonable Cost	96%	98%	90%/98%	90%	90%
• Clean/Accessible	99%	96%	90%/96%	90%	90%
• Employees Helpful/Courteous	100%	100%	90%/100%	90%	90%
• Recommend Reston Community Center	95%	99%	90%/99%	90%	90%
Leisure and Learning					
• High Quality	92%	98%	90%/98%	90%	90%
• Reasonable Cost	97%	95%	90%/96%	90%	90%
• Clean/Accessible	97%	98%	90%/97%	90%	90%
• Employees Helpful/Courteous	97%	98%	90%/96%	90%	90%
• Recommend Reston Community Center	97%	99%	90%/98%	90%	90%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/40050.pdf

Performance Measurement Results

As a consequence of the RCC Strategic Plan 2011-2016, new performance measures were adopted in 2013 to reflect that Plan's focus on patrons. Community feedback remains a crucial aspect of how RCC measures performance and is included in the new RCC Strategic Plan 2016-2021 as a metric for staff achievement of goals therein. The new performance measure framework reorients the focus of performance measurement outward to customers and community constituents. The agency implemented a new customer satisfaction survey instrument in FY 2013 to measure how patrons express their impressions of RCC programs and services across these areas:

1. My RCC Program/Service was a high-quality offering.
2. My RCC Program/Service was provided at a reasonable cost.
3. The setting for my RCC Program/Service was appropriate, clean and accessible.
4. RCC employees were helpful and courteous in my interactions with them.
5. I would recommend RCC to others.

For each of the above statements, patrons are asked to rate their response on a scale of Strongly Agree, Agree, Neutral, Disagree, or Strongly Disagree. The objective is to obtain 90 percent or greater of total responses in the combined Agree/Strongly Agree categories. The first year of full implementation of the Satisfaction Surveys was FY 2014.

Overall RCC participation in the FY 2016 cycle of programs was 190,771. The target total remains at or near the 200,000 level until new facilities are available for program/service delivery. This number does not include participation in programs, events or activities offered through RCC's Facility Rentals services. This service area accounts for an estimated additional 78,187 participants in this cycle. Given that Facility Rentals services are provided only after programmed and partnered activities are scheduled, the participation in these will fluctuate from year to year depending on both the number of opportunities for rentals and their purpose.

Due to facility limitations, another key area of focus for the Five Year Strategic Plan is on Collaboration and Partnerships. This enables Small District 5 resources to be deployed within and beyond RCC's walls to further serve constituents. The Performance Measurement goal addressing this area of focus is provided as a total number of actual and anticipated partnering organizations, from among Reston providers and Fairfax County government agencies (or non-profit organizations) serving the Reston community, whose efforts are aligned with the RCC mission.

Administration

Online registration successfully launched in FY 2014. Patron utilization of online purchasing for enrollment in RCC offerings in its first years of adoption grew much faster than the targeted 15 percent per year increase. In FY 2016 actual online registration numbers increased by 3 percent to 49 percent of all registered enrollment. The overall objective was to achieve a level of 50 percent or more of all transactions in our registered enrollment and ticketing being accomplished via the Internet. Rather than target a percentage increase level each year going forward (continuing on that path would imply all registration would occur via online activity registration) the new Performance Measure metric now is established as "50 percent or more of registration activity will occur via the internet."

The actual number of community-based partners in FY 2016 was 40, exceeding the FY 2016 estimate by 20. This result was due to a number of Reston-based initiatives having expanded their reach to incorporate significant involvement of county agencies and non-profit organizations, thus increasing the depth and number of collaborative efforts with which RCC is involved.

For patron satisfaction surveys, the goal is to obtain 90 percent or greater of responses in the Agree/Strongly Agree categories. In Administration, the service delivery measured by the Customer Satisfaction surveys is for Facility Rentals. All five measurable categories surpassed the 90 percent target.

Arts and Events

Programs delivered by the Arts and Events Cost Centers include Performing Arts, Arts Education and Community Events. The Customer Satisfaction surveys are implemented across all three program delivery categories.

Performing Arts

From celebrities such as Anna Deavere Smith, Stephen Lang and Julian Bond – to soon-to-be celebrities like Melinda Doolittle, QuinTango and Rhythmic Circus – the Professional Touring Artist Series (PTAS) brought something for everyone. The CenterStage partnered with a variety of organizations to present a benchmark PTAS season in terms of revenue and attendance. Total attendance at CenterStage for all public events (PTAS and those from local arts organizations) for FY 2016 was 18,569 patrons which was roughly equal to FY 2015.

Arts Education

Arts Education offerings supported total participation of 6,186 in the FY 2016 cycle of offerings. The three visual arts exhibit spaces include the Jo Ann Rose Gallery, the 3-D Gallery at RCC Lake Anne and the exhibit space at Hunters Woods; these provided opportunities for 1,608 visual artists which is on par with FY 2015's total.

Community Events
RCC is the primary sponsor for two signature Reston events: the Reston Multicultural Festival and the Reston Dr. Martin Luther King Jr. Birthday Celebration. RCC is a major partner for the community's Annual Thanksgiving Food Drive, Reston Holiday Parade, Lake Anne Jazz and Blues Festival, Northern Virginia Fine Arts Festival, Southgate Community Center Day, Walker Nature Center Spring Festival and Founders Day. The cost center sponsored two summer entertainment series: Take a Break Concerts at Lake Anne (12 concerts), Family Fun Series at the Reston Town Center Town Square Park (8 performances) as well as summer cookouts/pool parties at Reston Association properties (4 events). Reston Town Center Holiday Performances by local performers are also RCC presentations. Year-round, RCC Hunters Woods offers popular Saturday Community Coffees. Total participation in FY 2016 for the Community Events cost center was 78,407 reflecting an approximately five percent increase principally due to excellent weather in this cycle.

The unit also led a temporary public art activity: *We Make Reston, an INSIDE OUT Project*. This exhibit featured large-scale photographic portraits representing the diverse faces of Reston. More than 300 completed entries were received. Entries that met the criteria (nearly 200) were pictured in the commemorative booklet. Images (169) were selected to appear in large format (36" x 53") public exhibitions at outdoor locations throughout Reston. Tens of thousands of people viewed the five public art installations at the Reston sites. Hundreds of thousands of commuters on the Dulles Toll Road would have seen one of these exhibits which was installed in the Comstock project at the Reston-Wiehle Station.

The customer satisfaction surveys implemented across all program delivery categories surpassed the target goal of 90 percent with scores at, or above, the 97 percent level.

Aquatics
RCC's Terry L. Smith Aquatics Center offers year-round instructional, fitness, water safety and recreational swimming options in addition to rentals and therapeutic aquatics offerings. In the FY 2016 cycle there were 62,661 visits to RCC's swimming pool and spa.

The department saw more than a 10 percent climb in drop-in attendance for water aerobics activity, increasing from 5,056 participants in the FY 2015 cycle to 5,613 in FY 2016. Instructional programs remained strong with 3,378 enrollments and more than 1,000 on waitlists. Private swim lessons climbed to 661 reservations. The community-wide, land-based water safety program – DEAP (Drowning Education and Awareness Program) – provided employment certification training and group water safety presentations for more than 200 Reston residents.

The aging natatorium infrastructure had an unexpected emergency closure in October to repair the main pool expansion joints. Coupled with adverse weather, the downtime for the facility contributed to an 8.4 percent decrease in daily gate attendance – from 37,641 in FY 2015 visits to 34,485 in FY 2016.

Overall demand in Reston for aquatic services and programs remains very strong and continues to support the need for additional county resources. As those endeavors move forward within the Fairfax County Park Authority, RCC will begin focusing long range planning on preparing the agency aquatic programming areas as well as physical and mechanical systems to support options that will benefit likely audiences at the Hunter Woods facility and complement programming offered in other community settings.

The customer satisfaction surveys implemented across all program delivery categories surpassed the target goal of 90 percent with scores at, or above, the 95 percent level.

Leisure and Learning

In FY 2016, the department focused efforts on developing new partnerships to provide exceptional community wellness and educational programs. Total participation specific to the Leisure and Learning department was nearly 27,000 participants in registered and drop-in participation.

Reston Summer Camp Expo's second year attracted more than 600 attendees who received essential information on camp offerings, scholarships, employment opportunities and transportation options from dozens of local, government and non-profit providers. The summer season's more than 100 camp offerings provided 1,400-plus enrolled seats to hundreds of children in Reston. In addition to the summer camp schedule, RCC partnered for the third year with the Reston Kids Triathlon, providing end-of-race activities and entertainment for more than 200 participants.

RCC also developed three new initiatives to better support community members and improve their quality of life. For youth and the parents of school-age children, RCC worked closely with Fairfax County Public Schools, Cornerstones and Neighborhood and Community Services to design and implement the first annual Back to School Bash. The event, held at South Lakes High School, welcomed more than 500 attendees and provided critical resource information related to social and human services as well as leisure and recreation. The merging of teen programs and intergenerational programs to create the Teen and Family Department, resulted in improved enrollment and attendance with total participation reaching 3,432. The 55+ Department continued to flourish and total participation was 8,786 representing a 3 percent increase from the previous year. RCC Rides, a free transportation service for those ages 55 and older, was launched in August 2015. RCC Rides is serving more than 100 riders with the help of dozens of volunteer drivers.

In the coming year, RCC will focus on offering more drop-in programs, shorter-duration workshops and moving outside the walls of RCC facilities to provide programs where our patrons live or work.

The customer satisfaction surveys implemented across all program delivery categories surpassed the target goal of 90 percent with scores at, or above, the 96 percent level.

Fund 40050
Reston Community Center

FUND STATEMENT

Fund 40050, Reston Community Center

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$5,938,135	$4,685,679	$6,403,709	$5,117,147	$5,117,147
Revenue:					
Taxes	$6,907,035	$7,075,090	$7,075,090	$7,198,374	$7,198,374
Interest	23,286	8,993	8,993	10,914	10,914
Vending	2,078	1,616	1,616	1,616	1,616
Aquatics	334,778	335,992	335,992	336,388	336,388
Leisure and Learning	330,398	443,762	443,762	439,397	439,397
Rental	181,432	152,385	152,385	162,932	162,932
Arts and Events	322,812	312,402	312,402	326,698	326,698
Total Revenue	$8,101,819	$8,330,240	$8,330,240	$8,476,319	$8,476,319
Total Available	$14,039,954	$13,015,919	$14,733,949	$13,593,466	$13,593,466
Expenditures:					
Personnel Services	$5,001,603	$5,421,003	$5,421,003	$5,536,788	$5,536,788
Operating Expenses	2,436,117	2,758,036	2,778,532	2,797,570	2,797,570
Capital Projects	198,525	471,300	1,417,267	1,904,000	1,904,000
Total Expenditures	$7,636,245	$8,650,339	$9,616,802	$10,238,358	$10,238,358
Total Disbursements	$7,636,245	$8,650,339	$9,616,802	$10,238,358	$10,238,358
Ending Balance[1, 2]	$6,403,709	$4,365,580	$5,117,147	$3,355,108	$3,355,108
Maintenance Reserve	$972,218	$999,629	$999,629	$1,017,158	$1,017,158
Feasibility Study Reserve	162,036	166,605	166,605	169,526	169,526
Capital Project Reserve[3]	3,000,000	3,000,000	3,000,000	2,168,424	2,168,424
Economic and Program Reserve	2,269,455	199,346	950,913	0	0
Unreserved Balance	$0	$0	$0	$0	$0
Tax Rate per $100 of Assessed Value	$0.047	$0.047	$0.047	$0.047	$0.047

[1] The fund balance in Fund 40050, Reston Community Center, is maintained at adequate levels relative to projected personnel and operating requirements. Available fund balance is divided into four reserve accounts designated to provide funds for unforeseen catastrophic facility repairs, feasibility studies for future programming, funds for future capital projects, and funds for economic and program contingencies.

[2] The Feasibility Study Reserve is equal to 2 percent of total revenue, the Maintenance Reserve is equal to 12 percent of total revenue and the Capital Project Reserve has a limit of $3,000,000.

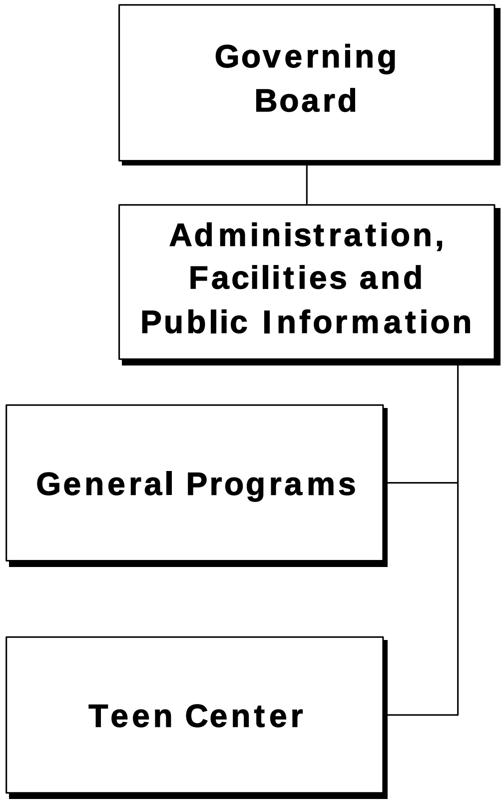
[3] Funds reserved for capital projects are not encumbered based on normal accounting practices; however, they are allocated for future capital projects.

FY 2018 Summary of Capital Projects

Fund 40050, Reston Community Center

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
RCC - CenterStage Theatre Enhancements (CC-000008)	$368,900	$65,941.61	$302,958.39	$0	$0
RCC - Facility Enhancements (CC-000002)	1,593,163	0.00	30,000.00	0	0
RCC - Hunters Woods Enhancements (CC-000003)	650,000	2,636.20	128,158.82	0	0
RCC - Improvements (CC-000001)	3,231,149	3,713.02	892,586.89	804,000	804,000
RCC - Motor Control Panel (CC-000012)	63,745	59,718.90	4,026.10	0	0
RCC - Natatorium Mechanical System Upgrade (CC-000009)	1,248,232	0.00	50,000.00	1,100,000	1,100,000
RCC - Rear Loading Dock (CC-000013)	76,052	66,514.93	9,537.07	0	0
Total	$7,231,241	$198,524.66	$1,417,267.27	$1,904,000	$1,904,000

Fund 40060
McLean Community Center



Mission

The mission of the McLean Community Center (MCC or the Center) is to provide a sense of community by undertaking programs; assisting community organizations; and furnishing facilities for civic, cultural, educational, recreational, and social activities apportioned fairly to all residents of Small District 1A, Dranesville.

Focus

Fund 40060, McLean Community Center, fulfills its mission by offering a wide variety of civic, social and cultural activities to its residents including families, local civic organizations, and businesses.

MCC offers classes and activities such as aerobics, computers, dance and tours, for all ages at nominal fees. Special events and seasonal activities such as McLean Day, Fourth of July, Summer Camp, and an outdoor Craft Show are held at MCC, local schools and parks. The Alden Theatre presents professional shows, films, entertainment for children, educational speaker sessions, and community arts theatre and symphony productions. The Old Firehouse is a popular teenage social and recreation center in downtown McLean, operated by the Center. Teens can enjoy their time at the Teen Center after school, during school breaks and at Friday Night Activities and events.

Fund 40060
McLean Community Center

Facilities and operations of the MCC are supported primarily by revenues from a special property tax collected from all residential and commercial properties within Small District 1A, Dranesville. The Small District 1A real estate tax rate for FY 2018 will remain at $0.023 per $100 of assessed property value. Other revenue sources include program fees, rentals and interest on investments.

Financial and operational oversight of the Center is provided by the MCC Governing Board, elected annually. MCC receives its expenditure authority from the Fairfax County Board of Supervisors each fiscal year.

The MCC Governing Board and staff have developed and refined an annual plan which directs the expansion of the agency's functions for the next year. MCC will train staff to provide information to enhance the Center's capability as a "one-stop shop" for printed and online information on community activities. MCC also seeks to develop programs that increase community involvement of all age groups. Residents and businesses will be included in identifying McLean's community needs and MCC staff will analyze those needs to determine potential areas of expanded programming.

The McLean Community Center supports the following County Vision Elements:

Maintaining Safe and Caring Communities

Building Livable Spaces

Creating a Culture of Engagement

Exercising Corporate Stewardship

At its meeting on February 27, 2013, the Governing Board of the McLean Community Center approved a motion to pursue the renovation and expansion of the MCC's nearly 40 year old facility. The Capital Facilities Committee of the MCC Board engaged in a feasibility study to evaluate the renovation and expansion options. The firm presented three scenarios to the public at a series of "Milestone" meetings.

The MCC Board then voted to utilize funds approximately $8 million from MCC's Capital Project Reserve for the Project; to refine and develop the parameters and scope of the project; to engage a project management team/company to advise and guide the MCC Board from the schematic design phase through the final construction, including the public hearing process and compliance with MCC's MOU (Memorandum of Understanding); and to design, permit, and finally build the project.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$3,071,878	$3,226,009	$3,226,009	$3,256,251	$3,256,251
Operating Expenses	1,890,306	2,385,888	2,412,872	2,095,628	2,095,628
Capital Equipment	0	0	0	0	0
Capital Projects	479,822	3,179,749	8,175,053	0	0
Total Expenditures	$5,442,006	$8,791,646	$13,813,934	$5,351,879	$5,351,879
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	31 / 28.18	31 / 28.18	31 / 28.38	31 / 28.38	31 / 28.38

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Employee Compensation** **$43,059**

An increase of $43,059 in Personnel Services is included for performance-based and longevity increases for non-uniformed merit employees effective July 2017.

♦ **Other Post-Employment Benefits** **$1,615**

An increase of $1,615 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

♦ **Budget Alignments Based on Actual Spending Trends** **($304,692)**

A decrease of $304,692 composed of $14,432 in Personnel Services and $290,260 in Operating Expenses. These adjustments are associated with budget alignments based on actual revenue and spending trends.

♦ **Capital Projects** **($3,179,749)**

A decrease of $3,179,749 in Capital Projects is associated with funding provided for the renovation of the McLean Community Center in FY 2017.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$5,022,288**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an increase of $5,022,288 due to encumbered carryover of $26,984 in Operating Expenses for repairs, maintenance and professional contractual services, the carryover of unexpended project balances of $1,677,542 and the appropriation of $3,317,762 from the Capital Project Reserve primarily associated with the MCC Renovation Project.

Cost Centers

The cost centers in Fund 40060, McLean Community Center, are: Administration, Facilities and Public Information; General Activities comprising of instruction and senior adult activities, special events, performing arts, and youth activities; and Teen Center. These distinct program areas work to fulfill the mission and carry out the key initiatives of the McLean Community Center.

Administration, Facilities and Public Information

The Administration, Facilities and Public Information Cost Center administers the facilities and programs of the McLean Community Center, assists residents and local groups' planning activities and provides information to residents in order to facilitate their integration into the life of the community.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$2,416,009	$5,322,445	$10,321,769	$2,295,835	$2,295,835
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	16 / 13.88	16 / 13.88	16 / 13.88	16 / 13.88	16 / 13.88

Administration		Facilities		Public Information	
1	Executive Director	1	Chief Building Maintenance Section	1	Communications Specialist II
1	Accountant II	1	Facility Attendant II	1	Communications Specialist I
2	Administrative Assistants V	5	Facility Attendants I, 5 PT		
2	Administrative Assistants IV				
1	Administrative Assistant II				

TOTAL POSITIONS
16 Positions / 13.88 FTE

PT Denotes Part-Time Positions

General Programs

The General Programs Cost Center provides programs and classes to McLean Community Center district residents of all ages in order to promote personal growth and sense of community involvement.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$2,563,697	$2,907,341	$2,909,512	$2,492,980	$2,492,980
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	14 / 13.3	14 / 13.3	13 / 12.5	13 / 12.5	13 / 12.5

Instruction & Senior Adult Activities
- 1 Park/Recreation Specialist III
- 1 Park/Recreation Specialist I
- 1 Administrative Assistant II, PT

Special Events
- 1 Park/Recreation Specialist II
- 1 Park/Recreation Specialist I

Performing Arts
- 1 Theatrical Arts Director
- 1 Theatre Technical Director
- 1 Asst. Theatre Technical Director
- 1 Park/Recreation Specialist I
- 1 Administrative Assistant IV
- 1 Facility Attendant II
- 1 Facility Attendant I, PT

Youth Activities
- 1 Park/Recreation Specialist I

TOTAL POSITIONS
13 Positions / 12.5 FTE

PT Denotes Part-Time Positions

Teen Center

The Teen Center Cost Center provides a facility for local youth in grades 7 through 12 to promote personal growth and provide a safe recreational and productive environment.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$462,300	$561,860	$582,653	$563,064	$563,064
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	1 / 1	1 / 1	2 / 2	2 / 2	2 / 2

- 1 Park/Recreation Specialist II
- 1 Park/Recreation Specialist I

TOTAL POSITIONS
2 Positions / 2.0 FTE

Key Performance Measures

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Administration, Facilities and Public Information					
Percent change in patrons using the Center	6.2%	(4.6%)	0.4%/(17.8%)	11.3%	(40.6%)
General Programs					
Percent change in participation in classes and Senior Adult activities	1.3%	(5.8%)	2.7%/0.3%	(7.0%)	(7.7%)
Percent change in participation at Special Events	7.0%	6.8%	(13.2%)/(39.6%)	32.8%	9.5%
Percent change in participation at Performing Arts activities	(10.5%)	(0.8%)	16.0%/(9.3%)	6.6%	(42.3%)
Percent change in participation at Youth Activities	(8.6%)	(10.3%)	(21.3%)/(11.1%)	10.8%	(43.9%)
Teen Center					
Percent change in weekend patrons	54.6%	(26.9%)	23.1%/33.6%	(7.9%)	0.0%
Percent change in weekday patrons	55.9%	(22.2%)	(3.7%)/(32.6%)	12.3%	0.0%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/40060.pdf

Performance Measurement Results

The McLean Community Center (MCC) facilities play an important part in the greater McLean area by providing places for MCC to hold its programs, classes, and meetings; serving as the home for the McLean Project for the Arts and community arts groups; and offering meeting and event space for residents and community organizations. MCC has started the preliminary renovation work, with the Center scheduled to close for renovation early April, 2017 through September, 2018. During this period, the offices will be using rented space.

The total number of patrons attending events at MCC declined 17.8 percent in FY 2016 relative to FY 2015, mainly due to cancellations, associated with inclement weather. FY 2016 Instructional and Senior Class Programs showed a small increase of 0.3 percent over FY 2015 and participation in special events was down 39.6 percent, primarily due to bad weather on McLean Day. Performing Arts experienced a 9.3 percent decrease and Youth Activities experienced an 11.1 percent decrease due to moving the 5th and 6th grade dances to the Teen Center.

In FY 2016, the Teen Center weekend participants increased by 33.6 percent over FY 2015. This was mainly due to McLean Youth Orchestra's rental of the space for practices and performances. Weekday patrons decreased by 32.6 percent from FY 2015, largely reflecting the discontinuation of the Lewinsville Senior Center's (LSC) regular fitness classes during FY 2016, due to a renovation at that facility.

Fund 40060
McLean Community Center

FUND STATEMENT

Fund 40060, McLean Community Center

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$10,441,982	$7,774,657	$10,611,033	$2,534,390	$2,534,390
Revenue:					
Taxes	$4,381,848	$4,393,481	$4,393,481	$4,393,481	$4,393,481
Interest	33,182	12,000	12,000	25,000	25,000
Rental Income	94,228	83,100	83,100	18,000	18,000
Instructional Fees	490,318	535,600	535,600	380,093	380,093
Performing Arts	133,887	119,060	119,060	37,750	37,750
Vending	598	0	0	0	0
Special Events	69,874	115,000	115,000	79,125	79,125
Youth Programs	109,190	113,850	113,850	128,430	128,430
Miscellaneous Income	7,151	5,200	5,200	0	0
Teen Center Income	165,867	215,000	215,000	198,000	198,000
Visual Arts	124,914	145,000	145,000	92,000	92,000
Total Revenue	$5,611,057	$5,737,291	$5,737,291	$5,351,879	$5,351,879
Total Available	$16,053,039	$13,511,948	$16,348,324	$7,886,269	$7,886,269
Expenditures:					
Personnel Services	$3,071,878	$3,226,009	$3,226,009	$3,256,251	$3,256,251
Operating Expenses	1,890,306	2,385,888	2,412,872	2,095,628	2,095,628
Capital Projects	479,822	3,179,749	8,175,053	0	0
Total Expenditures	$5,442,006	$8,791,646	$13,813,934	$5,351,879	$5,351,879
Total Disbursements	$5,442,006	$8,791,646	$13,813,934	$5,351,879	$5,351,879
Ending Balance[1]	$10,611,033	$4,720,302	$2,534,390	$2,534,390	$2,534,390
Equipment Replacement Reserve[2]	$111,422	$114,746	$114,746	$107,038	$107,038
Capital Project Reserve[3]	9,974,611	4,105,556	1,894,644	1,902,352	1,902,352
Operating Contingency Reserve[4]	525,000	500,000	525,000	525,000	525,000
Unreserved Balance	$0	$0	$0	$0	$0
Tax Rate per $100 of Assessed Value	$0.023	$0.023	$0.023	$0.023	$0.023

[1] The Ending Balance fluctuates due to adjustments in revenues and expenditures, as well as carryover of balances each fiscal year.

[2] The Equipment Replacement Reserve has been established by the McLean Community Center Governing Board to set aside funding for future equipment purchases at 2 percent of total revenue.

[3] The Capital Project Reserve is primarily for the Renovation of the McLean Community Center (MCC). The MCC Board has authorized utilizing an amount of $8.0 million over a multi-year period for the renovation. The Capital Project Reserve also funds other capital projects for MCC and the Old Fire House Teen Center.

[4] The Operating Contingency Reserve has been established by the MCC Governing Board to set aside cash reserves for operations as a contingency for unanticipated expenses and fluctuations in the center's revenue stream. The amount was increased to $525,000 as part of the *FY 2016 Carryover Review*.

FY 2018 Summary of Capital Projects

Fund 40060, McLean Community Center

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
McLean Community Center Improvements (CC-000006)	$4,724,578	($145,948.00)	$375,940.20	$0	$0
McLean Community Center Renovation (CC-000015)	8,424,882	625,769.55	7,799,112.79	0	0
Total	$13,149,460	$479,821.55	$8,175,052.99	$0	$0

Fund 40070
Burgundy Village Community Center

Mission

To provide and maintain a facility for the citizens of the Burgundy Village district so they may have an opportunity to plan, organize, and implement recreational, social and civic activities.

Focus

The Burgundy Village Community Center supports the following County Vision Elements:

Creating a Culture of Engagement

Building Livable Spaces

Fund 40070, Burgundy Village Community Center, was established in 1970, along with a special tax district, to finance the operations and maintenance of the Burgundy Village Community Center for use by residents of the Burgundy Community. Residents of this district currently pay an additional $0.02 per $100 of assessed value on their real estate taxes to fund the Center. The subdivisions of Burgundy Village, Somerville Hill and Burgundy Manor are included in the special tax district. Funding for Center operations and maintenance is derived from the tax district receipts, interest on Center funds invested by the County, and rentals.

The Center is currently governed by a five-member Operations Board elected by the Burgundy Village Community residents.

The Burgundy Village Community Center is used for meetings, public service affairs and private parties. Residents of the Burgundy Community rent the facility for $50 per event while non-residents are charged $250 per event. There is no charge for community activities or meetings such as the Burgundy Civic Association, Neighborhood Watch and community events sponsored by the Operations Board.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$14,297	$20,065	$20,065	$20,065	$20,065
Operating Expenses	60,549	25,646	210,646	25,646	25,646
Total Expenditures	$74,846	$45,711	$230,711	$45,711	$45,711
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0

Fund 40070
Burgundy Village Community Center

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ Funding for FY 2018 remains at the same level as the FY 2017 Adopted Budget Plan.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustment** **$185,000**

As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an increase of $185,000 in Operating Expenses to address maintenance and structural issues that were identified in a facility assessment.

Key Performance Measures

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Burgundy Village Community Center					
Percent change in facility use to create a community focal point	1.8%	(15.1%)	0.0%/8.5%	(20.3%)	0.0%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/40070.pdf

Performance Measurement Results

In FY 2016 the cost per rental increased from the previous year as the actual cost reflects an increase in maintenance efforts necessary for the facility to be well maintained. Maintenance costs fluctuate every year, but over the next two years, the facility will undergo significant capital improvements. To preserve operational trend data, future cost per rental will not include major one-time renovation costs, but will reflect maintenance expenditures. In FY 2016, rentals increased as the center was readily available for engagements. Due to pending capital improvements, it is expected that rental revenue will dip while expenditures stabilize, therefore increasing the cost per rental. The customer satisfaction survey shows continued strong satisfaction which is indicative of the center's governing board remaining committed to assuring that the facility remains a focal point in the community.

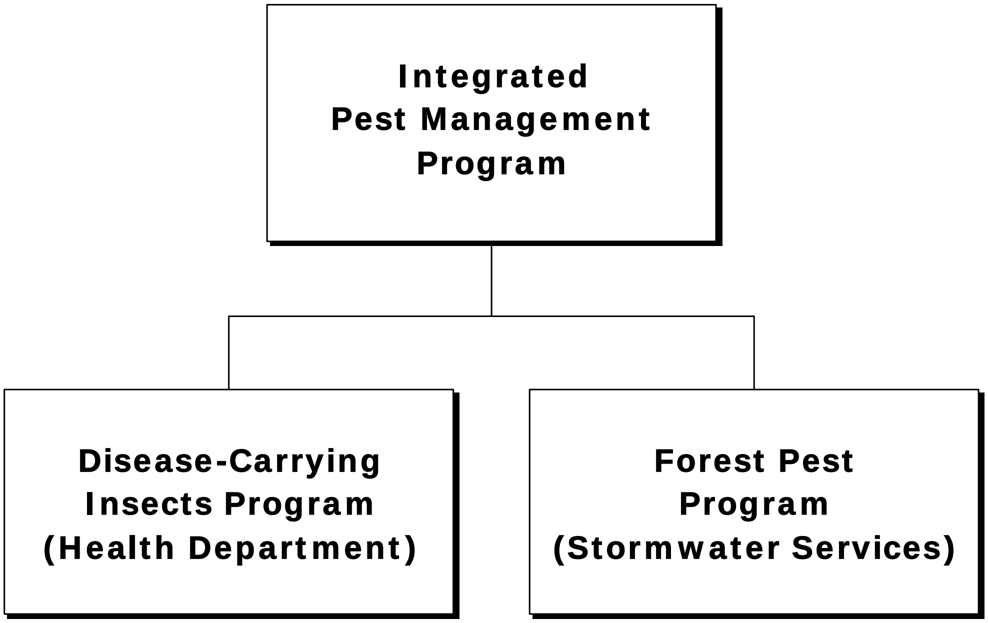
FUND STATEMENT

Fund 40070, Burgundy Village Community Center

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$314,039	$274,373	$301,044	$133,710	$133,710
Revenue:					
Taxes	$27,012	$30,352	$30,352	$30,189	$30,189
Interest	864	825	825	825	825
Rent	33,975	32,200	32,200	30,600	30,600
Total Revenue	$61,851	$63,377	$63,377	$61,614	$61,614
Total Available	$375,890	$337,750	$364,421	$195,324	$195,324
Expenditures:					
Personnel Services	$14,297	$20,065	$20,065	$20,065	$20,065
Operating Expenses	60,549	25,646	210,646	25,646	25,646
Total Expenditures	$74,846	$45,711	$230,711	$45,711	$45,711
Total Disbursements	$74,846	$45,711	$230,711	$45,711	$45,711
Ending Balance[1]	$301,044	$292,039	$133,710	$149,613	$149,613
Tax Rate per $100 of Assessed Value	$0.02	$0.02	$0.02	$0.02	$0.02

[1] The Burgundy Village Community Center maintains fund balances at adequate levels relative to projected operation and maintenance requirements. These costs change annually; therefore, funding is carried forward each fiscal year and ending balances fluctuate, reflecting the carryover of these funds.

Fund 40080
Integrated Pest Management Program



Mission

To suppress forest pest infestation and pests of public health concern throughout the County through surveillance, pest and insect control, as well as public information and education, so that none of the County tree cover is defoliated and human morbidity and mortality are minimized while protecting the environment.

Focus

Fund 40080, Integrated Pest Management Program, includes two separate programs – the Forest Pest Program managed by Stormwater Services and the Disease-Carrying Insects Program managed by the Health Department. Integrated Pest Management (IPM) is an ecological approach to pest control that combines appropriate pest control strategies into a unified, site-specific plan. The goal of an IPM program is to reduce pest numbers to acceptable levels in ways that are practical, cost-effective, and safe for people and the environment. The Forest Pest Program (FPP) focuses on preventing the spread of state approved forest insects and diseases in the County. The Disease-Carrying Insects Program focuses on protecting citizens from public health pests and maintaining a low incidence of the West Nile virus, Lyme disease, and other tick-borne diseases—as the prevention of epidemics and spread of disease is one of the core functions of the Health Department.

A countywide tax levy financially supports Fund 40080 activities and this levy is subject to change annually due to funding requirements based on the level of infestation. Since FY 2001, the Board of Supervisors approved tax rate has been $0.001 per $100 assessed value and has provided support for both the Forest Pest and the Disease-Carrying Insects Programs. In FY 2018, the same tax rate, along with the existing fund balance, will continue to support both programs.

Forest Pest Program (FPP)

The Forest Pest Program is a cooperative program with the United States Department of Agriculture (USDA) Forest Service and the Virginia Department of Agriculture and Consumer Services (VDACS). VDACS maintains a list of insects that are eligible for control by this program. Currently, five insects and two diseases are listed: the gypsy moth, cankerworm, emerald ash borer, hemlock woolly adelgid, Asian long-horned beetle, sudden oak death and thousand cankers disease of black walnut. The proposed treatment plan and resource requirements for all listed pests are submitted annually to the Board of Supervisors for approval in February. The County may also be eligible for partial reimbursement for treatment costs from the federal government (assuming funding is available). Throughout the year, staff conducts an extensive outreach program with the goal of educating Fairfax County communities about pest suppression methods and measures that they may take to alleviate potential forest pest population infestations.

Gypsy Moth

In FY 2017 gypsy moth (*Lymantria dispar*) caterpillar populations remained very low. There was no measurable defoliation reported in Fairfax County or elsewhere in the Commonwealth of Virginia. Active control programs in conjunction with the naturally occurring fungal pathogen *Entomophaga maimaiga* may explain the extremely low gypsy moth populations in Fairfax County and other areas. The FPP staff continues to monitor gypsy moth but no control treatments have been applied in recent years. Gypsy moth populations are cyclical and it is not uncommon for outbreaks to occur following dormant phases similar to current conditions in Fairfax County.

Fall Cankerworm

The fall cankerworm (*Alsophila pometaria*) is an insect native to the eastern United States that feeds on a broader variety of hardwood trees than the gypsy moth. Periodic outbreaks of this pest are common, especially in older declining forest stands. The Mount Vernon, Mason and Lee magisterial districts have, in recent years, experienced the most severe infestations and associated defoliation. Forest Pest Management staff observed population outbreak levels in the winters of 2012 and 2013 and declining populations since 2014. As a result of monitoring efforts in winter 2016, staff determined that no insect populations warranted control measures in the spring of 2017.

Since 2014 staff has received input from civic groups in regard to the strategies that are used to implement the fall cankerworm control program. Based on community concerns, the FPP staff identified several approaches to gauge community sentiment about the treatment program, and refine and improve the methods used to monitor and administer treatments. The following processes were undertaken in support of these efforts:

- **Parasite and Egg Viability Study** – Fall cankerworms have natural predators that can be influential in their population levels. One explanation for outbreak populations in these areas is a lack of predator controls like *Telenomus alsophilae*, an egg parasitoid wasp. Insect egg viability can be effected by a number of factors including parasites, predators and adult nutrition. The purpose of this survey was to determine the presence of *T. alsophilae* as well as overall fall cankerworm egg viability in Fairfax County to use as one indicator of population trends.

  Collection sites were located in cankerworm banding sites that amounted to 100 or more female moths over the course of the monitoring season. Staff collected eggs from survey bands that had eggs on them as well as from small branches of trees located near the bands. Cankerworm eggs were reared indoors and the number of viable eggs were counted to determine the level of viability. Adult *T. alsophilae* emerges from fall cankerworm eggs approximately three weeks after fall cankerworm larva hatch. Staff recorded which sample sites had eggs where *T. alsophilae* emerged. Egg viability of collected samples has dropped from 53 percent to 30 percent. The presence of T. *alsophilae* in samples that were collected has remained relatively the same (56 percent in 2015 compared to 63 percent in 2016). This data helps confirm that fall cankerworm populations are declining. The data acquired from this survey should prove useful in obtaining a better understanding of overall cankerworm population dynamics in Fairfax County as well as locating areas of concern to be targeted in the ensuing year's fall cankerworm banding survey.

- **Fall Cankerworm Community Banding Campaign** – In December 2014 the Fairfax County Urban Forest Management Division (UFMD) implemented a fall cankerworm community banding program to mobilize and engage residents that were most affected by fall cankerworm, focusing on the Mount Vernon District. The goal was to use efforts by volunteers to assist in Forest Pest Management's annual monitoring. Homeowner associations (HOA) that fell within the historical areas for high cankerworm populations were targeted for participation, and survey kits were distributed to organizations that requested to participate. Of the 100 kits that were disseminated, a total of nine completed responses were received by UFMD following the pilot program. The program was suspended and was not conducted in FY 2016 because the manufacturer of Tanglefoot® discontinued the aerosol product needed to band the trees. Staff may continue this program in the future should the product become commercially available again.

- **Defoliation Survey** – The Fairfax County Forest Pest Management Program conducted an extensive defoliation survey to measure the damage caused by fall cankerworm beginning in 2015 and again in 2016. The purpose of this survey was to determine those areas of Fairfax County where fall cankerworm larvae have impacted the County's urban forest resources through foliar feeding, and to quantify this feeding damage as a percentage of canopy defoliated. The data acquired from this survey will contribute to knowledge of overall cankerworm population dynamics in Fairfax County as well as locating areas of concern to be targeted in the ensuing year's fall cankerworm banding survey.

  The defoliation survey for fall cankerworm consisted of two phases. The first phase of the survey consisted of a system of ground-observation points. A 1,500 foot grid was established in the known area of fall cankerworm activity in the southeastern portion of the County. Defoliation was quantified using a visual survey at each grid point. Nearly 1,000 ground based surveys were conducted. The second phase of the defoliation survey was an aerial survey. An aerial survey was conducted to identify large areas of defoliation, as well as view large wooded tracts, such as Mason Neck and Huntley Meadows where a ground survey is impractical. The results of this survey indicated that there was no defoliation from fall cankerworm in 2016.

Cankerworm populations have decreased in recent years and 70 acres of treatment using hydraulic ground spraying equipment were required in calendar year (CY) 2015 and no treatment was required in CY 2016. Staff anticipates no aerial treatment program in CY 2017; however, small amounts of ground treatment may be required. The FY 2018 budget provides capacity to treat 500 acres of ground treatment and up to 5,000 acres of aerial treatment, should insect surveys conducted between August and January indicate the need.

Emerald Ash Borer

The emerald ash borer (EAB), *Agrilus planipennis*, is an exotic beetle introduced from Asia and was first discovered in the state of Michigan in the early 2000s. This beetle attacks ash trees (*Fraxinus* sp.) and can cause mortality in native ash species in as little as two years. In 2014, researchers in Ohio also observed EAB attacking white fringetree (*Chionanthus virginicus*), a close relative of ash. In July 2008, two infestations of emerald ash borer (EAB) were discovered in Fairfax County in the town of Herndon and the Newington area. The U.S. Department of Agriculture's Science Advisory Council did not recommend eradication in Fairfax County. The recommendation was based on the consistent lack of success of eradication programs in other eastern states. On July 11, 2008, the County was put under federal quarantine for emerald ash borer. This meant that all interstate movement of ash wood and ash wood products from Fairfax County was regulated, including all ash firewood, nursery stock, green lumber, waste, compost and chips. During the summer of 2012, the Virginia Department of Agriculture and Consumer Services found EAB in many other areas of the state. All of Virginia is now subject to state and federal quarantines. Movement of ash wood and products is now permitted only within the contiguous multi-state, federal quarantine area.

Trapping efforts revealed that beetle populations extend to all areas of Fairfax County. Staff is responsible for educating the public on how to manage the impending mortality and replacement of many thousands of ash trees. Education efforts emphasize hiring a private contractor to remove dead and dying trees and options for effective pesticides that may conserve ash trees in the landscape.

In March 2015, the Board of Supervisors authorized staff to begin a control program for EAB on trees on publicly owned land, including fire stations, parks, schools and libraries. Forest Pest Management staff conducted a survey to locate trees on County property for possible candidates for treatment and found 80 that qualified as candidates for control.

In 2016, surveys for treatable ash trees were extended to include Northern Virginia Regional Park Authority (NVRPA) properties. An additional 100 ash trees were identified within NVRPA parks. In mid-May 2016, forest pest staff injected 89 of those 100, the remainder of which were not healthy enough to be treated. The now-protected trees are in Meadowlark Gardens Regional Park (13 trees); Fountainhead Regional Park (10 trees); Occoquan Regional Park (19 trees); and Pohick Regional Park (47 trees). To increase public awareness of EAB and successful ash treatment methods, signs were printed and displayed near treated ash trees.

The Forest Pest Management Branch made efforts in 2016 to request and release emerald ash borer parasitoid wasps from the USDA: *Oobius agrili, Spathius agrili* and *Tetrasticus planipennisi*. As part of the release process, an inventory was conducted of ash stands within the County including a survey of regional park land by boat along the Occoquan River. Several potential sites have been identified including Cub Run Stream Valley Park, Bull Run Regional Park and Pohick Bay Regional Park. The process to request parasitoids is ongoing.

In June 2016, a graduate student from the University of Maryland reached out to UFMD for assistance in identifying EAB parasitoid release sites in Fairfax County. The student is conducting research on the effect the parasitic wasps may have on the EAB population in more urbanized areas. As part of the research, a controlled number of wasps that prey on EAB eggs were released in Reston North Park and Cub Run Stream Valley Park. In spring 2017, four trees were cut down at each site to look for evidence of the effectiveness of the wasps. Preliminary results show evidence of native parasitic wasps present at these sites.

Thousand Cankers Disease

In August 2010, a new disease was detected in black walnut trees (*Juglans nigra*) in Tennessee. During the spring of 2011, the same disease was observed near Richmond, Virginia. The disease complex called thousand cankers disease (TCD) is the result of an association of a fungus (*Geosmithia morbida*) and the walnut twig beetle (WTB), (*Pityophthorus juglandis*) native to the southwestern United States. This disease complex causes only minor damage to western walnut species. Eastern walnut trees, however are very susceptible and infested trees usually die within a few years. Urban foresters established monitoring sites for the walnut twig beetle during the summer of 2012. Walnut twig beetle and disease symptoms were found in the County and VDACS was petitioned to include TCD on the list of organisms that can be controlled by service districts in Virginia. Following disease discovery, VDACS listed Fairfax County under quarantine that prohibited the transportation of walnut wood and its products. The Forest Pest Program will continue to monitor walnut tree health and educate homeowners on this condition. In 2016 Forest Pest staff learned that statewide and regional efforts yielded no presence of walnut twig beetles in traps that were deployed in 2015. To more closely monitor the insect's presence in Fairfax County, urban foresters deployed WTB traps in confirmed locations during 2016.

The Integrated Pest Management Program supports the following County Vision Elements:

Maintaining Safe and Caring Communities

Connecting People and Places

Practicing Environmental Stewardship

Building Livable Spaces

Sudden Oak Death

Sudden oak death is caused by a fungus (*Phytophtora ramorum*) that has resulted in wide-scale tree mortality in the western United States since 1995. Fortunately, this disease has been found only in isolated locations in the eastern United States and officials feel that these infestations have been contained. Diligent monitoring is critical in slowing the spread of this disease and recent testing methods that are simple and cost-effective have been developed. Consequently, staff has implemented these monitoring methods in areas of the County where nursery stock is being sold. Staff continues to educate private and public groups on this disease and its control.

Asian Longhorned Beetle

The Asian long-horned beetle (*Anoplophora glabripennis*) is an invasive, wood-boring beetle that, like the emerald ash borer, has the potential to have drastic economic and social impacts should it be introduced in Fairfax County. The larvae will infest and kill trees by boring into the heartwood of a tree and disrupting its nutrient flow. Imported into the United States via wood packing material used in shipping, infestations of this insect in or near Chicago, New York, Boston, and Ohio have been discovered since the mid 1990's. These pests will infest many hardwood tree species but seem to prefer maple species, one of the predominant trees in Fairfax County's urban forest ecosystem. According to the United States Forest Service, most of the infestations found in the United States have been identified by tree care professionals and informed homeowners. Staff has developed a basic management plan to address such monitoring and outreach for this invasive species.

Hemlock Woolly Adelgid

Hemlock woolly adelgid (HWA) (*Adelges tsugae*) is a sap-feeding insect that infests and eventually kills hemlock trees. Forest Pest Management staff employ various control options for this pest including injected pesticide treatments and releasing predatory insects that feed on HWA. In 2014, staff recommended that the Board of Supervisors approve a limited pilot treatment program for HWA. Plans to conduct small scale treatment efforts on naturally occurring hemlock stands found on public property are under way.

Native eastern hemlock is relatively rare in Fairfax County. The rarity of this species and the natural beauty that it imparts make it worthy of protection. Staff will continue to inventory the County in order to identify the natural stands of eastern hemlock. For this year's program, staff continued to treat trees in two native stands, Dranesville and Springfield magisterial districts. Trunk injection of the insect growth regulating pesticide, azadirachtin or TreeAzin® is an effective method providing control to the target trees. Once injected, the insecticide is transported throughout the tree and provides control for up to two years.

Quarantine Status

Agricultural quarantines are implemented for invasive pests in order to eradicate or slow their spread. The quarantines currently in effect in Fairfax County are intended to slow the spread of the target insects and not intended to eradicate them. In the United States, eradication is only attempted when an invasive species is discovered early and its populations are small enough to be contained. There are no set end dates to the quarantines in Fairfax County.

Typically, a quarantine is established by a state and by the United States Department of Agriculture on a county by county basis. Once a sufficiently large enough area is infested, the state will determine that all of the state is generally infested and the issue is taken over by USDA. Forest pest quarantines are not an unusual or a historically recent method of controlling the spread of pests. The gypsy moth was first quarantined by state and federal governments in 1912 and continues to be quarantined today. Research has proven that by slowing the spread of an invasive insect, uninfested localities can avoid the extraordinary costs of attempting to control it.

Emerald ash borer (EAB) was first quarantined in northern Virginia in 2008. Since that time numerous sites around the state have been confirmed as infested with EAB. In the summer of 2012, the Virginia Department of Agriculture and Consumer Services determined that the entire state is generally infested and is now part of the USDA quarantine. It is anticipated that this quarantine will stay in effect indefinitely.

Thousand cankers disease (TCD) is relatively new in regard to forest health issues. This disease is spread by a tiny bark beetle and is very difficult to detect. Staff found the bark beetle in Fairfax County in the summer of 2012, and VDACS implemented a statewide quarantine of all walnut products. There is no existing federal regulation in regard to TCD.

Outreach

The FPP conducts and participates in multiple outreach and education efforts in support of Core Recommendation Number 1 of the Tree Action Plan, to Engage and Educate. FPP staff fosters an appreciation for trees and the urban forest to inspire citizens, County agencies and the development industry to protect, plant and manage greenscape resources. Targeted audiences for education and training include Fairfax County Public Schools, Department of Public Works and Environmental Services staff, the Engineers and Surveyors Institute, volunteer groups, homeowner's associations and scouting groups. Through Fairfax ReLeaf and public events such as Fairfax Springfest, Fall for Fairfax, Fairfax 4-H Fair and town hall meetings, staff educate the public about the County's urban forest resources and programs. Urban foresters develop hands-on activities and displays that help convey the importance of the stewardship of the County's natural resources.

The FPP staff reaches out to students in the County through various school programs which encourage students to advocate for protection and support of the County's urban forest. The number of students reached through Forest Pest programs in school years 2014/2015 and 2015/2016 was 2,000 and 1,215, respectively. FPP education participation programs include:

- **Alien Invaders** - Staff introduces native and invasive species. Students learn what qualities make invasive species destructive and how to reduce their impacts on the landscape.
- **Career Day** - Students learn what an urban forester is and the importance of protecting the County's urban forest.
- **Forestry Badge** - Boy Scouts learn about what it is to be an urban forester from UFMD staff and the importance of protecting the County's urban forest.
- **Meaningful Watershed Experience** - Staff explain the importance of an urban forest and how it impacts storm water runoff at Hidden Oaks Nature Center.
- **Science Fair** - Urban foresters judge high school science fairs and discuss students' projects.
- **Tree Planting** - Students learn about the value of trees and how to properly plant them.
- **Trees Please** - Students learn about the value of trees and simple measures they can take to protect them.

Management Plans

The nature of invasive insects and diseases is such that it is difficult to make long-term predictions on monitoring techniques and response plans. USDA has drafted a management plan for ALB; it outlines a role for localities consistent with what staff had envisioned. For example, County staff can play a critical role in public meetings, notification and mapping. VDACS and the FPP have drafted basic management plans for ALB and EAB. The management plans will act in concert with plans in place by USDA and VDACS.

<u>**Disease-Carrying Insects Program (DCIP)**</u>

West Nile virus

West Nile virus (WNV) is transmitted from birds to humans through the bite of infected mosquitoes and has continued to be a public health concern in the U.S. since it was first detected in humans in New York City in 1999. Nationwide through calendar year (CY) 2016, there have been 45,875 human WNV cases and 2,003 deaths. The first sign of WNV in Fairfax County was in CY 2000 when a dead bird was found infected. The first human cases were identified in CY 2002 and through CY 2016, 45 human cases have been reported in the County. More recently no cases were detected in CY 2014, eight cases in CY 2015 and no cases in CY 2016. In total, four WNV-associated deaths have occurred—one each in CY 2002, CY 2004, CY 2012, and CY 2015. Preparation and planning to address increasing WNV risk is essential to effective integrated mosquito management, which combines a variety of tools that reduce the abundance of mosquitoes to levels that minimize the risk of WNV infection to the public.

Zika virus

Zika virus (ZIKV) was detected for the first time in the Americas during early CY 2015 and during CY 2016 it expanded to many countries in South America, Central America, the Caribbean, and parts of North America, such as Mexico and South Florida. The virus is primarily transmitted between humans through the bite of an infected yellow fever mosquito (*Aedes aegypti*) or Asian tiger mosquito (*Aedes albopictus*). Women infected during pregnancy can also pass the infection to the fetus, which may cause certain birth defects such as microcephaly, where babies are born with a smaller-than-average head. It can also be transmitted between sexual partners. Through CY 2016, there was no local transmission of the virus by mosquitoes in Fairfax County or Virginia, and all reported cases were travel-related. In order to limit the potential for local transmission of ZIKV in Fairfax County, the Health Department has developed a comprehensive Zika Action Plan that includes conducting outreach activities, case investigations, facilitating testing for humans, collecting and testing mosquitoes, and initiating targeted mosquito control activities as necessary to protect public health. This plan utilizes guidance from the interim Centers for Disease Control and Prevention (CDC) and Virginia Department of Health (VDH) Zika response plans.

Other mosquito-transmitted pathogens of public health concern

In addition to WNV and ZIKV, VDH's reportable disease list includes several other mosquito-borne illnesses. These "notifiable diseases" include dengue, chikungunya, yellow fever, eastern equine encephalitis, LaCrosse encephalitis, St. Louis encephalitis and malaria. The Health Department's Communicable Disease and Epidemiology Unit investigates reported cases of these illnesses and collaborates with DCIP as necessary.

A female Asian tiger mosquito (*Aedes albopictus*), the main nuisance mosquito found in Fairfax County.

Adult Mosquito Surveillance and Control Activities

Adult mosquito surveillance is a vital component of integrated pest management that aids the Health Department in determining the infection rate of mosquitoes that act as vectors of WNV. When combined with Health Department investigations of human WNV cases, this surveillance provides a consistent index of risk that can trigger control efforts of larval or adult mosquitoes to prevent outbreaks of WNV disease to Fairfax County residents. To increase in-house response capacity, vector control equipment and supplies were purchased in FY 2016 and FY 2017.

Adult mosquito and WNV surveillance activities are performed weekly at 71 sites from May through October. Inter-jurisdictional cooperation is a key component of the program, allowing for coordination of surveillance and management activities on public lands and with surrounding jurisdictions. The Health Department lab tests mosquitoes for WNV using molecular diagnostics (reverse-transcriptase polymerase chain reaction or RT-PCR). By establishing action thresholds based on the abundance of WNV-infected mosquitoes and WNV disease, the Health Department can monitor the risk of WNV transmission to humans and may recommend targeted vector control efforts. Larval control efforts such as source reduction (elimination of larval mosquito habitats) and larviciding (applying pesticides to control mosquito larvae in water) can reduce vector abundance, but adult mosquito control treatments may still be necessary if action thresholds are reached. When environmental surveillance indicates substantial WNV infection rates in local mosquitoes or when many human cases occur early in the season, timely treatments to reduce the number of WNV-infected adult mosquitoes can help minimize human WNV case incidence. A limitation of human WNV case reporting is the amount of time from the onset of illness to the investigation and confirmation of a suspected case. This may delay intervention strategies that could reduce WNV transmission. It may become necessary to utilize adult control methods even with no or a few human cases if environmental surveillance thresholds are met.

In response to the threat of ZIKV in the Americas, during FY 2016 and FY 2017 the Health Department expanded its network of BG-sentinel traps, which target the types of mosquitoes that can spread ZIKV. The yellow fever mosquito, a tropical species that is driving the majority of transmission of ZIKV in the Americas, is rare in Virginia. However, the Asian tiger mosquito has the potential to play a role in the local transmission of ZIKV if the mosquito were to pick up the virus from an infected traveler and then pass it to another human. Suspected and confirmed cases of Zika (all travel-related to date) are being investigated by the Health Department, and mosquito surveillance and control activities are being conducted as necessary to protect public health. Control activities may include elimination of larval habitats, larvicide applications, or adult mosquito treatments. The Health Department lab tests mosquitoes for ZIKV. When adult mosquito surveillance indicates a need, targeted "barrier" treatments to control mosquitoes are conducted on case properties and/or nearby properties. These barrier treatments apply pesticide to areas where Asian tiger mosquitoes rest, providing control for up to three weeks after the treatment. Area-wide adult mosquito control, such as ultra-low volume (ULV) treatments by truck or aircraft are not being conducted at this time, but would be considered as one part of the County's response if local transmission of ZIKV by mosquitoes is detected in Fairfax County.

Larval Surveillance and Control Activities

Larval mosquito surveillance and control efforts help protect public health by identifying aquatic habitats that support the development of mosquitoes and, when indicated, treating those habitats with a larvicide that kills mosquito larvae. A contractor working for the County proactively treats storm drains in an effort to reduce the population of *Culex* mosquitoes that transmit WNV. An average of 35,000 storm drains are treated with a larvicide during three separate six-week cycles from May through October.

During FY 2016 and 2017, the DCIP built capacity to conduct its own larval monitoring and control activities in some of its County owned and/or maintained stormwater structures such as retention and detention ponds. The VDACS-licensed Health Department staff are equipped to respond more readily to citizen concerns about standing water and further target control efforts. Over time, these improvements will help integrate adult and larval surveillance data and lead to more effective mosquito control.

Lyme disease and other tick-borne diseases
Lyme disease is the most commonly reported vector-borne illness in the United States. The bacterium that causes Lyme disease is transmitted from small mammals to humans through the bite of an infected deer tick, also known as the black legged tick (*Ixodes scapularis*), and continues to be a public health concern. In Fairfax County, 284 human cases of Lyme disease were reported in CY 2014, 202 cases in CY 2015 and 189 cases in CY 2016. Other tick-borne diseases reported in Fairfax County include: Spotted Fever Group Rickettsias (20 cases in CY 2014, 14 cases in CY 2015, and 10 cases in CY 2016) and Ehrlichiosis/Anaplasmosis (five cases in CY 2014, eight cases in CY 2015 and six cases in CY 2016).

Tick Surveillance Activities
The County tick surveillance program was initiated to determine the distribution and infection rate of deer ticks (*Ixodes scapularis*) carrying the bacterium (*Borrelia burgdorferi*) that causes Lyme disease. It provides information about the presence of pathogens in local ticks that are capable of causing disease. Tick surveillance is performed using carbon dioxide-baited traps at four sites in the County each week from March through November.

Ticks collected in weekly surveillance activities are identified to species, counted and tested. With the establishment of a molecular diagnostic laboratory in the Health Department, tick pathogen testing for *Borrelia burgdorferi* is performed in-house. The data generated by tick surveillance and testing are used to inform the public about the pathogens present in local ticks, and reinforce messaging about the importance of preventing tick bites.

A collaborative tick control pilot project between the Police Department and the Health Department began in FY 2010. The project ended in late FY 2015 and the final report and executive summary were completed during FY 2016.

Additional Services
The DCIP offers a free tick identification service for County residents. Residents learn what type of tick they found, its basic biology, the pathogens it is capable of transmitting, symptoms of tick-borne illnesses, and ways to reduce exposure to ticks when outdoors. The tick identification service allows DCIP staff to track which ticks are actually being found on humans within the County. During the previous three years, the following numbers of tick identifications were performed: 394 in CY 2014, 317 in CY 2015 and 180 in CY 2016.

The Health Department may collaborate with the Department of Code Compliance to address service requests from County residents about standing water concerns. If standing water is found, the preferred way to resolve the issue is source reduction—the elimination of aquatic habitats that have potential to support larval mosquito development. Emphasis is also placed on mosquito bite prevention through the use of proper clothing and repellents. Information is provided about mosquito control options that can be performed by homeowners or tenants. The following numbers of service requests were performed by the DCIP staff during the past three years: 107 in CY 2014, 30 in CY 2015, and 57 in CY 2016.

Outreach and Education
The outreach and education component of the DCIP is aimed at increasing community awareness of personal protection actions that can be taken to prevent mosquito and tick bites, prevent vector-borne diseases, and steps that can be taken to reduce mosquitoes and ticks.

The program provides outreach materials in multiple languages. In FY 2016, the DCIP staff produced and printed the 12th edition "Fight the Bite" calendar. The calendar provides helpful hints on preventing mosquito- and tick-borne diseases. General facts and brief descriptions of the County's efforts are included to educate the public about basic mosquito and tick biology and inform them specifically about WNV and Lyme disease in Fairfax County. Calendars are distributed annually to every fourth grade student in Fairfax County Public Schools. An eighth children's book about mosquitoes entitled, *Bite Buster's Bug Time Stories* was printed in FY 2016 and is currently being distributed.

During FY 2016, DCIP staff participated in outreach events, distributing educational materials and advising citizens about how to reduce their exposure to mosquitoes and ticks. The DCIP staff provide educational presentations for County workers, neighborhood and homeowners associations, and other interested groups. Educational material is available on the County's website and at many County facilities.

Pests of Public Health Importance

A wide range of pests threaten public health in Fairfax County because they can transmit pathogens, or their stings or bites can cause reactions. Some of the most common public health pests in Fairfax County include: mosquitoes, house-frequenting insects (e.g. lice, fleas, bed bugs, cockroaches), ticks, mites, flies, and venomous arthropods (e.g. yellow jackets, hornets, wasps, bees, ants, spiders, centipedes). The manner in which public health pests are managed depends on the pests that are causing the problems, so proper identification is essential. Effective pest management also depends on knowledge of the pest's ecology, biology, and life history. It is critical that pest populations are monitored routinely so that infestations can be detected as early as possible when they are smaller and easier to control.

Management Plans

The DCIP Annual Report and Plan of Action provides a summary of program activities for each year and a framework for the upcoming year. The report highlights the program's integrated mosquito management plan, including mosquito and West Nile virus surveillance and control activities, tick and tick-borne disease surveillance, and a review of outreach and education activities. The DCIP also maintains relationships with professional organizations such as the Virginia Mosquito Control Association, the Mid-Atlantic Mosquito Control Association, and the American Mosquito Control Association. Publications from CDC, such as "West Nile Virus in the United States: Guidelines for Surveillance, Prevention, and Control," and "Zika Interim Response Plan (CONUS and Hawaii)," provide guidance on these important mosquito-borne diseases.

Fund 40080
Integrated Pest Management Program

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$1,390,673	$1,357,865	$1,357,865	$1,377,497	$1,377,497
Operating Expenses	946,098	1,827,847	1,811,073	1,827,847	1,827,847
Capital Equipment	61,470	0	43,079	0	0
Total Expenditures	$2,398,241	$3,185,712	$3,212,017	$3,205,344	$3,205,344
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	11 / 11	11 / 11	11 / 11	11 / 11	11 / 11

Summary by Program

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
Forest Pest Program					
EXPENDITURES					
Total Expenditures	$800,727	$1,133,558	$1,133,593	$1,142,766	$1,142,766
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	6 / 6	6 / 6	6 / 6	6 / 6	6 / 6
Disease-Carrying Insects Program					
EXPENDITURES					
Total Expenditures	$1,597,514	$2,052,154	$2,078,424	$2,062,578	$2,062,578
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5

FOREST PEST PROGRAM
1 Urban Forester IV
4 Urban Foresters II
1 Administrative Assistant III

DISEASE-CARRYING INSECTS PROGRAM
1 Environmental Health Supervisor
1 Environmental Health Specialist III
2 Environmental Health Specialists II
1 Administrative Assistant III

TOTAL POSITIONS
11 Positions / 11.0 FTE

Fund 40080
Integrated Pest Management Program

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan *are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.*

- **Employee Compensation** **$19,058**
  An increase of $19,058 in Personnel Services is for performance-based and longevity increases for non-uniformed merit employees effective July 2017.

- **Other Post-Employment Benefits** **$574**
  An increase of $574 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 70030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan*. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.*

- **Carryover Adjustments** **$26,305**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $26,305 in encumbered funding for Operating Expenses for contractual obligations for the treatment of storm drains and the tick testing program within the Disease Carrying Insect Program, and Capital Equipment.

Key Performance Measures

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Integrated Pest Management Program					
Percent of County tree defoliation resulting from gypsy moth and cankerworm infestation	1%	0%	1%/0%	1%	1%
Confirmed human cases of West Nile virus in Fairfax County, Fairfax City and Falls Church City as reported by the Virginia Department of Health	3	1	1/8	1	1

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/40080.pdf

Performance Measurement Results

Forest Pest Program

There was no aerial treatment for the gypsy moth in the spring of 2016. Based on field surveys of the gypsy moth population in the fall of 2016, no acres required treatment in the spring of 2017. Based on surveys for the cankerworm, no treatment was necessary in the spring of 2016. Defoliation surveys for both insects conducted in the summer of 2016 indicated that there was no defoliation in Fairfax County during FY 2016.

Disease-Carrying Insects Program (DCIP)

The goal of DCIP in FY 2016 was to hold the number of human cases of West Nile virus as reported by the Virginia Department of Health to one case. In FY 2016, there were eight human cases of WNV. Infection rates in mosquitoes were also higher than average during FY 2016, both in Fairfax County and the northern Virginia region.

DCIP operational costs are based on the number of storm drain treatments and other mosquito control measures completed in a given year, as well as education, outreach and surveillance activities. Pesticide applications, although dependent on weather conditions, remain relatively constant throughout the years, maintaining a relatively stable program cost. The total DCIP cost per capita was $1.43 in FY 2016, $0.36 higher than in FY 2015. During FY 2016, DCIP filled a vacant position, replaced three vehicles, and incurred increased costs to test mosquitoes for West Nile virus. As part of the Health Department's response to the threat of Zika virus, there was an increase in the number of seasonal staff, number of outreach materials printed, and outreach activities conducted by DCIP staff. Despite these additional costs, this is still lower than the budgeted estimate of $1.79 per capita for FY 2016.

Fund 40080
Integrated Pest Management Program

FUND STATEMENT

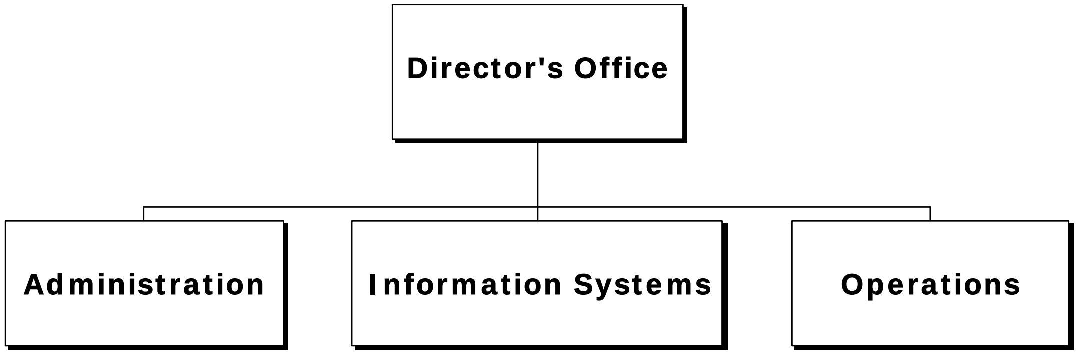
Fund 40080, Integrated Pest Management Program

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$2,769,053	$1,488,819	$2,481,302	$1,462,706	$1,462,706
Revenue:					
General Property Taxes	$2,242,360	$2,326,730	$2,326,730	$2,370,555	$2,370,555
Interest on Investments	9,130	7,691	7,691	7,691	7,691
Total Revenue	$2,251,490	$2,334,421	$2,334,421	$2,378,246	$2,378,246
Total Available	$5,020,543	$3,823,240	$4,815,723	$3,840,952	$3,840,952
Expenditures:					
Forest Pest Program	$800,727	$1,133,558	$1,133,593	$1,142,766	$1,142,766
Disease-Carrying Insects Program	1,597,514	2,052,154	2,078,424	2,062,578	2,062,578
Total Expenditures	$2,398,241	$3,185,712	$3,212,017	$3,205,344	$3,205,344
Transfers Out:[1]					
General Fund (10001) - Forest Pest Program	$66,453	$66,453	$66,453	$66,453	$66,453
General Fund (10001) - Disease-Carrying Insects Program	74,547	74,547	74,547	74,547	74,547
Total Transfers Out	$141,000	$141,000	$141,000	$141,000	$141,000
Total Disbursements	$2,539,241	$3,326,712	$3,353,017	$3,346,344	$3,346,344
Ending Balance[2]	$2,481,302	$496,528	$1,462,706	$494,608	$494,608
Tax Rate Per $100 of Assessed Value	$0.001	$0.001	$0.001	$0.001	$0.001

[1] Funding in the amount of $141,000 is transferred to the General Fund to partially offset central support services supported by the General Fund which benefit Fund 40080, Integrated Pest Management. These indirect costs include support services such as Human Resources, Purchasing, Budget and other administrative services.

[2] Due to the cyclical nature of pest populations, the treatment requirements supported by this fund may fluctuate from year to year. Therefore, Ending Balances may also fluctuate depending on the level of treatment necessary to suppress gypsy moth, cankerworm, emerald ash borer or West Nile Virus - carrying mosquito populations in a given year.

Fund 40090
E-911



Mission

To provide and maintain highly professional and responsive 9-1-1 emergency and non-emergency communication services to the citizens of Fairfax County, City of Fairfax, Town of Herndon, Town of Vienna, Fort Belvoir, citizens that work in and visit Fairfax County on a daily basis and to the Fairfax County Police, Fire & Rescue and Sheriff departments in a collaborative and supportive work environment that utilizes highly trained and qualified staff. To deliver emergency and non-emergency communications utilizing state-of-the-art technology through a variety of systems integrated to provide 9-1-1 telephone, computer aided dispatch, multi-channel trunked radio and wireless data networks in a cost effective, sustainable, reliable and technologically innovative manner; and to utilize industry accepted best policies, practices and standards in an efficient and cost effective manner.

AGENCY DASHBOARD

Key Data	FY 2014	FY 2015	FY 2016
1. Emergency 9-1-1 Calls	500,871	538,783	516,928
2. Total Calls (combined 9-1-1, non-emergency and administrative)	937,369	984,518	961,005
3. Calls Requiring Language Line Interpretation	11,801	12,016	13,883
4. Police and Fire-Rescue Events Entered by DPSC Call takers/Dispatchers into CAD	467,475	490,247	489,939
5. Total Radio Transmissions Made to Police and Fire-Rescue Units	1,435,865	1,367,774	1,533,779
6. Number of CPR Calls That Required Lifesaving Instructions by Call Takers	1,549	1,616	1,727

Fund 40090
E-911

Focus

The activities and programs in Fund 40090, E-911, provide support to the operations of the Department of Public Safety Communications (DPSC) and various other public safety information technology projects. DPSC is designated as the primary 9-1-1 Public Safety Answering Point (PSAP) for all 9-1-1 calls originating within Fairfax County as well as the city and towns therein. The agency also provides Emergency Medical Dispatch (EMD)/Pre-Arrival Instruction (PAI), which is an emergency medical service (EMS) intervention program where DPSC call takers provide emergency medical instructions over the telephone until fire-rescue-EMS units arrive on the scene of an emergency incident. Due to the vital, mission-critical, and time sensitive service provided by DPSC personnel, they are, for many reasons, recognized as the *"First of the First Responders."* Additionally, DPSC receives all commercial and residential security, fire and medical alarm requests for service calls from private alarm service providers. Non-emergency services provided include responding to police non-emergency calls received; reporting of towed vehicles and private vehicle impounds; calls for Animal Control Unit services, a subsidiary of the Fairfax County Police Department (FCPD) resolution and non-emergency calls for service for fire and rescue assistance and information. DPSC also provides National Crime Information Center (NCIC) and Virginia Criminal Information Network (VCIN) teletype operations related to property (e.g., stolen guns and vehicles), people (e.g., protective orders and missing persons), events (e.g., fatal accidents and security matters), and queries (e.g., wanted persons/warrant confirmation). These operations ensure that criminal and investigative information is shared with the appropriate authorities within the County and on a regional, state and federal level. Additionally, DPSC serves as the official custodian of approximately 8,700 hours of audio recordings of all telephone calls and radio traffic pertaining to public safety as required by law and approximately 88,000 hours of Computer Aided Dispatch (CAD) records. DPSC receives and responds to court subpoenas and Freedom of Information Act (FOIA) requests for audio transmissions and data records. Audio and data recordings are also maintained per national standards for investigative, quality assurance and training purposes. The Department of Information Technology (DIT) supports the telephony, radio, CAD, and audio visual infrastructure and maintenance within Fund 40090.

The E-911 agency supports the following County Vision Element:

Maintaining Safe and Caring Communities

Information Technology (IT) Projects
In FY 2018, IT Projects funding totals $8.51 million, no change from FY 2017 Adopted Budget Plan level. Funding is provided for four specific projects in FY 2018, as noted below. For detailed descriptions of each project, please see the project detail sheets which follow after the Fund 40090 Fund Statement:

- $3,531,352 supports the fifth of eight payments on a lease purchase to replace the existing fleet of mobile and portable subscriber radios in public safety agencies to meet Federal Communications Commission (FCC) requirements. Replacement radios were purchased in mid FY 2014 and a funding schedule was developed using existing project balance in FY 2014 as the initial payment, and then splitting the remaining cost of $24.7 million over seven years, starting in FY 2015;

- $1,616,200 is included to support Mobile Computer Terminal (MCT) replacement, a program that has been in effect for over 14 years and is designed to replace one-fifth of the public safety fleet each year;

- $2,180,000 is included to continue a multi-phase effort to transition core 9-1-1 services into a more robust and technologically up-to-date operating environment based on the pending expiration of the current Verizon contracts and limits of tehnology; and

- $1,180,000 supports the fourth year of a planned five year cycle to refresh and update the hardware/software environment that supports the CAD system which is the primary dispatch records system that is used 24/7/365 by DPSC call-takers to process all calls for service received on 9-1-1 and other emergency and non-emergency lines.

Revenues
There are four main revenue categories in the E-911 Fund: Communications Sales and Use Tax (CSUT), State Wireless E-911 Reimbursement, Interest Income and Other Revenue (which reflects annual revenue from the City of Fairfax for dispatch services, FOIA fees, and reimbursement from Nextel to cover County expenses related to the Nextel 800 MHz re-banding initiative).

The CSUT is a statewide tax first implemented in January 2007, after the 2006 Virginia General Assembly session approved legislation that changed the way in which taxes are levied on communications services. Based on this legislation, local taxes on land line and wireless telephone services were replaced with a 5 percent statewide CSUT. In addition to the communications services previously taxed, the 5 percent CSUT applies to satellite television and radio services, internet calling and long-distance telephone charges. As part of this legislation, local E-911 fees were repealed and replaced with a statewide $0.75 per line fee. These rates were meant to provide revenue neutrality with FY 2006 receipts. All communications taxes are remitted to the state for distribution to localities based on the locality's share of total statewide FY 2006 collections of these taxes. Based on analysis by the Virginia Auditor of Public Accounts, Fairfax County's share was originally set at 18.93 percent. Based on various adjustments, Fairfax County's share is currently 18.89 percent.

Of the total amount of the CSUT, the Cable Franchise Fees are directed to Fund 40030, Cable Communications. As a result of increasing requirements in Fund 40090, E-911, starting in FY 2015 Fairfax County revised the methodology by which it applies the remaining revenues received through the CSUT. As a result, a larger proportion of these revenues are now applied to Fund 40090, with a commensurate decrease reflected in the proportion of CSUT revenues applied directly to the General Fund. This eliminates the need for a General Fund Transfer to Fund 40090 and results in a projected FY 2018 CSUT revenue total for Fund 40090 of $42.0 million. The prioritization of CSUT fees towards the E-911 fund reflects the increasing costs of this system based on staffing and technology requirements.

The Wireless E-911 Revenue category is derived from a monthly $0.75 surcharge on all wireless/cellular telephones and is distributed to localities as part of the Wireless E-911 State Reimbursement. It should be noted that the Commonwealth has transferred approximately $8 million from the Wireless E-911 fund to support non 9-1-1 matters in other state agencies.

Overall, the FY 2018 revenue estimate for Fund 40090, E-911 is $46.8 million, which is consistent with the FY 2017 Adopted Budget Plan total.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$24,005,175	$24,871,929	$24,871,929	$25,658,901	$25,658,901
Operating Expenses	14,166,737	13,445,440	14,262,602	13,445,440	13,445,440
Capital Equipment	7,801	0	0	0	0
IT Projects	7,308,591	8,507,552	14,412,138	8,507,552	8,507,552
Total Expenditures	$45,488,304	$46,824,921	$53,546,669	$47,611,893	$47,611,893
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	205 / 205	205 / 205	205 / 205	205 / 205	205 / 205

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Employee Compensation** **$786,972**

An increase of $786,972 in Personnel Services includes $39,098 for performance-based and longevity increases for non-uniformed merit employees effective July 2017, as well as $744,658 for FY 2018 merit and longevity increases (including the full-year impact for FY 2017 increases) for uniformed employees awarded on the employees' anniversary dates, and $3,216 for employee pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions.

♦ **IT Projects** **$8,507,552**

Funding of $8,507,552 has been included for IT Projects. Of this total, $3,531,352 supports the replacement of the existing fleet of mobile and portable subscriber radios in public safety agencies, $1,616,200 is included to support mobile computer terminal (MCT) replacement, a program designed to replace one-fifth of the public safety fleet each year, $2,180,000 is included to continue a multi-phase effort to transition core 9-1-1 services into a more robust and technologically up-to-date operating environment, and $1,180,000 is included to continue an ongoing replacement cycle for all the equipment that supports the computer aided dispatch (CAD) system.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$6,721,748**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an increase of $6,721,748, including carryover of Information Technology (IT) projects and IT project encumbrances of $6,201,897 and $519,851 in encumbered carryover.

Cost Centers

Department of Public Safety Communications[1]

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$38,179,713	$38,317,369	$39,134,531	$39,104,341	$39,104,341
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	205 / 205	205 / 205	205 / 205	205 / 205	205 / 205

[1] It should be noted that the Cost Center table does not include IT Projects-related funding. In FY 2018, this totals an amount of $8,507,552.

1	Director	1	Programmer Analyst III	1	Info. Tech. Program Manager I
1	PSTOC General Manager	2	Business Analysts IV	1	Human Resources Generalist III
2	Assistant Directors	1	Management Analyst III	1	Human Resources Generalist I
5	PSC Squad Supervisors	2	Management Analysts II	1	Geog. Info. Spatial Analyst III
20	PSC Asst. Squad Supervisors	1	Financial Specialist III	1	Geog. Info. Spatial Analyst II
157	PSCs III	1	Financial Specialist II	1	Network/Telecomm Analyst II
1	PSC Records Analyst	1	Financial Specialist I	3	Administrative Assistants IV

TOTAL POSITIONS
205 Positions / 205.0 FTE
182 Uniformed / 23 Civilian

Key Performance Measures

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
E-911					
Percent 9-1-1 calls arriving at DPSC answered within 20 seconds	95%	94%	95%/93%	95%	95%
Percent 9-1-1 calls arriving at DPSC answered within 10 seconds	93%	91%	90%/90%	90%	90%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/40090.pdf

Performance Measurement Results

In FY 2016, with a 90 percent rate DPSC met the National Emergency Number Association (NENA) standard of 90 percent of 9-1-1 calls answered within 10 seconds. With a 93 percent rate, DPSC did not meet the NENA standard of 95 percent of 9-1-1 calls answered within 20 seconds. While staff vacancies became less of a challenge in FY 2016, the agency was still required to meet minimum operational staffing through the use of overtime expenditures. This was primarily due to the long lead time of training newly hired public safety communicators. DPSC anticipates making additional progress in FY 2018 with retaining staff and training new public safety communicators in order to reduce its dependence on overtime and improve the cost efficiency of its operations.

Fund 40090
E-911

FUND STATEMENT

Fund 40090, E-911

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$7,752,941	$1,064,785	$8,585,630	$1,811,315	$1,811,315
Revenue:					
Communications Sales and Use Tax	$41,320,122	$42,012,354	$42,012,354	$42,012,354	$42,012,354
State Reimbursement (Wireless E-911)	4,629,914	4,600,000	4,600,000	4,600,000	4,600,000
Other Revenue[1]	360,966	150,000	150,000	150,000	150,000
Interest Income	9,991	10,000	10,000	10,000	10,000
Total Revenue	$46,320,993	$46,772,354	$46,772,354	$46,772,354	$46,772,354
Total Available	$54,073,934	$47,837,139	$55,357,984	$48,583,669	$48,583,669
Expenditures:					
Personnel Services	$24,005,175	$24,871,929	$24,871,929	$25,658,901	$25,658,901
Operating Expenses	14,166,737	13,445,440	14,262,602	13,445,440	13,445,440
Capital Equipment	7,801	0	0	0	0
IT Projects	7,308,591	8,507,552	14,412,138	8,507,552	8,507,552
Total Expenditures	$45,488,304	$46,824,921	$53,546,669	$47,611,893	$47,611,893
Total Disbursements	$45,488,304	$46,824,921	$53,546,669	$47,611,893	$47,611,893
Ending Balance[2]	$8,585,630	$1,012,218	$1,811,315	$971,776	$971,776

[1] This revenue category includes annual revenue from the City of Fairfax for dispatch services, FOIA fees, and reimbursement from Nextel to cover County expenses related to the Nextel 800 MHz rebanding initiative. In FY 2016, additional revenue from Motorola was included as reimbursement for a system issue which resulted in additional overtime expenses.

[2] IT projects are budgeted based on the total project costs and most projects span multiple years. Therefore, funding for IT projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

Fund 40090
E-911

2G70-056-000 – Public Safety Communications Wireless-Radio	IT Priorities: • Improved Service and Efficiency • Enhanced County Security

FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$3,655,154	$3,699,808	$3,531,352	$3,531,352

Description and Justification: This project was established in FY 1995 (along with Project 2G70-059-000) to replace and upgrade the County's critical Public Safety Communications Network (PSCN) and its various component systems. The network's component systems are vital for ensuring immediate and systematic response to emergencies, and replacement and enhancement is necessary to maintain performance, availability, reliability, and capacity for growth due to increases in County population and demand for public safety services. The PSCN supports emergency communications for the DPSC, Police, Fire and Rescue, and Sheriff's departments. This includes public safety call taking (E-911, Cellular E-911, non-emergency calls for service), dispatching, and all affiliated communications support for public safety agencies.

This specific project supports the replacement of the existing fleet of mobile and portable subscriber radios in public safety agencies. The FCC mandated that public safety radios had to meet the 700 MHz narrowband requirement by the end of December 2016 (FY 2017). The purchase of the mobile and portable radio equipment for Fairfax County met this 700 MHz narrowbanding requirement and preserved regional interoperability.

FY 2018 funding of $3.5 million reflects the fifth of eight payments on a lease purchase to replace the existing fleet of mobile and portable subscriber radios in public safety agencies. Replacement radios were purchased in mid FY 2014 and a funding schedule was developed using existing project balance in FY 2014 as the initial payment, and then splitting the remaining cost of $24.7 million over seven years, starting in FY 2015.

Return on Investment (ROI): The return on investment for this project is realized by the performance, productivity, and effectiveness of public safety services in Fairfax County. Replaced and upgraded technology for these systems is critical to the safety of the public and the public safety personnel they support. Upgraded technology preserves the investments in technology that have been made and allows increased functionality, performance, and reliability to be achieved to facilitate responses to, and management of, emergencies. It mitigates the need for extraordinarily large additions of personnel that would be necessary to provide the same level of service and results without this technology. The increased access to important information, improvements to maintenance and reliability, increased capacity for growth, and enhanced functionality for users now and in the future builds upon past investments, responds to critical existing requirements, and sets the stage for the next generation of public safety communications technology.

2G70-059-000 – Mobile Computer Terminal Replacement	**IT Priorities:** • Improved Service and Efficiency • Enhanced County Security

FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$1,377,275	**$2,128,484**	**$1,616,200**	**$1,616,200**

Description and Justification: This project was established in FY 1995 (along with Project 2G70-056-000) to replace and upgrade the County's critical Public Safety Communications Network (PSCN) and its various component systems. The network's component systems are vital for ensuring immediate and systematic response to emergencies, and replacement and enhancement is necessary to maintain performance, availability, reliability, and capacity for growth due to increases in County population and demand for public safety services. The PSCN supports emergency communications for the DPSC, Police, Fire and Rescue, and Sheriff's departments. This includes public safety call taking (E-911, Cellular E-911, non-emergency calls for service), dispatching, and all affiliated communications support for public safety agencies.

This specific project provides funding of $1,616,200 to support Mobile Computer Terminal (MCT) replacement, a program that has been in effect for over 14 years and is designed to replace one-fifth of the public safety fleet each year to keep technology fresh and usable into the foreseeable future. This equipment supports field personnel by granting them access to the CAD system, Virginia Criminal Information Network (VCIN), County Enterprise System, and a host of other remote databases required in the day-to-day performance of their position functions. This mandated functionality supports the DPSC, Police Department, Fire and Rescue Department and the Sheriff's Office. Current equipment will not support existing public safety access to available remote systems due to a lack of connectivity ports and devices in the vehicle. If ports and additional power to connect devices to these units are not provided, a risk of non-compliance to regulation and an inability to access criminal information systems could occur. In recent years, docking stations that support connectivity of MCT units to the CAD and other systems have only been purchased on an as needed basis. Older units are breaking on a regular basis due to age and are rapidly becoming obsolete. This funding level (which includes $16,200 software assurance costs for installed Microsoft products) will move towards accomplishing a complete replacement cycle with the updated technology needed to maintain a rapidly changing mobile fleet environment.

Return on Investment (ROI): The return on investment for this project is realized by the performance, productivity, and effectiveness of public safety services in Fairfax County. Replaced and upgraded technology for these systems is critical to the safety of the public and the public safety personnel they support. Upgraded technology preserves the investments in technology that have been made and allows increased functionality, performance, and reliability to be achieved to facilitate responses to, and management of, emergencies. It mitigates the need for extraordinarily large additions of personnel that would be necessary to provide the same level of service and results without this technology. The increased access to important information, improvements to maintenance and reliability, increased capacity for growth, and enhanced functionality for users now and in the future builds upon past investments, responds to critical existing requirements, and sets the stage for the next generation of public safety communications technology.

3G70-078-000 – E-911 Telephony Platform Replacement	IT Priorities:	• Improved Service and Efficiency • Enhanced County Security • Maintaining a Current and Supportable Technology Infrastructure

FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$1,608,832	$4,663,168	$2,180,000	$2,180,000

Description and Justification: The Fairfax County Public Safety Answering Point (PSAP) 9-1-1 network is operating on an end-of-life technology platform under a contract services arrangement with Verizon that expired on January 1, 2017. Verizon has indicated it is not interested in continuing to dedicate its business resources (and by extension its subcontracted services and equipment with other vendors) on the current technology in the same manner it currently operates. Fairfax County has begun a multi-phase effort to transition its core 9-1-1 services into a more robust and technologically up-to-date operating environment. Widespread adoption of rapidly advancing technologies like text, video, Voice over Internet Protocol (VoIP) and the saturation of high-speed broadband access has raised the expectations of 9-1-1 services for the citizens of Fairfax County. Improvements are needed to support new requirements and expectations. The upgrades will allow the County to migrate to NG9-1-1 as that technology matures. NG9-1-1 will provide the ability to accept multimedia data (e.g. text, video and photo) and improve interoperability, call routing, PSAP call overflow, and location accuracy. NG9-1-1 will strengthen system resiliency and reliability, as well as increases opportunities to potentially achieve fiscal and operational efficiency through cost-sharing arrangements.

An overview of 9-1-1 today with NG9-1-1 is shown below:

9-1-1 Today	Full NG9-1-1
Primarily voice calls via telephone handsets	Voice, text, or video information available from many different types of communication devices sent over IP networks
Most information transferred via voice	Advanced data sharing is automatically performed (e.g. telematics)
Callers to 9-1-1 routed through legacy selective routers, limited forwarding / backup ability	Enhanced backup capabilities provided as calls can be routed to different PSAP locations more dynamically (if required)
Routing is based on phone number / Master Street Address Guide (MSAG)	Ability to route "calls" more accurately (routing is based on GIS coordinates)

Funding of $2.18 million is included in FY 2018 to continue this transition process. It is anticipated that this level of funding will be required through at least FY 2020 and then depending on the available NG9-1-1 technology at that future time, additional funds will likely be required.

Return on Investment (ROI): The return on investment for this project is realized by the performance, productivity, and effectiveness of public safety services in Fairfax County. Replaced and upgraded technology for these systems is critical to the safety of the public and the public safety personnel they support. Upgraded technology preserves the investments in technology that have been made and allow increased functionality, performance, and reliability to be achieved to facilitate responses to, and management of, emergencies. It mitigates the need for extraordinarily large additions of personnel that would be necessary to provide the same level of service and results without this technology. The increased access to important information, improvements to maintenance and reliability, increased capacity for growth, and enhanced functionality for users now and in the future builds upon past investments, responds to critical existing requirements, and sets the stage for the next generation of public safety communications technology.

3G70-079-000 – Public Safety CAD System Replacement	IT Priorities:	• Improved Service and Efficiency • Enhanced County Security • Maintaining a Current and Supportable Technology Infrastructure

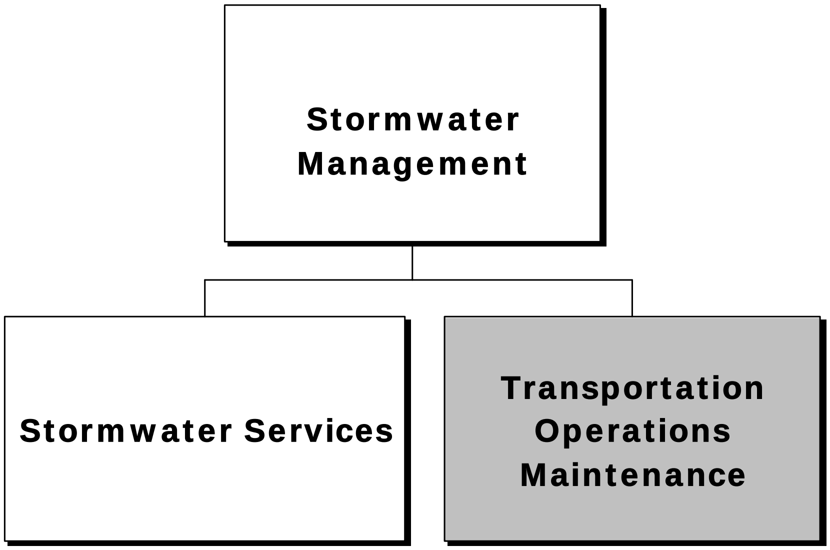
FY 2016 Expenditures	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget	FY 2018 Adopted Budget
$624,354	$2,378,486	$1,180,000	$1,180,000

Description and Justification: Funding of $1,180,000 is included for the fourth year of a five year plan to refresh and update the hardware/software environment that supports the CAD system. Since most of the equipment was purchased in FY 2009, most of it has met and is now starting to exceed normal life expectancy. The CAD System supports all of Fairfax County Public Safety in their mission to keep Fairfax County and its citizens safe. The CAD System is the primary dispatch records system that is used 24/7/365 by DPSC call-takers to process all calls for service received on 9-1-1 and other emergency and non-emergency lines. With this system, they are able to efficiently process over 5,000 calls for service each day, and document each event with full details of the activities associated with the incident from the time the call is received to dispatch of the call and on through to unit arrival, clearing the call for service and then transfer of the information to the associated records management system where the responding unit(s) can retrieve data to complete an incident report.

Call information is downloaded to the CAD System, added comments are inserted and then the call for service is routed to the appropriate DPSC dispatcher(s) who then use the same CAD system to identify the closest appropriate field units for the event and dispatch and track those units responding to the event and documenting services provided. Through the use of the CAD System interfaces, users of the system have instant access to records from a diverse collection of other systems like Virginia Criminal Information Network (VCIN), National Crime Information Center (NCIC), Geographic Information Systems (GIS), Virginia Hospital & Healthcare Association (VHHA) status tracking system, agency specific Record Management Systems (RMS), Sheriff's Information Management System (SIMS), to name a few. The field units can also use the CADs in their vehicles to provide them directions to any location within and immediately surrounding the County.

Return on Investment (ROI): The return on investment for this project is realized by the performance, productivity, and effectiveness of public safety services in Fairfax County. Replaced and upgraded technology for these systems is critical to the safety of the public and the public safety personnel they support. Upgraded technology preserves the investments in technology that have been made and allow increased functionality, performance, and reliability to be achieved to facilitate responses to, and management of, emergencies. It mitigates the need for extraordinarily large additions of personnel that would be necessary to provide the same level of service and results without this technology. The increased access to important information, improvements to maintenance and reliability, increased capacity for growth, and enhanced functionality for users now and in the future builds upon past investments, responds to critical existing requirements, and sets the stage for the next generation of public safety communications technology.

Fund 40100
Stormwater Services



Denotes functions that are included in both the General Fund, Agency 87, Unclassified Administrative Expenses, and Fund 40100, Stormwater Services.

Mission

To develop and maintain a comprehensive watershed and infrastructure management program to protect property, health and safety; to enhance the quality of life; and to preserve and improve the environment for the benefit of the public. To plan, design, construct, operate, maintain and inspect the infrastructure, and perform environmental assessments through coordinated stormwater and maintenance programs in compliance with all government regulations utilizing innovative techniques, customer feedback and program review; and to be responsive and sensitive to the needs of the residents, customers and public partners.

Focus

Stormwater Services are essential to protect public safety, preserve property values and support environmental mandates such as those aimed at protecting the Chesapeake Bay and the water quality of other local jurisdictional waterways. Projects in this fund include repairs to stormwater infrastructure, measures to improve water quality such as stream stabilization, rehabilitation, safety upgrades of state regulated dams, repair and rehabilitation of underground pipe systems, surface channels, structural flood proofing and best management practices (BMP), site retrofits and other improvements. This funding also supports the implementation of watershed master plans, public outreach efforts, and stormwater monitoring activities as well as operational maintenance programs related to the existing storm drainage infrastructure as it pertains to stormwater conveyance and stormwater quality improvements.

Fund 40100
Stormwater Services

As part of the FY 2010 Adopted Budget Plan, a special service district was created to support the Stormwater Management Program and provide a dedicated funding source for both operating and capital project requirements, as authorized by Code of Virginia Ann. Sections 15.2-2400. In FY 2018, the stormwater service rate will increase from $0.0275 to $0.0300 per $100 of assessed real estate value. In FY 2015, staff developed a five-year rate plan and a phased approach for funding and staffing to support the anticipated regulatory increases.

The 5-year spending plan includes approximately $225 million in required projects and operational support; therefore, the plan includes an annual increase in the rate of ¼ penny each year. This increase will support a number of goals. First, it will provide for constructing and operating stormwater management facilities, including stream restorations, new and retrofitted ponds, and installation of Low Impact Development (LID) techniques, required to comply with the federally mandated Chesapeake Bay Program. This program requires the County to reduce Phosphorus, Nitrogen, and sediment loads to the Potomac River and Chesapeake Bay. Municipal Separate Storm Sewer System (MS4) Permit holders must achieve 5 percent of the required reductions in the first five years; 35 percent of the required reductions in the second five years; and 60 percent of the required reductions in the third five years. The Capital Improvement Program includes a gradual increase that will help meet these requirements. Second, the increase will aid in the planning, construction, and operation of stormwater management facilities required to comply with state established local stream standards by reducing bacteria, sediments, and Polychlorinated Biphenyl (PCB) entering local streams. It is estimated that between 70 and 80 percent of the streams in the County are currently impaired. Third, the increase will support the federally mandated inspecting, mapping, monitoring, maintaining, and retrofitting of existing stormwater facilities. The County currently owns and maintains over 1,900 stormwater management facilities that are valued at over $500 million. Fourth, the increase will aid in collecting stormwater data and reporting the findings; providing community outreach and education, supporting new training programs for employees; and developing new Total Maximum Daily Loads (TMDL) Action Plans for impaired streams related to the MS4 Permit requirements. Fifth, the increase will improve dam safety by supporting annual inspections of 20 state-regulated dams in the County and by developing Emergency Action Plans required by the state. The Emergency Action Plans are updated annually and a new plan will be prepared for each dam every six years. In addition, these plans include annual emergency drills and exercises, and flood monitoring for each dam. Finally, the increase will facilitate the maintaining, rehabilitating, and reinvesting in the County's conveyance system. The County's conveyance system includes over 62,000 structures and 1,400 miles of pipes and improved channels, and it is valued at more than $1 billion. The FY 2018 rate of $0.0300 per $100 of assessed real estate value is consistent with the 5-year plan.

The FY 2018 levy of $0.0300 will generate $70,398,306, supporting $20,696,012 for staff and operational costs; $48,577,294 for capital project implementation including, infrastructure reinvestment, regulatory requirements, dam safety, and contributory funding requirements; and $1,125,000 transferred to the General Fund to partially offset central support services such as Human Resources, Purchasing, Budget and other administrative services supported by the General Fund which benefit this fund.

Stormwater Services Operational Support

Fund 40100, Stormwater Services, provides funding for staff salaries, Fringe Benefits, and Operating Expenses for all stormwater operations. In addition, Fund 40100 includes 25/25.0 FTE positions related to transportation operations maintenance provided by the Maintenance and Stormwater Management Division. All funding for the transportation related salary expenses and equipment is recovered from General Fund Agency 87, Department of Public Works and Environmental Services (DPWES) Unclassified Administrative Expenses, and Capital Projects related to transportation located in Fund 30010, General Construction and Contributions, and Fund 30060, Pedestrian Walkway Improvements, as they do not qualify for expenses related to the stormwater service district.

Stormwater Services supports the following County Vision Elements:

- *Maintaining Safe and Caring Communities*
- *Connecting People and Places*
- *Practicing Environmental Stewardship*

Fund 40100 also supports the Urban Forestry Management Division (UFMD). The UFMD was established to mitigate tree loss and maximize tree planting during land development, enforce tree conservation requirements and monitor and suppress populations of Gypsy Moth, Emerald Ash Borer and other forest pests. The division also implements programs needed to sustain the rich level of environmental, ecological and socio-economic services provided by the County's tree canopy. The UFMD is aligned with the mission of Stormwater Services as it strives to "*improve water quality and stormwater management through tree conservation*." Tree canopy and forest soils contribute significant levels of water pollution and stormwater runoff mitigation services. Recent analysis has estimated that the County would need to invest $1.9 billion dollars in infrastructure to match the level of stormwater management that is provided by its tree canopy during a ten-year storm event.

Stormwater Regulatory Program

The County is required by federal law to operate under the conditions of a state issued MS4 Permit. Stormwater staff annually evaluates funding required to meet the increasing federal and state regulatory requirements pertaining to the MS4 Permit requirements, and State and Federal mandates associated with controlling water pollution delivered to local streams and the Chesapeake Bay. The MS4 Permit allows the County to discharge stormwater from its stormwater systems into state and federal waters. The County currently owns and/or operates approximately 7,000 regulated outfalls within the stormwater system that are governed by the permit. The current permit was issued to the County in April 2015. The permit requires the County to better document the stormwater management facility inventory, enhance public outreach and education efforts, increase water quality monitoring efforts, provide stormwater management and stormwater control training to all County employees, and thoroughly document all of these enhanced efforts. The permit also requires the County to implement sufficient stormwater projects that will reduce the nutrients and sediment delivered to the Chesapeake Bay in compliance with the Chesapeake Bay TMDL implementation plan adopted by the State. Funding in the amount of $6.5 million is included for the Stormwater Regulatory Program in FY 2018.

Dam Safety and Facility Rehabilitation

There are currently more than 6,100 stormwater management facilities in service that range in size from small rain gardens to large state regulated flood control dams. The County is responsible for inspecting both County owned and privately owned facilities and for maintaining County owned facilities. This inventory increases yearly and is projected to continually increase as new development and redevelopment sites are required to install stormwater management controls. This program maintains the control structures and dams that control and treat the water flowing through County owned facilities. This initiative also includes the removal of sediment that occurs in both wet and dry stormwater management facilities to ensure that adequate capacity is maintained to treat the stormwater. The program results in approximately 25 projects annually that require design and construction management activities as well as contract management and maintenance responsibilities. Funding in the amount of $7.5 million is included for Dam Safety and Facility Rehabilitation in FY 2018.

Popes Head View - Before
(Dam Rehabilitation)

Popes Head View - After
(Dam Rehabilitation)

Conveyance System Inspections, Development and Rehabilitation

The County owns and operates approximately 1,400 miles of underground stormwater pipes and improved channels with an estimated replacement value of over one billion dollars. The County began performing internal inspections of the pipes in FY 2006. The initial results showed that more than 5 percent of the pipes were in complete failure and an additional 15 percent of them required immediate repair. Increased MS4 Permit regulations apply to these 1,400 miles of existing conveyance systems and 62,000 stormwater structures. Acceptable industry standards indicate that one dollar re-invested in infrastructure saves seven dollars in the asset's life and 70 dollars if asset failure occurs. The goal of this program is to inspect pipes on a 20-year cycle and rehabilitate pipes and improved channels before total failure occurs. Total funding in the amount of $7.0 million is included for Conveyance System Inspections, Development and Rehabilitation in FY 2018, including $2.0 million for inspections and development and $5.0 million for rehabilitation.

Briar Ridge - Before
(Dranesvile District, Pimmit Run Watershed)

Briar Ridge - After
(Dranesvile District, Pimmit Run Watershed)

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Stream and Water Quality Improvements

This program funds water quality improvement projects necessary to mitigate the impacts to local streams and the Chesapeake Bay resulting from urban stormwater runoff. This includes water quality projects such as construction of stormwater management ponds, implementation of low impact development techniques on stormwater facilities, stream restorations, and approximately 1,700 water quality projects identified in the completed countywide Watershed Management Plans. In addition, Total Maximum Daily Load (TMDL) requirements for local streams and the Chesapeake Bay are the regulatory process by which pollutants entering impaired water bodies are reduced. The Chesapeake Bay TMDL was established by the EPA and requires that MS4 communities as well as other dischargers implement measures to significantly reduce the nitrogen, phosphorous and sediment loads entering waters draining to the Bay by 2025. Compliance with the Bay TMDL requires that the County should undertake construction of new stormwater facilities, retrofit existing facilities and properties, and increase maintenance. Preliminary estimates indicate that the projects needed to bring the County's stormwater system into compliance with the Bay TMDL could cost between $70 and $90 million per year. Most of the 1,700 watershed management plan projects contribute towards achieving the bay and local stream TMDL requirements. Funding in the amount of $22.1 million is included for Stream and Water Quality Improvements in FY 2018.

Emergency and Flood Response Projects

This program supports flood control projects for unanticipated flooding events that impact storm systems and flood residential properties. The program provides annual funding for scoping, design, and minor construction activities related to flood mitigation projects. Funding in the amount of $1.0 million is included for the Emergency and Flood Response Projects in FY 2018.

Flood Prevention in the Huntington Area

This program will address the health and public safety concerns associated with the recurring flooding in the Huntington area by designing and constructing a levee and community drainage improvements that will ensure the safe operation and long-term sustainability of this critical piece of infrastructure. Initial funding of $30,000,000 was approved as part of the 2012 Stormwater Bond Referendum. The bond amount approved by the voters was based on a preliminary design by the US Army Corps of Engineers (USACE). The current, updated total project estimate is approximately $40,000,000. To accommodate funding beyond that currently approved, a strategy was developed using a portion of revenue from the Stormwater Service District allocated to the Stream and Water Quality Improvements Program. The strategy reallocates a total of $10,000,000 over a four year period. Use of the Stormwater Service District for this project is consistent with the goals of the program to address structural flooding and other critical community stormwater needs. Funding in the amount of $3.0 million is included for Flood Prevention in the Huntington area in FY 2018.

Stormwater Allocation to Towns

On April 18, 2012, the State Legislature passed SB 227, which entitles the Towns of Herndon and Vienna to all revenues collected within their boundaries by Fairfax County's stormwater service district. An agreement was developed for a coordinated program whereby the Towns remain part of the County's service district and the County returns 25 percent of the revenue collected from properties within each town. This allows for the towns to provide services independently such as maintenance and operation of stormwater pipes, manholes, and catch basins. The remaining 75 percent remains with the County and the County takes on the responsibility for the Towns' Chesapeake Bay TMDL requirements as well as other TMDL and MS4 requirements. This provides for an approach that is based on watersheds rather than on jurisdictional lines. Funding in the amount of $0.8 million is included for the Stormwater Allocations to Towns project in FY 2018.

Stormwater Related Contributory Program

Contributory funds are provided to the Northern Virginia Soil and Water Conservation District (NVSWCD) and the Occoquan Watershed Monitoring Program (OWMP). The NVSWCD is an independent subdivision of the Commonwealth of Virginia that provides leadership in the conservation and protection of Fairfax County's soil and water resources. It is governed by a five-member Board of Directors, three of whom are elected every four years by the voters of Fairfax County and two who are appointed by the Virginia Soil and Water Conservation Board. Accordingly, the work of NVSWCD supports many of the environmental efforts set forth in the Board of Supervisors' Environmental Excellence 20-year Vision Plan. The goal of the NVSWCD is to continue to improve the quality of the environment and general welfare of the citizens of Fairfax County by providing them with a means of dealing with soil, water conservation and related natural resource problems. It provides County agencies with comprehensive environmental evaluations for proposed land use changes with particular attention to the properties of soils, erosion potential, drainage and the impact on the surrounding environment. NVSWCD has consistently been able to create partnerships and leverage state, federal and private resources to benefit natural resources protection in Fairfax County. FY 2018 funding of $0.5 million is included in Fund 40100 for the County contribution to the NVSWCD.

The OWMP and the Occoquan Watershed Monitoring Laboratory (OWML) were established to ensure that water quality is monitored and protected in the Occoquan Watershed. Given the many diverse uses of the land and water resources in the Occoquan Watershed (agriculture, urban residential development, commercial and industrial activity, water supply, and wastewater disposal), the OWMP plays a critical role as the unbiased interpreter of basin water quality information. FY 2018 funding of $0.1 million is included in Fund 40100 for the County contribution to the OWMP.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$17,684,235	$19,497,335	$19,879,626	$20,338,650	$20,338,650
Operating Expenses	2,352,526	2,479,095	2,672,135	2,479,095	2,479,095
Capital Equipment	813,402	782,900	1,473,821	581,500	581,500
Capital Projects	28,343,475	42,511,612	112,002,976	48,577,294	48,577,294
Subtotal	$49,193,638	$65,270,942	$136,028,558	$71,976,539	$71,976,539
Less:					
Recovered Costs	($3,168,632)	($2,320,942)	($2,703,233)	($2,703,233)	($2,703,233)
Total Expenditures	$46,025,006	$62,950,000	$133,325,325	$69,273,306	$69,273,306
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	182 / 182	183 / 183	179 / 179	188 / 188	181 / 181

Fund 40100
Stormwater Services

Maintenance and Stormwater Management (MSMD) Administration
1 Director, Maintenance and SW
1 Management Analyst IV
1 HR Generalist II
1 Network/Telecom. Analyst I
1 Information Technology Tech. III
1 Safety Analyst
1 Administrative Assistant V
1 Administrative Assistant IV
2 Administrative Assistants III
2 Administrative Assistants II
1 Financial Specialist II

Contracting Services/ Material Support
1 Material Mgmt. Specialist III
1 Management Analyst II
2 Contract Analysts I
1 Inventory Manager

Dam Safety and Maintenance Projects/Projects and LID/Inspection and Maintenance
1 Public Works-Env. Serv. Manager
2 Engineers IV
1 Senior Engineer III
1 Engineer III
1 Ecologist III
1 Ecologist II
4 Engineering Technicians III (1)
1 Engineering Technician II
1 Engineering Technician I
1 Project Manager II
3 Project Managers I

Field Operations
2 Env. Services Supervisors
1 Public Works-Env. Serv. Manager
1 Senior Environmental Specialist
2 Environmental Services Specialists
3 Senior Maintenance Supervisors
9 Maintenance Supervisors
4 Maintenance Crew Chiefs
14 Senior Maintenance Workers
2 Maintenance Workers
9 Heavy Equipment Operators
10 Motor Equipment Operators
3 Masons
1 Vehicle Maintenance Coordinator
1 Engineering Technician III
1 Carpenter I
1 Equipment Repairer
1 Welder II
1 Administrative Assistant II

Stormwater Infrastructure Branch
1 Public Works-Env. Serv. Manager
1 Engineer IV
2 Engineers III
1 Project Manager II
2 Project Managers I
1 Engineering Technician III
2 Engineering Technicians II
1 Engineering Technician I
1 Senior Engineering Inspector

Transportation Infrastructure Branch
1 Engineer V
1 Engineer IV
1 Project Manager I
4 Engineering Technicians III
2 Engineering Technicians II

Stormwater Planning Division
1 Director, Stormwater Planning
1 Engineer V
4 Engineers IV
2 Senior Engineers III
8 Engineers III
1 Public Works-Env. Serv. Manager
3 Project Managers II
1 Project Manager I
3 Project Coordinators
2 Ecologists IV
5 Ecologists III
4 Ecologists II
1 Emergency Mgmt. Specialist III
2 Landscape Architects III
2 Engineering Technicians III
1 Administrative Assistant III
1 Administrative Assistant II (1)
1 Management Analyst II
2 Code Specialists II
1 Contract Specialist II
1 Financial Specialist II
1 Financial Specialist I

Urban Forestry
1 Director, Urban Forestry Division
1 Urban Forester IV
1 Urban Forester III
8 Urban Foresters II

TOTAL POSITIONS
181 Positions (2) / 181.0 FTE (2.0)

( ) Denotes New Positions

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Employee Compensation** **$279,199**

  An increase of $279,199 in Personnel Services includes an amount of $265,752 for performance-based and longevity increases for non-uniformed merit employees effective July 2017, as well as an amount of $13,447 for employee pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions.

- **Other Post-Employment Benefits** **$11,634**
  An increase of $11,634 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

- **New Positions** **$168,191**
  An increase of $168,191 in Personnel Services is necessary to fund salary and Fringe Benefits requirements associated with 1/1.0 FTE Administrative Assistant II position and 1/1.0 FTE Engineering Technician III position. The Administrative Assistant II position will support the Stormwater Planning Division's administrative workload associated with capital projects and contracts, the MS4 Permit, the Stormwater Ordinance, public outreach functions, and emergency response events. Full-time support is required to handle incoming calls, database entry, project and contracting documentation, and general administrative support to the Stormwater Planning staff. In addition, the Engineering Technician III position will support the Maintenance and Stormwater Management Division. This position will assist with the inspection program of private stormwater facilities. There has been a 65 percent increase in the facility inventory in Fairfax County since FY 2012 and a continued increase is expected due to the Virginia Stormwater regulations. Coordination with the private owners and inspection of these facilities are required by the MS4 Permit and the Stormwater Ordinance. The new private maintenance agreements also require private facility owners to perform and submit annual inspection reports. The increased workload due to inventory and the new requirements for private owners require the establishment of an additional position that will support this program.

- **Operational Requirements and Recovered Costs** **$0**
  An increase of $382,291 in Personnel Services is required based on the transfer of 3.0 FTE positions to Fund 40100 as part of the *FY 2016 Carryover Review*, including one Public Works Environmental Services Manager that was transferred from Fund 40140, Refuse Collection and Recycling Operations, and two Urban Foresters II that were transferred from Agency 31, Land Development Services. Based on an increase in workload, these positions will support walkway reinvestments and emergency maintenance and will perform infill grading plan review for tree and urban forestry measures. The costs associated with these positions will be reimbursed by Fund 40140 and Agency 31. This increase is offset by a Recovered Costs increase of $382,291. There is no net funding impact for Fund 40100.

- **Capital Equipment** **$581,500**
  Capital Equipment funding of $581,500 is included for requirements associated with replacement equipment that has outlived its useful life and new equipment critical to carryout stormwater services activities. Replacement equipment in the amount of $556,500 includes: $220,000 to replace backhoe loaders that are essential for excavating work sites, loading trucks with bulk materials and moving heavy objects; $240,000 to replace two dump trucks that are critical to transport large loads of snow chemicals, bulk construction materials and equipment; $70,000 to replace a mower that is required for safe steep slope mowing as part of the dam maintenance program at state regulated dams; $1,500 to replace a flat bottom boat that is used to access state regulated dams, ponds, and flooded work locations; $20,000 to replace a utility vehicle that is essential to snow removal and emergency response projects; and $5,000 to replace a sweeper attachment that is used to keep dust and debris to a minimum within neighborhood worksites and remove hazardous material spill contaminants from roads, parking lots and walkways. In addition, funding in the amount of $25,000 is required for the purchase of new equipment including a mid-size passenger vehicle that will

support Urban Forestry Division field work. The Urban Forestry Division includes 11 merit positions and three limited term positions, many of which use a vehicle every day for site inspections. The remaining staff uses a vehicle at least three days a week for plan review, site visits, and other activities outside of the office. Adding one new vehicle will help avoid daily shortages of vehicles and will help decrease the response time for plan reviews and site visits.

- ♦ **Capital Projects** **$48,577,294**
  Funding in the amount of $48,577,294 has been included in FY 2018 for priority stormwater capital projects.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- ♦ **Carryover Adjustments** **$70,763,289**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $70,763,289 based on the carryover of unexpended project balances in the amount of $61,558,568 and a net adjustment of $9,204,721. This adjustment included the carryover of $883,961 in operating and capital equipment encumbrances, and an increase to capital projects of $8,320,760. The adjustment to capital projects was based on the appropriation of the remaining operational savings of $2,050,922 offset by lower than anticipated revenues of $240,675 received in FY 2016; the appropriation of $29,096 in miscellaneous revenues received in FY 2016; the appropriation of $5,123,171 in grant revenue expected to be received from the Virginia Department of Environmental Quality (VDEQ) to support 10 stream and water quality projects as approved by the Board of Supervisors on July 26, 2016; the appropriation of $98,516 in revenues collected through the land development process that would support tree preservation and planting projects in FY 2017; and the appropriation of $1,365,000 in bond premium received in FY 2016 associated with the January 2016 bond sale. The increase was offset by a decrease of $105,270 due to the completion of two grant projects. In addition, 3/3.0 FTE positions were transferred to Fund 40100, including one Public Works Environmental Services Manager that was transferred from Fund 40140, Refuse Collection and Recycling Operations, and two Urban Foresters II that were transferred from Agency 31, Land Development Services. Based on an increase in workload, these positions will support walkway reinvestments and emergency maintenance and will perform infill grading plan review for tree and urban forestry measures. The costs associated with these positions will be reimbursed by Fund 40140 and Agency 31. Both Personnel Services and Recovered Costs were increased by $382,291. There is no funding impact for Fund 40100.

- ♦ **Position Adjustments** **$0**
  In order to better support the Department of Public Works and Environmental Services' (DPWES) four core business areas and enhance department-wide initiatives, 19/19.0 FTE positions were transferred to Agency 25, Business Planning and Support, from other divisions within DPWES: 4/4.0 FTE positions were transferred from Fund 69010, Sewer Operations and Maintenance; 2/2.0 FTE positions were transferred from Agency 26, Capital Facilities; 7/7.0 FTE positions were transferred from Fund 40100, Stormwater Services; 5/5.0 FTE positions were transferred from Fund 40150, Refuse Disposal; and 1/1.0 FTE position was transferred from Fund 40170, I-95 Refuse Disposal. These positions will continue to be funded by the DPWES program area that they are supporting through

Work Performed for Others. Funding adjustments with no net impact on the General Fund will be made during the *FY 2017 Carryover Review*.

Key Performance Measures

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Stormwater Services					
MS4 Permit violations received	0	0	0/0	0	0
Percent of Emergency Action Plans current	100%	100%	100%/100%	100%	100%
Percent of commuter facilities available 365 days per year	100%	100%	100%/100%	100%	100%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/40100.pdf

Performance Measurement Results

The objective to receive no MS4 Permit violations related to inspection and maintenance of public and private stormwater management facilities was met in FY 2014, FY 2015, and FY 2016. It is expected that this objective will also be met in FY 2017 and FY 2018. It should be noted that the current MS4 Permit was issued in April 2015. The objective to update 100 percent of the emergency action plans that Stormwater is responsible for was met in prior years. It is estimated that this trend will continue in both FY 2017 and FY 2018. Lastly, the objective to keep 100 percent of the commuter facilities operational for 365 days was met in prior years. It is expected that this goal will be met in FY 2017 and FY 2018.

Fund 40100
Stormwater Services

FUND STATEMENT

Fund 40100, Stormwater Services

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$25,612,635	$0	$41,563,638	$0	$0
Revenue:					
Stormwater Service District Levy	$56,259,325	$64,075,000	$64,075,000	$70,398,306	$70,398,306
Sale of Bonds[1]	4,635,000	0	23,590,000	0	0
Bond Premium[1]	1,365,000	0	0	0	0
Virginia Department of Environmental Quality DEQ Grant[2]	38,265	0	0	0	0
Federal Emergency Management Agency FEMA Grant[3]	774,323	0	0	0	0
Stormwater Local Asssitance Fund (SLAF) Grant[4]	0	0	5,123,171	0	0
Tree Preservation/Planting Fund[5]	0	0	98,516	0	0
Miscellaneous	29,096	0	0	0	0
Total Revenue	$63,101,009	$64,075,000	$92,886,687	$70,398,306	$70,398,306
Total Available	$88,713,644	$64,075,000	$134,450,325	$70,398,306	$70,398,306
Expenditures:					
Personnel Services	$17,684,235	$19,497,335	$19,879,626	$20,338,650	$20,338,650
Operating Expenses	2,352,526	2,479,095	2,672,135	2,479,095	2,479,095
Recovered Costs	(3,168,632)	(2,320,942)	(2,703,233)	(2,703,233)	(2,703,233)
Capital Equipment	813,402	782,900	1,473,821	581,500	581,500
Capital Projects[6]	28,343,475	42,511,612	112,002,976	48,577,294	48,577,294
Total Expenditures	$46,025,006	$62,950,000	$133,325,325	$69,273,306	$69,273,306
Transfers Out:					
General Fund (10001)[7]	$1,125,000	$1,125,000	$1,125,000	$1,125,000	$1,125,000
Total Transfers Out	$1,125,000	$1,125,000	$1,125,000	$1,125,000	$1,125,000
Total Disbursements	$47,150,006	$64,075,000	$134,450,325	$70,398,306	$70,398,306
Ending Balance[8]	$41,563,638	$0	$0	$0	$0
Tax Rate Per $100 of Assessed Value	$0.0250	$0.0275	$0.0275	$0.0300	$0.0300

[1] On November 6, 2012, the voters approved a bond referendum in the amount of $30 million to make storm drainage improvements to prevent flooding and soil erosion, including acquiring any necessary land. This bond money is used to prevent flooding in the Huntington community. An amount of $4.635 million was sold in January 2016. In addition, $1.365 million has been applied to this fund in bond premium associated with the January 2016 sale. A total amount of $23.59 million remains in authorized but unissued bonds for this fund.

[2] On October 1, 2014, the Board of Supervisors approved a joint project between the Virginia Department of Environmental Quality (VDEQ) and Fairfax County. The estimated total cost of the project was $4,006,376. The project is complete and no more revenue is anticipated.

[3] On March 3, 2015, the Board of Supervisors approved a grant award in the amount of $851,173 associated with an agreement between the Virginia Department of Emergency Management (VDEM) and Fairfax County to accept federal funds from the Federal Emergency Management Agency (FEMA) to assist the County with acquiring property at Dearborn Drive from its current owners, demolishing the existing structure, and restoring the property to natural conditions. The project is complete and no more revenue is anticipated.

[4] On July 26, 2016, the Board of Supervisors approved a joint project between the Virginia Department of Environmental Quality (VDEQ) and Fairfax County to accept funds from the Stormwater Local Assistance Fund (SLAF) to support ten stream and water quality improvement projects. The estimated total cost of the project is $5,123,171 and it will be supported by VDEQ.

[5] Reflects revenues collected through the land development process that will support tree preservation and planting projects in FY 2017.

[6] In order to account for expenditures in the proper fiscal year, an audit adjustment in the amount of $387,963.72 has been reflected as an increase to FY 2016 Capital Projects. This impacts the amount carried forward and results in a decrease of $387,963.72 to the *FY 2017 Revised Budget Plan*. The project affected by this adjustment is SD-000031, Stream & Water Quality Improvements. The audit adjustment was included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustment were included in the FY 2017 Third Quarter package.

[7] Funding in the amount of $1,125,000 is transferred to the General Fund to partially offset central support services supported by the General Fund which benefit Fund 40100. These indirect costs include support services such as Human Resources, Purchasing, Budget and other administrative services.

[8] Capital projects are budgeted based on the total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

FY 2018 Summary of Capital Projects

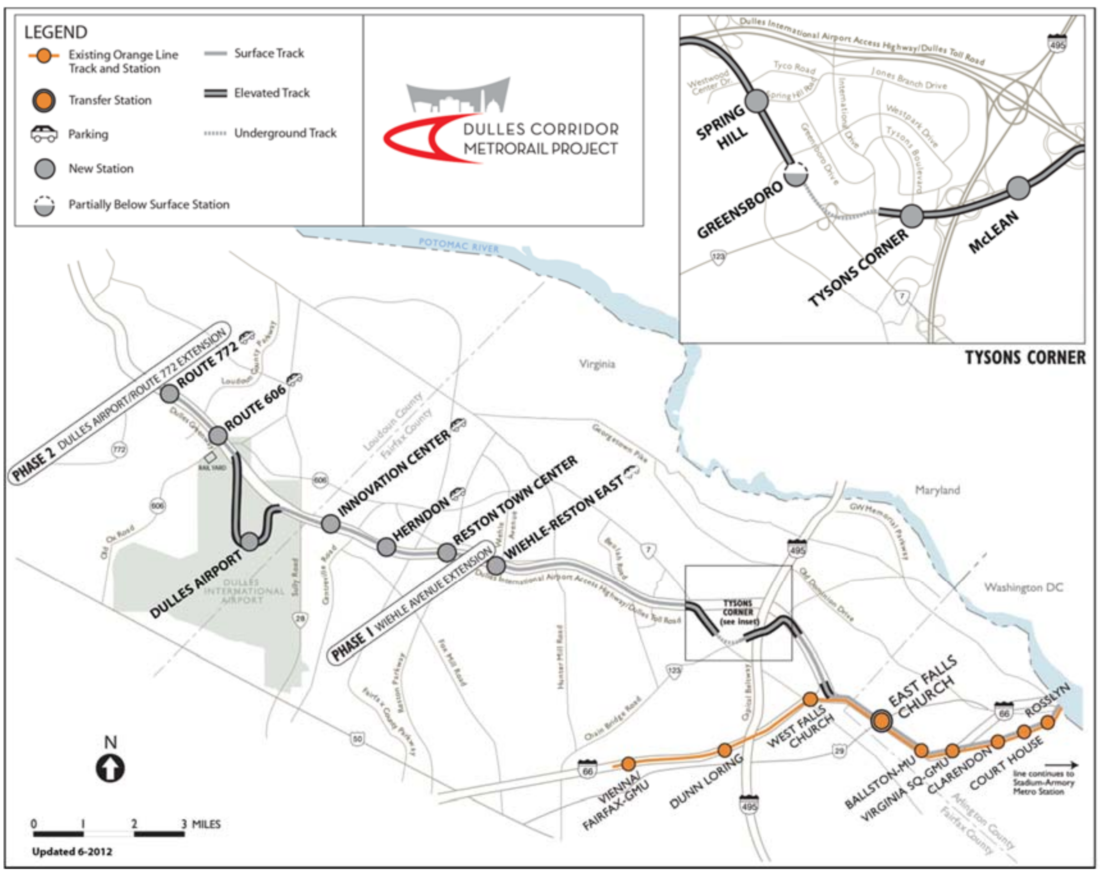
Fund 40100, Stormwater Services

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Conveyance System Inspection/Development (2G25-028-000)	$6,225,000	$764,847.81	$3,064,139.54	$2,000,000	$2,000,000
Conveyance System Rehabilitation (SD-000034)	33,534,135	2,877,639.53	6,744,410.51	5,000,000	5,000,000
Dam Safety and Facility Rehabilitation (SD-000033)	41,226,104	3,705,693.04	14,680,412.78	7,500,000	7,500,000
Emergency and Flood Response Projects (SD-000032)	8,186,091	214,252.32	2,481,966.29	1,000,000	1,000,000
Flood Prevention-Huntington Area-2012 (SD-000037)	38,590,000	1,518,225.91	30,591,903.61	3,000,000	3,000,000
Laurel Hill Adaptive Reuse Infrastructure (SD-000038)	1,750,000	371,783.64	1,378,216.36	0	0
NVSWCD Contributory (2G25-007-000)	3,755,614	485,064.00	485,064.00	527,730	527,730
Occoquan Monitoring Contributory (2G25-008-000)	922,087	115,611.00	120,236.00	123,445	123,445
Stormwater Allocation to Towns (2G25-027-000)	3,344,829	526,400.00	800,000.00	800,000	800,000
Stormwater Regulatory Program (2G25-006-000)	50,346,651	6,537,402.21	12,027,375.77	6,500,000	6,500,000
Stream & Water Quality Improvements (SD-000031)	106,342,285	10,107,712.67	39,530,734.79	22,126,119	22,126,119
Towns Grant Contribution (2G25-029-000)	1,118,843	1,118,843.00	0.00	0	0
Tree Preservation and Plantings (2G25-030-000)	98,516	0.00	98,516.13	0	0
Total	$295,440,155	$28,343,475.13	$112,002,975.78	$48,577,294	$48,577,294

Fund 40110
Dulles Rail Phase I Transportation Improvement District

Focus

Metrorail service is planned to be extended approximately 23 miles from an area east of West Falls Church station, along the median of the Dulles Connector Road (DCR) through Tysons Corner, then further along the Dulles International Airport Access Highway (DIAAH), through Dulles International Airport, to Route 772 in Loudoun County. The total cost of the Rail to Dulles Project currently is estimated to be $5.9 billion. Due to financial constraints imposed by the federal government, the project will be completed in two phases. Phase I was completed in July 2014 and cost approximately $2.9 billion for the segment from the Metrorail Orange line to Wiehle Avenue in Reston, and included construction of five new stations in Fairfax County: McLean, Tysons Corner, Greensboro, Spring Hill, and Wiehle-Reston East, and are noted on the map below.



The Phase I cost of $2.9 billion was financed by the federal government, the Commonwealth of Virginia, Fairfax County, and revenue from the Dulles Toll Road (DTR). In March 2009, the Federal Transit Administration (FTA) executed a Full Funding Grant Agreement with Metropolitan Washington Airports Authority (MWAA) for $900.0 million for Phase I of the project. A portion of Fairfax County's share of Phase I, $400.0 million, was financed from the Phase I Transportation Improvement District (Phase I District); the remaining funding for Phase I is a combination of state and DTR funds.

The total project costs are expected to be shared by the federal government, the Commonwealth, Fairfax County, Loudoun County, MWAA, and operation of the DTR. Fairfax County's participation rate is determined by the basis of total project costs and sharing the cost of common features necessary to complete an operational line, such as soft costs, rail yards and power stations.

The primary source of revenue to support construction of the rail line is tolls from the DTR. Control and operation of the DTR was transferred to MWAA on November 1, 2008. The local funding partners, Fairfax County, Loudoun County, and MWAA have entered into an agreement which specifies the level of funding responsibility for each partner; the Fairfax County share is approximately 16.1 percent of total costs and approximately $467.8 million for Phase I. The Phase I District will cover $400.0 million of Fairfax County's total cost for Phase I. Additionally, landowners in Phase II submitted a petition to the Board of Supervisors to form a Phase II Transportation Improvement District which would commit $330.0 million to the County's share of Phase II funding.

On January 21, 2004, a petition was filed with the Clerk to the Fairfax County Board of Supervisors (the Petition) by owners of commercial and industrial property (the Petitioners) asking the Board of Supervisors (Board) to create a Dulles Rail Phase I Transportation Improvement District (Phase I District), as provided by Chapter 15 of Title 33.1 of the Code of Virginia, as amended (the Act). The Act is similar although not identical to the law that empowered the Board and the Board of Supervisors of Loudoun County to create the Route 28 Highway Transportation Improvement District (the Route 28 District) in both counties in 1988.

The Phase I District was approved and established by the Board on February 23, 2004, following a public hearing. It is governed by a District Commission, consisting of four Fairfax County Board members and the Chairman of the Commonwealth Transportation Board (CTB) or his/her designee. The District Commission is advised by a District Advisory Board, composed of landowner representatives. This is the same governance structure used for the Route 28 Tax District.

Commercial and industrial property within the district created pursuant to the Act can be taxed to raise funds for transportation improvements in the district. Such a district can be created upon the petition of the owners of at least 51 percent, measured by land area or assessed value, of the real property located within the proposed district that is zoned or used for commercial or industrial purposes. The properties listed on the signature pages of the Petition constituted over 64 percent of such property located within the Phase I District, measured by assessed value.

Per the Code of Virginia § 33.1-435, properties zoned to permit multi-unit residential use but not yet used for that purpose and multi-unit properties primarily leased or rented to residential tenants or other occupants by an owner who is engaged in such a business are deemed to be in commercial use for purposes of the Act. No other residential properties are subject to any tax that may be levied on behalf of such a district, even if they are within the boundaries of such a district.

The boundaries, as proposed by the Petitioners, encompass most if not all of the Tysons Corner Urban Center, commercial and industrial properties near the Wiehle-Reston East Metrorail station, and the necessary Dulles Airport Access Road (DAAR) right-of-way. The proposed transportation improvements include that portion in the Phase I District of the capital improvements described as the Locally Preferred Alternative (LPA) in a resolution of the Board of Directors of the Washington Metropolitan Area Transit Authority (WMATA), adopted on November 21, 2002.

The Petitioners will contribute up to $400.0 million of the County's share for Phase I through the imposition of a voluntary tax on commercial and industrial properties within the Phase I District. Included in the proposal was a provision for full coverage of the long-term financing costs for the County's net share of construction costs. At the maximum contribution, under the current plan, the total expected cost including interest costs over the life of the district to be provided by the tax on behalf of the

The plan as set forth in the Petition contained specific provisions regarding timing, tax rates, total costs, and percentage of costs to be paid with Phase I District revenue. The plan contemplated the establishment of a Revenue Stabilization Fund (RSF) with early collection of taxes commencing in FY 2005 to build reasonable reserves to help maintain the rate parameters in view of the cyclic pattern of changes in assessed value from year to year. It was anticipated that the RSF and perhaps other rate or coverage covenants would be required by rating agencies to achieve an investment grade rating on bonds issued that are supported by Phase I District tax revenues.

Under the terms of the petition, before any Phase I District revenues are committed the tax rate is capped at $0.22 per $100 of assessed value, and taxes collected accumulate in the RSF. If a federal Full Funding Grant Agreement (FFGA) for Phase I was not executed, the owners of 51 percent of the commercial and industrial property within the Phase I District could have petitioned for its dissolution, and individual property owners could ask for the return of taxes previously paid and accumulated in the RSF. The FTA received the FFGA application on October 22, 2008, approved it and forwarded it to the Secretary of the United States Department of Transportation (USDOT) and the Office of Management and Budget on December 19, 2008 for approval. USDOT approved the FFGA on January 7, 2009, and forwarded it to the Congress for approval. The FFGA between the FTA and the MWAA was executed on March 10, 2009.

Before committing Phase I District tax revenues, the District Commission needed to determine that the District's actual share of the financing would not exceed $400 million of construction funds for Phase I costs, and that a tax rate of no more than $0.29 per $100 of assessed value would be sufficient to meet the Phase I District's obligations at an assumed rate of growth in assessed value of 1.5 percent. If at the time the District Commission expects either of those parameters to be exceeded, they must seek approval from the owners of 51 percent of the commercial or industrial property within the Phase I District before proceeding to commit the revenues.

However, once Phase I District revenues had been committed, allowing the financing to be put into place for the sale of bonds supported by those revenues, there is no "hard" cap on the Phase I District tax rate other than the statutory cap of $0.40 per $100 of assessed value. Thus there is full latitude to set the tax rate up to the statutory maximum, if necessary, to meet the obligations of the Phase I District, (e.g., if necessary to meet debt service requirements in the event assessed value growth rates cannot be sustained at 1.5 percent or greater).

On June 22, 2009, the Board of Supervisors approved preliminary bond documents for Phase I District financing and authorization of judicial proceedings to validate the bonds. It was determined that prior to the issuance of bonds by the Economic Development Authority (EDA), there should be a judicial determination of the validity of the bonds to ensure broad financial market acceptance of the bonds. The initial judicial review was completed by the Circuit Court on August 28, 2009, at which time the County received a favorable ruling. On November 4, 2010, the Virginia Supreme Court affirmed the lower court ruling.

On May 26, 2011, the EDA issued the first series of Phase I District EDA bonds in the amount of $205.7 million which provided $220.1 million, including bond premium, for the construction of the Phase I project. On October 10, 2012, the second and final Phase I District EDA bonds were issued in the amount of $42.4 million which provided $48.4 million, including bond premium, for the construction of the Phase I project. These two issues together, with $131.5 million in equity contribution from District taxes collected, fully funded the County's obligation of providing $400 million for Phase I of the project.

On April 10, 2012 the Board confirmed the County's participation in Phase II which has a projected cost estimate of approximately $2.8 billion. For additional cost and project information about Dulles Rail Phase II, please refer to Fund 40120, Dulles Rail Phase II Transportation Improvement District, contained in Volume 2, Capital Construction and Other Operating Funds. MWAA transferred Phase I of the Silver Line to WMATA for final testing and training on May 27, 2014, and it opened for passenger service on July 26, 2014.

As part of the FY 2014 Adopted Budget Plan, there was joint concurrence from the Phase I Advisory Board as well as the Phase I Commission on the formal adoption of a Tax Rate Policy. Specifically, a series of criteria must be met to allow for a reduction in the tax rate that includes the following: maintaining targeted debt service coverage at 150 percent; historical debt service coverage will be at least 150 percent for two consecutive fiscal years before lowering the tax rate; and the tax rate will be lowered by no more than two cents in any given year provided coverage can still be maintained at 150 percent with the lower tax rate. For FY 2014, the tax rate decreased by $0.01 from $0.22 to $0.21 per $100 of assessed value. The tax rate remained unchanged as part of the FY 2015 Adopted Budget Plan.

On March 11, 2015, the Phase I District Advisory Board, in accordance with the Tax Rate Policy, recommended a $0.02 reduction to the tax rate (from $0.21 to $0.19 per $100 of assessed value) due to the growth in assessed value based on estimates as of January 1, 2015. The Phase I District Commission accepted the Advisory Board's recommendation on March 17, 2015 and the Board of Supervisors approved the tax rate reduction on April 28, 2015 as part of the FY 2016 Adopted Budget Plan.

On March 10, 2016, the Phase I District Advisory Board and District Commission, in accordance with the Tax Rate Policy, recommended a $0.02 reduction to the tax rate from $0.19 to $0.17 per $100 of assessed value due to the growth in assessed value based on estimates as of January 1, 2016. The Board of Supervisors approved the two cent tax rate reduction as part of the FY 2017 Adopted Budget Plan. As part of the FY 2018 Adopted Budget Plan, the Phase I District Advisory Board and District Commission, in accordance with the Tax Rate Policy, again recommended a $0.02 reduction to the tax rate from $0.17 to $0.15 per $100 of assessed value due to the continued growth in assessed value based on estimates as of January 1, 2017.

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Debt Service Adjustments** **($1,775,613)**
  There is a decrease of $1,775,613, or 10.2 percent, from the FY 2017 Adopted Budget Plan amount of $17,345,313 due to programmed debt service payments in FY 2018.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Debt Service Adjustments** **($1,454,896)**

  There is a decrease of $1,454,896 or 8.4 percent, from the FY 2017 Adopted Budget Plan amount of $17,345,313 due to programmed debt service payments in FY 2017.

Fund 40110
Dulles Rail Phase I Transportation Improvement District

FUND STATEMENT

Fund 40110, Dulles Rail Phase I Transportation Improvement District

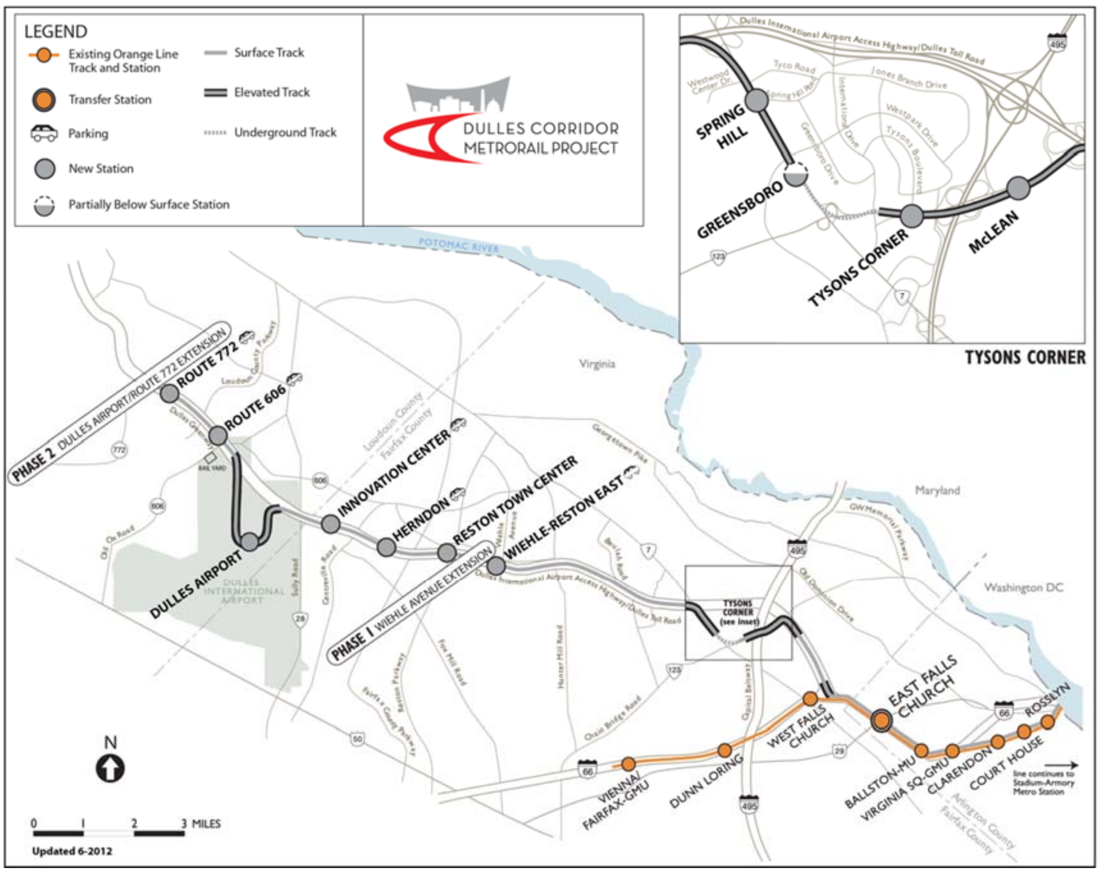
	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$58,589,673	$63,904,535	$46,865,067	$53,430,153	$53,430,153
Revenue:					
Real Estate Taxes-Current	$22,947,509	$22,455,503	$22,455,503	$24,090,847	$21,256,630
Interest on Investments	68,173	0	0	0	0
Total Revenue	$23,015,682	$22,455,503	$22,455,503	$24,090,847	$21,256,630
Total Available	$81,605,355	$86,360,038	$69,320,570	$77,521,000	$74,686,783
Expenditures:					
Debt Service[1]	$17,341,662	$17,345,313	$15,890,417	$15,569,700	$15,569,700
Cash Contribution for Debt Payoff	16,697,947	0	0	0	0
Costs of Issuance	700,679	0	0	0	0
Total Expenditures	$34,740,288	$17,345,313	$15,890,417	$15,569,700	$15,569,700
Total Disbursements	$34,740,288	$17,345,313	$15,890,417	$15,569,700	$15,569,700
Ending Balance[2]	$46,865,067	$69,014,725	$53,430,153	$61,951,300	$59,117,083
Tax rate per $100 Assessed Value	$0.19	$0.17	$0.17	$0.17	$0.15

[1] A partial refunding of outstanding Series 2011 and Series 2012 District bonds took place on March 2, 2016, resulting in a net present value savings of approximately $16.5 million over the life of the bonds and corresponding lower annual debt service payments. No bond maturities were extended as a result of the refunding.

[2] The ending balance includes the Residual Fund, the Debt Service Reserve Fund, and the Revenue Stabilization Fund.

Focus

The purpose of Dulles Metrorail is to provide high-quality, high-capacity transit service in the Dulles Corridor. New Metrorail service in the corridor will result in travel time savings between the corridor and downtown D.C., expand the reach of the existing regional rail system, offer a viable alternative to automobile travel and support future transit-oriented development along the corridor. The Phase II cost is approximately $2.8 billion for the segment from the Wiehle-Reston East Metrorail Station to Route 772 in Loudoun County, and includes the construction of three new stations in Fairfax County. These stations are as follows and noted in the map below: Reston Town Center, Herndon, and Innovation Center.



On October 9, 2009 a petition (the Petition) was filed with the Clerk to the Board of Supervisors (Board) to create the Phase II Dulles Rail Transportation Improvement District (Phase II District). As required by Code of Virginia Ann. § 33.1-431, the Petition was signed by owners of more than 51 percent of the commercial and industrial property within the proposed Phase II District, measured by assessed value, that would be subject to a special tax pursuant to Code of Virginia Ann. § 33.1-435. Pursuant to that statute, following a public hearing on December 7, 2009, the Board created the Phase II District on December 21, 2009. On November 10, 2009, the Town of Herndon also approved the creation of the Phase II District.

Phase II of the Dulles Metrorail project (Project) will run from just west of Wiehle Avenue to Ashburn in eastern Loudoun County. This extension will serve Reston Town Center, Herndon, Dulles Airport, Route 606 and Ashburn. Commercial and industrial properties in the Phase II District, which lie near the Project on either side of the right-of-way of the Dulles Airport Access and Toll Road (DTR) within Fairfax

County, will be taxed to help Fairfax County fund the County's 16.1 percent share of the Project. Consistent with the Petition and the resolution adopted by the Board to create the Phase II District, a tax rate of $0.05 per $100 of assessed value was adopted for FY 2011 for commercial and industrial properties within the Phase II District, and a rate of $0.10 was adopted for FY 2012. The rate increased to $0.15 in FY 2013 and $0.20 in FY 2014. Per the petition, the tax rate has since remained at $0.20 and will be held flat at $0.20 until full revenue operations commence on Phase II, which is expected in late 2019. At that time, the rate may be set at the level necessary to support the District's debt obligations. For planning purposes, the Phase II District may not enter into a financing agreement unless it is reasonably believed that it can be accomplished within the maximum rate established by the Petition of $0.25 per $100 of assessed value.

The original funding plan was that the federal government, through grants from the Federal Transit Administration (FTA), would pay 50 percent of the entire Metrorail Project cost (i.e., both Phases I and II), the Commonwealth would pay 25 percent using DTR revenues, and local governments would pay 25 percent. That plan was based on an early cost estimate, prior to preliminary engineering and environmental studies that resulted in an improved estimate for the total project cost.

The Full Funding Agreement later entered into with the federal government provided for a federal share for Phase I only (Interstate 66 to Wiehle Avenue) and capped that contribution at $900 million, which necessarily changed the percentages for the partners' shares.

No funds may be expended until certain other conditions are met. Conditions include the completion of the preliminary design and cost estimate for Phase II, acceptable to the Board, which was completed in 2012. Other key conditions include: appropriate commitments from all sources contributing to Phase II are in place to assure completion of the Phase II transportation improvements; the Phase II District's share of the aggregate capital cost does not exceed $330 million; the County's share of aggregate costs remain reasonably consistent with currently anticipated contributions; and there is no "Supplemental Tax" on the commercial and industrial real estate within the Phase II District that exceeds $0.11 per $100 of assessed value unless a credit or other benefit is extended substantially equivalent to the Supplemental Tax.

In late 2011, the County, in addition to the other local funding partners, approved the Memorandum of Agreement (MOA) to proceed with Phase II of the Project. The MOA provided the following major points of agreement:

- The Metropolitan Washington Airports Authority (MWAA) agreed that the airport station would be an aerial station.

- The Commonwealth agreed to seek $150 million from the General Assembly to reduce the burden on DTR users.

- The U.S. Department of Transportation (USDOT) agreed to provide up to a $30 million credit subsidy for Transportation Infrastructure Finance and Innovation Act (TIFIA) loans to be made to Fairfax County (County), Loudoun County, and MWAA. The County and Loudoun County would apply for the maximum amount of TIFIA credit assistance for which each would qualify based on their share of the total cost of the Project, and MWAA would apply for the balance available.

- The County and Loudoun County agreed to use their best efforts individually to find third party funding for five garages (three in Loudoun County and two in Fairfax County) and the Route 28 Innovation Center Station (Fairfax), but if and to the extent they were unable to do so, then whatever portion is not funded by third party revenues will be shared as currently provided by the Funding Agreement.

- Other Phase II cost savings opportunities would be implemented, including a reduction in the size of the Metrorail yard and shop facilities at the Airport for additional cumulative net Project cost savings of $125 million as estimated by USDOT, 75 percent of which ($94 million) would be cost savings for DTR users.

- A reallocation of estimated third party funding credits from what would have resulted from the Funding Agreement is expected to produce additional cost savings for DTR users of as much as $242 million.

- The Washington Metropolitan Area Transit Authority (WMATA) agreed to cooperate with the County to make such amendments in agreements between the two parties as shall be necessary to permit parking revenues from the two garages included in the Fairfax Facilities to be used to pay for the cost of constructing the garages, if Fairfax deems it appropriate to use such parking revenues for that purpose.

- The Commonwealth of Virginia, the County, Loudoun County, WMATA, and MWAA agreed to form a Coordinating Committee composed of their respective chief executive officers (including Fairfax's County Executive) to implement the MOA and to regularly monitor progress in planning, designing, and constructing Phase II of the metrorail.

- The Commonwealth of Virginia and MWAA agreed that they had reached a separate agreement on a Project Labor Agreement for Phase II that is consistent with Federal statutory and regulatory requirements and Virginia law.

- The MOA explicitly recognized that nothing in it required the County to pay or will result in the County paying more than 16.1 percent of the total Project cost as previously agreed in the Funding Agreement.

- There will be continuing FTA oversight of the Project.

On April 10, 2012 the Board confirmed the County's participation in Phase II of the Project. As part of the financial deal, the County agreed to make its best efforts to pay for building the Route 28 Station, along with the parking garage at this station and at Herndon Monroe, outside of the Project. On July 3, 2012 Loudoun County voted to confirm their participation in Phase II.

The County's total 16.1 percent share of the Project is estimated to be $927 million. The County contributed $400 million from the Phase I tax district and will contribute $330 million from the Phase II tax district. The balance will be supported by allocating $187 million in proceeds from the TIFIA loan that will be repaid using the County's Commercial and Industrial real estate tax and $10 million in 70 percent regional funds from the Northern Virginia Transportation Authority (NVTA).

Fund 40120
Dulles Rail Phase II Transportation Improvement District

The Phase II tax district $330 million contribution is achieved from two approaches. First, there will be an internal allocation of $215.6 million toward repayment of the County's $403.3 million TIFIA loan. The future debt service on this portion of the TIFIA loan will be repaid out of this fund. Second, the remaining $114.4 million will be provided from either tax district equity or a public sale of bonds backed by the tax district where debt service would also be repaid out of this fund.

In Spring 2013, Fairfax County officially notified USDOT and MWAA that the Innovation Center Station (formerly Route 28 Station), which has a total project estimate of $89 million, would be funded as part of the total project cost and shared among the funding partners through the agreed upon percent allocations. As part of the MOA for Phase II, the County agreed to use "best efforts" to fund this station along with the parking garages at Innovation Center and Herndon-Monroe. Since that time, the County received funding approval of $69 million from NVTA 70 percent toward the Innovation Center Station that will be spread among the funding partners per the standard percent splits. The County continues its plan to fund the parking garages outside the project as preliminary design and engineering have been completed. The plan of finance includes the pledging of annual parking revenues from the two new parking garages and accessing surcharge revenues from current County garages in the WMATA system. In order to access these surcharge revenues, County staff worked with WMATA staff to amend the appropriate legal documents. The WMATA board formally agreed to amend these documents on October 23, 2014, and the Fairfax County Board of Supervisors agreed to amend these same documents on November 18, 2014. The parking garage bond sale is planned for winter 2017 with project completion targeted for spring 2019. For additional information on the parking garages, please refer to the Fund 40125, Metrorail Parking System Pledged Revenues, as part of Volume 2, Capital Construction and Other Operating Funds.

The Funding Partners were officially notified on May 9, 2014 by USDOT that the TIFIA loan had been approved for the Project. The $1.9 billion loan is one of the largest financings approved in the program's history with the allocation by funding partner as follows: $1.3 billion to MWAA, $403.3 million to Fairfax County, and $195.0 million to Loudoun County. On August 20, 2014, MWAA closed on its $1.3 billion TIFIA loan at an interest rate of 3.21 percent. On December 9, 2014, Loudoun County closed on its $195.0 million TIFIA loan at an interest rate of 2.87 percent. On December 17, 2014, Fairfax County closed on its $403.3 million TIFIA loan at an interest rate of 2.73 percent. The County's $403.3 million TIFIA loan will be repaid from two sources: $215.6 million from the Phase II Tax District and $187.7 million from Fund 40010, County and Regional Transportation Projects. Annualized debt service on the County's TIFIA loan equates to $28.9 million beginning in FY 2024, with $15.6 million to be repaid from the Phase II District and $13.3 million to be repaid from Fund 40010, County and Regional Transportation Projects. The County made its first draw on its TIFIA loan proceeds in March 2015 and continues to do so on a monthly basis for payments to MWAA.

In April 2015, MWAA announced an updated Phase II construction timeline with more than 150 modifications to the design phase that will enhance the safety and reliability of Phase II. The substantial completion date is scheduled for late 2019.

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- FY 2018 funding remains at the same level as the FY 2017 Adopted Budget Plan.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$15,650,000**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $15,650,000 for the debt service reserve fund requirement for the Phase II District's $215.6 million portion of the County's overall $403.3 million Transportation Infrastructure Financing and Innovation Act (TIFIA) loan with the United States Department of Transportation that closed on December 17, 2014.

Fund 40120
Dulles Rail Phase II Transportation Improvement District

FUND STATEMENT

Fund 40120, Dulles Rail Phase II Transportation Improvement District

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$50,740,723	$49,838,924	$65,916,515	$65,580,925	$65,580,925
Revenue:					
Real Estate Taxes[1]	$15,010,423	$15,814,410	$15,814,410	$16,350,924	$16,350,924
Interest on Investments	172,869	0	0	0	0
Total Revenue	$15,183,292	$15,814,410	$15,814,410	$16,350,924	$16,350,924
Total Available	$65,924,015	$65,653,334	$81,730,925	$81,931,849	$81,931,849
Expenditures:					
Debt Service[2]	$0	$0	$15,650,000	$0	$0
Operating Expenses	7,500	500,000	500,000	500,000	500,000
Total Expenditures	$7,500	$500,000	$16,150,000	$500,000	$500,000
Total Disbursements	$7,500	$500,000	$16,150,000	$500,000	$500,000
Ending Balance[3]	$65,916,515	$65,153,334	$65,580,925	$81,431,849	$81,431,849
Tax rate per $100 Assessed Value[4]	$0.20	$0.20	$0.20	$0.20	$0.20

[1] FY 2018 estimate based on January 1, 2017 assessed values.

[2] This amount represets the debt service reserve fund requirement for the Dulles Rail Phase II District's $215.6 million portion of the County's overall $403.3 million Transportation Infrastructure Financing and Innovation Act (TIFIA) loan with the United States Deptartment of Transportation that closed on December 17, 2014.

[3] The ending balance will be accumulating in anticipation of the sale of bonds to fund the district's share of the project.

[4] The tax rate will be held at $0.20 per $100 of assessed value until full revenue operations commence on Phase II, which is expected in late 2019/ early 2020 with the exact date determined by the Washington Metropolitan Area Transit Authority (WMATA).

Fund 40125
Metrorail Parking System Pledged Revenues

Focus

The Metrorail Parking System Pledged Revenues Fund was established by the Board of Supervisors on November 18, 2014 to collect and disburse funds related to revenue-generating activities at Metrorail parking facilities owned by and located within the County. These funds will be generated from fees paid at these parking facilities and used to pay operating, maintenance and debt expenses of the facilities. Previously, these revenues and expenditures were either collected by the County or on behalf of the County by the Washington Metropolitan Area Transit Authority (WMATA) and budgeted under Fund 40010, County and Regional Transportation Projects, and Fund 40000, County Transit Systems.

In November 2011, the Board of Supervisors agreed to the Memorandum of Agreement (MOA) to participate in Phase 2 of the Silver Line and to use its "best efforts" to seek funding for the parking garages at Herndon and Innovation Center from sources outside of the shared funding formula agreed to by the funding partners. In that MOA, WMATA agreed in principle to changes in the 1999 Surcharge Agreement that would enable the County to use surcharge revenues to finance those parking facilities.

County staff worked with the staff at WMATA to provide the County direct access to parking surcharge revenue funds generated from County parking garages currently in the WMATA system. In addition, the Department of Public Works and Environmental Services (DPWES) had initiated preliminary design work at the Herndon and Innovation parking garages. At the June 10, 2014, Board Transportation Committee Meeting, County staff provided an update on staff coordination with WMATA to amend surcharge documents, and an overview of the plan of finance to construct the parking garages at Herndon and Innovation Center. Until the opening of the Silver Line Phase 1, WMATA owned or leased all of the Metrorail parking garages in Fairfax County. The parking facility at the Wiehle-Reston East Metrorail Station is owned by Fairfax County, and the future parking facilities at the Herndon and Innovation Center Metrorail Stations will also be owned by Fairfax County. By retaining ownership of the new parking facilities, the County will be able to control future joint development on the sites, and retain all revenues generated from those joint developments.

The Surcharge Agreement provides a mechanism to collect a base fee and a surcharge fee at the five WMATA owned/leased parking facilities in Fairfax County and two additional stations (East Falls Church in Arlington County and Van Dorn in the City of Alexandria). The surcharge fee has been used to pay the debt service on revenue bonds sold by the Fairfax County Economic Development Authority (EDA) to finance the construction of Metrorail parking facilities in the County. The base parking fee is used by WMATA to operate and maintain the parking facilities. Since the County will own the new parking facilities within its jurisdiction, the agreement needed to be amended so the entire fee at the new facilities would be retained by the County, and the surcharge from the WMATA owned facilities could be used by the County for the County-owned facilities. WMATA and Fairfax County staff worked together to create the Second Amended and Restated Surcharge Implementation Agreement. The major changes to the existing surcharge agreement are summarized below:

- The parking surcharge balance held at WMATA was transferred to the County in June 2015 (minus approximately $2 million for a 12-month reserve for the current Vienna II garage debt service). The County currently plans to use this one time balance transfer of approximately $21 million to pay current debt service and reduce the amount of debt required to finance the Herndon and Innovation Station parking facilities which originally had a Total Project Estimate of $44,500,000 and $57,400,000, respectively.

- All ongoing surcharge revenues collected at the five WMATA owned parking facilities in Fairfax County plus the East Falls Church and Van Dorn parking facilities will be transferred to the County and used to pay debt service, operating, and maintenance costs.

- All parking fees collected at Metrorail parking facilities owned by Fairfax County (e.g. Wiehle-Reston East, Herndon, and Innovation Center) will be retained by the County and used to pay debt service, operating, and maintenance expenses.

- The Agreement has been extended so that it will continue until all the costs incurred for the Fairfax County-owned parking spaces have been recovered.

- The County and WMATA agree that the surcharge revenues shall be used for the planning, development, financing (including, but not limited to, the payment of debt service), construction, operation, maintenance, insurance, improvement and expansion of Fairfax County's Metrorail parking facilities and WMATA-controlled parking facilities.

- WMATA acknowledges that the County will set the fees for the County-owned spaces and that the fees shall not be subject to WMATA's approval. On July 1, 2014, the Board of Supervisors established the parking fees for the Wiehle-Reston East Metrorail garage, and will continue to do so annually. The rates for the additional parking garages at Herndon and Innovation Center will be added when they become operational.

- WMATA also acknowledges that none of the fees set for County-owned Metrorail parking spaces is a surcharge, and that the County may use those fees for the same purposes allowed for the surcharge funds, except that the County may also use the fees for other parking facilities in the County that provide remote parking spaces for Metrorail patrons.

Before the agreement was amended, the only outstanding surcharge agreement-related debt was that associated with the Vienna II parking garage through 2020. Absent the amendments that were recommended, the surcharge fee would otherwise be eliminated after the debt service on Vienna II had been defeased. In November 2016, the County utilized a portion of the equity in this fund to pay off the outstanding debt on the Vienna II bonds. Maintaining County access to this revenue surcharge stream is an essential component to the parking revenue bond financing of the Herndon and Innovation Center Station Parking Garages as part of the County's "best efforts" to fund the parking garages, per the 2011 MOA.

The WMATA Board approved the Second Amended and Restated Surcharge Implementation Agreement on October 23, 2014. The Fairfax County Board of Supervisors then approved the Second Amended and Restated Surcharge Implementation Agreement at its meeting on October 28, 2014. Lastly, the Fairfax County Board of Supervisors approved a resolution and plan of finance on November 18, 2014 to create the Fairfax County Metrorail Parking System.

As part of the United States Department of Transportation's (USDOT) Transportation Infrastructure and Finance and Innovation Act (TIFIA) loan for the Dulles Metrorail project, Fairfax County received $403.3 million toward its baseline share of project costs. As a condition to financial closing on the TIFIA loan, a Letter Agreement between USDOT and the County regarding the County's construction of the parking garages at the Herndon and Innovation Center Metrorail Stations was established. The County agreed to complete construction of the parking garages by the WMATA-announced start date of revenue service for

Phase 2. If the County does not meet this deadline, it is required to prepay any drawn portion of the TIFIA loan plus accrued interest. In the unlikely event the County does not complete construction of the parking garages by the agreed-upon date, staff would recommend a public sale of bonds backed by Fund 40010, County and Regional Transportation Projects, to repay the drawn portion of the County's TIFIA loan. The County timeline provides for construction of the garages to be completed in spring 2019. This completion estimate is well in advance of anticipated Phase 2 revenue service and therefore the County does not anticipate any mandatory prepayment of the TIFIA loan.

The Letter Agreement also provides for an uncontrollable force provision (i.e., force majeure), whereby the County would not be held liable for any construction delay to either parking garage that was the result of certain circumstances beyond the control of the County, such as a natural disaster. Lastly, USDOT provided language in the Letter Agreement confirming that no TIFIA loan proceeds have or will be used for the parking garages. Thus, the parking garages have neither been selected nor designated a federally funded project. This provision was requested by the County to ensure that the parking garages would not be subject to federal regulation and oversight, which could cause a significant increase to the cost of constructing the garages and jeopardize the County's current plan of finance and project schedule.

As part of the Board of Supervisors Transportation Committee meeting on May 24, 2016 and December 13, 2016, County staff provided an overview of the plan of finance associated with the planned Economic Development Authority (EDA) Parking Revenue bond for the Herndon and Innovation Center Station Parking Garages. The EDA and the Board of Supervisors then approved the plan of finance at their respective meetings on January 11, 2017 and January 24, 2017. The bond sale occurred in February 2017 in the amount of $90.9 million to fund the following: Herndon Station and Innovation Center Station Parking Garages of $37.9 million and $37.1 million, respectively, per final construction bids; and $15.9 million to fund capitalized interest, funding of a debt service reserve, and cost of issuance.

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Debt Service Adjustments** **($650)**
  A total of $7,384,563 is included for debt service expenses for the Wiehle-Reston East Metrorail parking garage. The FY 2018 budgeted amount is a $650 decrease from the FY 2017 Adopted Budget Plan.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$99,700,000**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an appropriation of $99,700,000 for the Fairfax County Economic Development Authority (EDA) Parking Revenue bond sale anticipated in winter 2017 for the Herndon Station Parking Garage for $48,900,000 and the Innovation Center Station Parking Garage for $43,000,000. In addition, an appropriation of $7,800,000 is provided for the defeasance of the outstanding callable debt on the Fairfax County Economic Development Authority Parking Revenue Bonds Series 2005 for the Vienna II Parking Garage.

- **Third Quarter Adjustments** **($5,715,252)**

  As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved a reduction of $5,715,252, including a $16,900,000 decrease in Capital Projects related to the construction and final bids awarded for the two Metrorail parking facilities at the Herndon and Innovation Center Metrorail stations. This decrease is partially offset by an $11,184,748 increase necessary to support capitalized interest and cost of issuance expense related to the bond sale for the parking garages.

Fund 40125
Metrorail Parking System Pledged Revenues

FUND STATEMENT

Fund 40125, Metrorail Parking System Pledged Revenues

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$20,616,004	$22,216,004	$23,860,792	$17,660,792	$11,769,292
Revenue:					
Wiehle-Reston East Ground Rent[1]	$1,394,365	$967,000	$1,164,700	$1,933,430	$1,933,430
Interest on Investments	60,200	0	0	0	0
Parking Revenue Bond Proceeds[2]	0	0	80,293,248	0	0
Wiehle-Reston East Metrorail Parking Garage[3]	2,761,983	2,000,000	2,000,000	2,000,000	2,000,000
WMATA Surcharge Parking Fees[4]	3,259,198	3,000,000	3,000,000	3,600,000	3,600,000
Total Revenue	$7,475,746	$5,967,000	$86,457,948	$7,533,430	$7,533,430
Transfer In:					
County and Regional Transportation Projects (40010)[5]	$4,220,513	$0	$4,220,513	$0	$0
Total Transfer In	$4,220,513	$0	$4,220,513	$0	$0
Total Available	$32,312,263	$28,183,004	$114,539,253	$25,194,222	$19,302,722
Expenditures:					
Wiehle-Reston East Parking Garage Operating Expenses	$1,063,758	$1,400,000	$1,400,000	$1,400,000	$1,400,000
Vienna II Parking Garage Debt Payoff[6]	0	0	7,800,000	0	0
Herndon Station Parking Garage - Construction[2]	0	0	37,900,000	0	0
Innovation Center Station Parking Garage - Construction[2]	0	0	37,100,000	0	0
Capitalized Interest[7]	0	0	10,669,227	0	0
Costs of Issuance[7]	0	0	515,521	0	0
Wiehle-Reston East Parking Garage Debt Service	7,387,713	7,385,213	7,385,213	7,384,563	7,384,563
Total Expenditures	$8,451,471	$8,785,213	$102,769,961	$8,784,563	$8,784,563
Total Disbursements	$8,451,471	$8,785,213	$102,769,961	$8,784,563	$8,784,563
Ending Balance	$23,860,792	$19,397,791	$11,769,292	$16,409,659	$10,518,159
Debt Service Reserve[8]	$0	$0	$4,758,500	$0	$4,758,500
Unreserved Balance	$23,860,792	$19,397,791	$7,010,792	$16,409,659	$5,759,659

[1] Revenues associated with ground rent at the Wiehle-Reston East Metrorail Station Parking Garage.

[2] Construction funding from the Fairfax County Economic Development Authority Parking Revenue bond sale in February 2017 for the Herndon Station Parking Garage ($37,900,000) and Innovation Center Station Parking Garage ($37,100,000).

[3] Parking revenues collected at the Wiehle-Reston East Metrorail Station Parking Garage.

[4] Projected revenues transferred from the Washington Metropolitan Area Transit Authority (WMATA) for five WMATA owned/leased parking facilities in Fairfax County (Huntington, West Falls Church, Dunn Loring, Vienna, and Franconia) and two additional stations (East Falls Church in Arlington County and Van Dorn in the City of Alexandria). These revenues will be used by the County to pay debt service for the Herndon and Innovation Center Station Parking Garages.

[5] Provides for the balance of funds required to pay debt service on the Wiehle-Reston East Metrorail Station Parking Garage not covered by ground rent and parking fees. Funding needs will be reviewed as part of the annual budget process as well as the Carryover Review process.

[6] Represents the outstanding callable debt for the Fairfax County Economic Development Authority Parking Revenue Bonds Series 2005 for the Vienna II Parking Garage. The County paid off this balance in November 2016.

[7] Capitalized interest and costs of issuance for the bond sale in February 2017 to fund construction of the Metrorail parking garage structures at the Herndon and Innovation Center Metrorail stations.

[8] Debt service reserve fund for the parking garage revenue bonds, which was funded at closing of the bond sale in March 2017.

Fund 40125
Metrorail Parking System Pledged Revenues

FY 2018 Summary of Capital Projects

Fund 40125, Metrorail Parking System Pledged Revenues

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Herndon Metrorail Parking Facility (TF-000033)	$37,900,000	$0.00	$37,900,000.00	$0	$0
Innovation Metrorail Parking Facility (TF-000034)	37,100,000	0.00	37,100,000.00	0	0
Vienna II Metro Pkg Facility Debt Service (2G40-134-000)	7,800,000	0.00	7,800,000.00	0	0
Wiehle Metro Pkg Facility Debt Service (2G40-115-000)	14,772,926	7,387,712.50	7,385,213.00	7,384,563	7,384,563
Wiehle Pkg Operations and Maintenance (2G40-120-000)	2,463,758	1,063,758.39	1,400,000.00	1,400,000	1,400,000
Total	$100,036,684	$8,451,470.89	$91,585,213.00	$8,784,563	$8,784,563

Fund 40180
Tysons Service District

Focus

On June 22, 2010, the Board of Supervisors (Board) adopted an amendment to the Comprehensive Plan for Tysons. This action was the culmination of a multi-year effort that created a new vision for Tysons as the walkable, transit-oriented downtown for Fairfax County. This vision reflected the status of Tysons as the County's urban center and the powerful economic engine that Tysons brings to both the County and to the Commonwealth.

On March 29, 2011, the Board requested that the Planning Commission, working with staff, develop a process to address financing the infrastructure in Tysons. In response, the Planning Commission reconstituted its Tysons Committee (Committee). The Committee adopted an inclusive process, which included 24 meetings over a period of seventeen months. During its deliberations, the Committee sought information and input from all stakeholders. Based upon this input, the Committee developed recommendations, which were then approved by the Planning Commission on September 20, 2012. On October 16, 2012, the Board heard public comment on the Planning Commission's recommendations. The Board endorsed the Planning Commission's funding plan and directed staff to come forward with an item for authorization of a public hearing on the proposed District, and on October 30, 2012, the Board authorized the advertisement of the public hearing for December 4, 2012. The Board then voted to establish the District on January 8, 2013.

The funding plan is a multi-faceted approach to funding transportation infrastructure in Tysons. Funding sources are proposed for each of the four major components of the infrastructure: the grid of streets is proposed to be funded primarily by in-kind and per square foot/per unit road fund contributions from developers/landowners; neighborhood and access improvements and transit are proposed to be funded primarily from public sources; and, the Tysons-wide Road Improvements are proposed to be funded primarily by public sources for the projects outside of the boundaries of Tysons and by developer/landowner sources for the improvements inside of Tysons. This fourth category is projected to cost approximately $506 million in 2012 dollars. Funding for that component is proposed to come from two sources in equal amounts: $253 million (50 percent) from per square foot/per unit road fund contributions from developers/landowners and $253 million (50 percent) from a Tysons Service District.

The District has a boundary generally consistent with the Tysons Corner Urban Center, as defined in the Comprehensive Plan. Most of the Tysons-wide Road Improvements are contained within the proposed boundary and the improvements therein would benefit the entire community within Tysons. The Planning Commission also recommended that a Tysons Service District Advisory Board (Advisory Board) be created to aid the Board in developing recommendations related to the annual tax rates for the service district. All Advisory Board members are appointed by the Board.

The District would fund projects that benefit all of the residential and non-residential landowners within Tysons and initial projects were anticipated to be those that would provide the most benefit to the most properties. The Planning Commission also made a recommendation that the County conduct a review concerning the status of the initial projects, yearly tax rates, future increments of projects and their timing.

The Advisory Board held three meetings to discuss a potential FY 2014 tax rate for the District. During these deliberations County staff presented several tax rate models whereby the District could meet its obligation for funding $253 million of Tysons Wide Road Improvements. These models included stable rates of $0.07 and $0.09, as well as alternate step ladder models beginning at $0.04 and peaking at $0.07 and $0.09, respectively.

The Advisory Board requested a final tax rate model be presented which has been referred to as the "Modified Bell Curve." This model called for a tax rate of $0.04 in FY 2014, $0.05 in FY 2015, and $0.06 in FY 2016, and not increasing to $0.07 until FY 2032. The Advisory Board endorsed this model, and the tax rate of $0.04 was adopted by the Board of Supervisors as part of the FY 2014 Adopted Budget Plan. As part of their FY 2015 meetings, the Advisory Board continued to endorse to the Modified Bell Curve model, but recommended delaying the respective tax rate increases for a year. As a result, the FY 2015 Adopted Budget Plan for the Tysons Service District reflected no change in the tax rate of $0.04 per $100 of assessed value. The FY 2016 Adopted Budget Plan included a one cent increase in the tax rate from $0.04 to $0.05 per $100 of assessed value, which was recommended by the Advisory Board unanimously on March 19, 2015 and approved by the Board of Supervisors on April 28, 2015.

The FY 2017 Advertised Budget Plan reflected a one-cent increase in the tax rate from $0.05 to $0.06 per $100 of assessed value. Based on strong growth in assessed values over the prior fiscal year, staff noted that sufficient revenues can be generated at the current rate of $0.05 per $100 of assessed value to accommodate current funding needs, and the Advisory Board concurred with this approach as part of their formal recommendation to the Board of Supervisors. The FY 2017 Adopted Budget Plan thus noted no change in the tax rate of $0.05 per $100 of assessed value.

The FY 2018 Advertised Budget Plan contained a one cent increase in the tax rate to $0.06 per $100 of assessed value as contemplated in the original Modified Bell Curve financial model. As strong growth in assessed values in the district continues, staff again recommended no change to the tax rate of $0.05 per $100 of assessed value as tax collections at this level can accommodate project needs. The Advisory Board seconded this approach, and the Board of Supervisors adopted a tax rate of $0.05 per $100 of assessed value as part fo the FY 2018 Adopted Budget Plan.

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- FY 2018 funding remains at the same level as the FY 2017 Adopted Budget Plan.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$6,450,000**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $6,450,000 for the carryover of unexpended project balances.

Fund 40180
Tysons Service District

FUND STATEMENT

Fund 40180, Tysons Service District

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$7,279,794	$7,246,906	$13,700,605	$14,198,401	$14,198,401
Revenue:					
Real Estate Taxes-Current[1]	$6,386,394	$6,947,796	$6,947,796	$8,691,916	$7,243,263
Interest on Investments	34,417	0	0	0	0
Total Revenue	$6,420,811	$6,947,796	$6,947,796	$8,691,916	$7,243,263
Total Available	$13,700,605	$14,194,702	$20,648,401	$22,890,317	$21,441,664
Expenditures:					
Capital Projects	$0	$0	$6,450,000	$0	$0
Total Expenditures	$0	$0	$6,450,000	$0	$0
Total Disbursements	$0	$0	$6,450,000	$0	$0
Ending Balance[2]	$13,700,605	$14,194,702	$14,198,401	$22,890,317	$21,441,664
Debt Service Reserve[3]	$1,370,061	$1,419,470	$1,419,840	$2,289,032	$2,144,166
Pay-As-You-Go (PAYGO) Funding[4]	12,330,544	12,775,232	12,778,561	20,601,285	19,297,498
Unreserved Balance	$0	$0	$0	$0	$0
Tax rate per $100 Assessed Value	$0.05	$0.05	$0.05	$0.06	$0.05

[1] FY 2018 estimate based on January 1, 2017 assessed values at an advertised tax rate of $0.05 per $100 of assessed value.

[2] The ending balance will be accumulating in anticipation of the sale of bonds and contributions to fund $253 million toward the District's share of transportation infrastructure improvements in Tysons.

[3] Set-aside of 10 percent of ending balance to cash fund debt service reserves for future bond sale.

[4] Current funds available for ongoing project needs in the service district.

FY 2018 Summary of Capital Projects

Fund 40180, Tysons Service District

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Rt 123 Widening (Old Courthouse to Rt 7) (2G40-117-000)	$2,250,000	$0.00	$2,250,000.00	$0	$0
Rt 123 Widening (Rt 7 to I-495) (2G40-116-000)	2,000,000	0.00	2,000,000.00	0	0
Rt 7 Widening (Rt 123 to I-495) (2G40-118-000)	2,200,000	0.00	2,200,000.00	0	0
Total	$6,450,000	$0.00	$6,450,000.00	$0	$0

Fund 40190
Reston Service District

Focus

On February 11, 2014, the Board of Supervisors adopted the Reston Phase I Comprehensive Plan Amendment (CPA). This amendment included revised land use and additional transportation facilities for the three Reston Transit Station Areas (TSAs): Wiehle-Reston East, Reston Town Center, and Herndon. The CPA optimizes development opportunities associated with the availability of mass transit, while maintaining the stability of existing land uses outside of the TSAs. The TSA designation allows a mixture of residential, office, retail and other commercial uses and provides opportunities for joint public-private development.

The CPA envisioned these revised land uses will be served by a multi-modal transportation system. To support that vision, the CPA recommended multi-modal roadway improvements, a grid network, intersection improvements, and supporting transit service. As a result, on February 11, 2014, the Board directed the Planning Commission (PC) and staff to develop an inclusive process to prepare a funding plan for the transportation improvements recommended in the CPA and return to the Board with staff's recommendations. The Board further directed staff that the funding plan should include arrangements for financing the public share of Reston infrastructure improvements and facilitate cooperative funding agreements with the private sector.

Subsequent to the Board's action, the Hunter Mill District Supervisor appointed a Reston Network Analysis Advisory Group (Advisory Group) to refine the transportation network included in the CPA and develop the funding plan. Although the Board directed the PC to work with staff on the funding plan, the Advisory Board served as a diversified stakeholder group representing various interests in Reston, and in that capacity fulfilled the charge of the PC.

The Advisory Group provided a forum for Fairfax County Department of Transportation (FCDOT) staff to receive input and feedback from residents, property owners, and developers on the Reston Network Analysis (analysis of transportation improvements recommended in the CPA) and associated plans. In its feedback, the Advisory Group was most interested in funding options that include both proffer and service district revenue streams. Staff also solicited feedback on the funding plan from the larger community and other stakeholders at a series of public meetings.

In December 2016, consensus was reached on a funding plan after review from the Board of Supervisors, the Planning Commission Transportation Subcommittee, the Advisory Group, and the Reston Association. The funding plan is anticipated to be formally adopted by the Board of Supervisors at their February 28, 2017 meeting.

The following provides the main aspects of the funding plan and entails three categories of improvements: Roadway Improvements, Intersection Improvements, and a Grid of Streets Network. Staff has assumed that existing transit resources in Reston and Herndon will be re-allocated to increase feeder and circulation service when Phase 2 of the Metrorail Silver Line opens. As a result, no additional funding for transit was included in the Reston Transportation Funding Plan.

Primary responsibility for funding of Roadway Improvements would come from public revenue sources allocated by the County for use on countywide transportation projects. These include the following sources:

- Federal: Regional Surface Transportation Program (RSTP) and Discretionary Grant Programs
- State: Smart Scale and Revenue Sharing
- Regional: Northern Virginia Transportation Authority (NVTA) 70% Regional Funds
- Local: Commercial & Industrial Tax, General Obligation Bonds, NVTA 30% Local Funds

Funding for Intersection Improvements and the Grid Network is expected to come from private revenue sources, such as revenues generated within the Reston TSAs and used exclusively for projects in the Reston TSAs. Private funding encompasses three sources. First, In-kind Contributions from developers would fund the construction of grid segments for their development or redevelopment projects. Second, Road Fund contributions would be paid by developer contributions in the form of pooled cash proffers on a per residential unit or per commercial square foot basis of new development for use on the Grid Network. These monies would be deposited in Fund 30040, Contributed Roadway Improvements.

Third, this newly established Fund 40190, Reston Service District, was reflected as part of the FY 2018 Advertised Budget Plan and included a tax rate of $0.021 per $100 of assessed value on commercial and residential properties within the Reston TSAs. The Board approved a Funding Plan and Road Fund for Reston Transportation Projects on February 28, 2017. On April 4, 2017, following a public hearing, the Board of Supervisors established the Reston Service District as well as Board action approving a Service District Advisory Board. The corresponding tax rate of $0.021 per $100 of assessed value is included as part of the FY 2018 Adopted Budget Plan.

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ There are no expenditures currently required in this fund.

Fund 40190
Reston Service District

FUND STATEMENT

Fund 40190, Reston Service District

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$0	$0	$0	$0	$0
Revenue:					
Real Estate Taxes-Current[1]	$0	$0	$0	$910,727	$910,727
Interest on Investments	0	0	0	0	0
Total Revenue	$0	$0	$0	$910,727	$910,727
Total Available	$0	$0	$0	$910,727	$910,727
Expenditures:					
District Expenses	$0	$0	$0	$0	$0
Total Expenditures	$0	$0	$0	$0	$0
Total Disbursements	$0	$0	$0	$0	$0
Ending Balance[2]	$0	$0	$0	$910,727	$910,727
Tax rate per $100 Assessed Value	$0.00	$0.00	$0.00	$0.021	$0.021

[1] Estimate based on January 1, 2017 assessed values at the Adopted tax rate of $0.021 per $100 of assessed value. Revenues reflect one half year collection of taxes. The Board of Supervisors established this service district and tax rate as part of the FY 2018 Budget process.

[2] The ending balance will be accumulating in anticipation of capital projects to be funded in the service district.

Fund 50000
Federal-State Grant Fund

Mission

To provide reserves for unanticipated and anticipated grants awarded to Fairfax County from federal, state, and other funding sources. The reserves enable Fairfax County to accept grant funding to enhance services provided to the residents of Fairfax County.

Focus

In order to provide a comprehensive summary of grant awards to be received by the County in FY 2018, awards *already received* and awards *anticipated to be received* by the County for FY 2018 are included in the Fund 50000, Federal-State Grant Fund budget. The total FY 2018 appropriation within Fund 50000, Federal-State Grant Fund is $113,738,873, an increase of $4,424,485, or 4.0 percent, over the FY 2017 Adopted Budget Plan total of $109,314,388.

In order to secure grant funding, the grantor often requires that a certain percentage of funds be matched from local funding sources. In FY 2018, the General Fund commitment for Local Cash Match totals $5,106,999, a decrease of $373,837 or 6.8 percent, over the total FY 2017 anticipated need for Local Cash Match of $5,480,836.

Prior appropriation of the anticipated grants will allow for grants to be handled in an expeditious manner when actual awards are received. As specific grants are awarded and approved, a supplemental appropriation of the required funds is made to the specific agency or agencies administering a grant. This increase in a specific agency grant appropriation is offset by a concurrent decrease in the grant reserve. The list of anticipated grants to be received in FY 2018 was developed based on prior awards and the most recent information available concerning future awards. A detailed list of grant programs by agency, including a description of the grant programs funded, the number of positions supported, and the funding sources (federal/state grant funds, General Fund support, and other support) is included. In addition, an amount of $5,075,000 is included as part of the reserve to allow for new grant awards that were not anticipated.

The current County policy for grant application and award is based on certain pre-established criteria. The Board of Supervisors has authorized the grant applications for those grants listed on the Anticipated Grant Awards table in the Adopted Budget for the current fiscal year. If the actual funding received does not differ significantly from the projected funding listed in the budget, the agency can work directly with the Department of Management and Budget to appropriate funding. However, additional Board approval will be required to receive the award if it is significantly different from what is included in the Adopted budget. If an agency is applying for a new grant award and it is $100,000 or less, with a required Local Cash Match of $25,000 or less, with no significant policy implications, and if the grantor does not require Board of Supervisors' approval, the agency can work directly with the Department of Management and Budget to apply for and receive the award. For any other 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.

Funding in Reserve within Fund 50000
An amount of $113,738,873 is included in FY 2018 as a reserve for grant awards. Grant awards are principally funded by two general sources – federal/state grant funding and Local Cash Match. The FY 2018 reserves for each of these sources are estimated for anticipated grant awards and for unanticipated grant awards. The Reserve for Grant Funding and the Reserve for Local Cash Match are shown on the fund statement as both estimated revenue and estimated expenditures.

In FY 2018, the Reserve for Grant funding is $108,631,874, including the Reserve for Anticipated Grant Funding of $103,631,874 and the Reserve for Unanticipated Grant Funding of $5,000,000. This reflects an increase of $4,798,322, or 4.6 percent, over the FY 2017 Adopted Budget Plan Reserve for Grant Funding of $103,833,552. The increase is primarily attributable to increases in estimated funding for grants in the Department of Housing and Community Development, Department of Transportation, Department of Family Services, the Fairfax-Falls Church Community Services Board, and the Police Department offset by decreases to the Office to Prevent and End Homelessness and the Fire and Rescue Department.

In FY 2018, the Reserve for Local Cash Match is $5,106,999 including the Reserve for Anticipated Local Cash Match of $5,031,999 and the Reserve for Unanticipated Local Cash Match of $75,000. This reflects a decrease of $373,837, or 6.8 percent, over the FY 2017 Adopted Budget Plan Reserve for Local Cash Match of $5,480,836. This decrease in Local Cash Match requirements is due to a decrease in requirements for the Office to Prevent and End Homelessness and the Fire and Rescue Department partially offset by an increase in requirements for the Department of Transportation, Department of Family Services, and the Police Department.

The Reserve for Local Cash Match is a projection of the County contributions required for anticipated and unanticipated grant awards. The anticipated Local Cash Match required by agencies is as follows:

AGENCY	FY 2018 ADOPTED LOCAL CASH MATCH
Department of Transportation	$144,991
Department of Family Services	3,878,097
Office to Prevent and End Homelessness	498,214
Department of Neighborhood and Community Services	87,564
Police Department	254,845
Fire and Rescue Department	168,288
Reserve for Unanticipated Grant Awards	75,000
Total	**$5,106,999**

Fund 50000
Federal-State Grant Fund

The following table provides funding levels for the FY 2018 Adopted Budget Plan for the fund including the awards in the reserves for anticipated and unanticipated awards. Actual grant awards received in FY 2018 may differ from the list below.

FY 2018 ANTICIPATED GRANT AWARDS					
	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	SOURCES OF FUNDING		
ANTICIPATED GRANT			GENERAL FUND	FEDERAL/ STATE	OTHER
Department of Housing and Community Development					
SNAP (formerly Shelter Plus Care) - Merged SPC 1 (1380009)	0/0.0	$531,097	$0	$531,097	$0
Funding provided by the U.S. Department of Housing and Urban Development supports rental assistance for 29 units of permanent housing for 34 homeless persons with serious mental illness. Required in-kind support services match is provided by an existing program of Pathway Homes and the Fairfax-Falls Church Community Services Board.					
SNAP (formerly Shelter Plus Care) - Merged SPC 10 (1380011)	0/0.0	$863,287	$0	$863,287	$0
Funding provided by the U.S. Department of Housing and Urban Development supports rental assistance for 15 units of permanent housing for 16 homeless persons with serious mental illness. Required in-kind support services match is provided by an existing program of Pathway Homes and the Fairfax-Falls Church Community Services Board.					
SNAP (formerly Shelter Plus Care) - Merged SPC 9 (1380012)	0/0.0	$382,826	$0	$382,826	$0
Funding provided by the U.S. Department of Housing and Urban Development supports rental assistance for 21 units of permanent housing for 24 homeless persons with serious mental illness. Required in-kind support services match is provided by an existing program of Pathway Homes and the Fairfax-Falls Church Community Services Board.					
TOTAL – DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT	**0/0.0**	**$1,777,210**	**$0**	**$1,777,210**	**$0**
Office of Human Rights and Equity Programs					
U.S. Equal Employment Opportunity Commission Contract (1390001)	2/2.0	$85,000	$0	$85,000	$0
The U.S. Equal Employment Opportunity Commission (EEOC) program is the result of a contractual agreement reached between the Fairfax County Office of Human Rights and Equity Programs and the Federal EEOC. This agreement requires the Office of Human Rights to investigate complaints of employment discrimination in Fairfax County. Any individual who applies for employment or is employed in Fairfax County is eligible to use these services.					
HUD Fair Housing Complaints Grant (1390002)	1/1.0	$95,000	$0	$95,000	$0
The U.S. Department of Housing and Urban Development (HUD) provides funding to assist the Fairfax County Office of Human Rights and Equity Programs with its education and outreach program on fair housing and to enforce compliance (includes investigating complaints of illegal housing discrimination in Fairfax County) with the County's Fair Housing Act.					
TOTAL - OFFICE OF HUMAN RIGHTS AND EQUITY PROGRAMS	**3/3.0**	**$180,000**	**$0**	**$180,000**	**$0**

FY 2018 ANTICIPATED GRANT AWARDS					
	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	SOURCES OF FUNDING		
ANTICIPATED GRANT			GENERAL FUND	FEDERAL/ STATE	OTHER
Department of Transportation					
Marketing and Ridesharing Program (1400021)	4/4.0	$724,957	$144,991	$579,966	$0
The Virginia Department of Rail and Public Transportation grant for Marketing and Ridesharing encourages commuters to rideshare, assists commuters in their ridesharing efforts, and promotes the use of Fairfax County bus and rail services. Any County resident or any non-County resident working in Fairfax County may use this program. A 20 percent Local Cash Match is required.					
Employer Outreach Program (1400022)	3/3.0	$322,364	$0	$322,364	$0
Funding provided by the Virginia Department of Transportation for the Employer Outreach Program is used to decrease air pollution by promoting alternative commuting modes. Transportation Demand Management programs, customized for each participant employment site, are implemented in partnership between the employer and the County.					
Countywide Transit Stores (1400090)	0/0.0	$520,000	$0	$520,000	$0
Congestion Mitigation and Air Quality (CMAQ) funds are authorized by the Commonwealth Transportation Board for the operation of transit stores. Transit stores provide transit information, trip planning, fare media, and ridesharing information to Fairfax County residents and visitors seeking alternatives to driving alone. These facilities encourage transit usage and reduce reliance on single occupant vehicles.					
Tysons Metrorail Station Access Management Study (TMSAMS)	0/0.0	$3,747,596	$0	$3,747,596	$0
Federal Regional Surface Transportation Program (RSTP) funding to implement recommendations from the Tysons Metrorail Station Access Management Study (TMSAMS). Projects include transportation improvements designed to enhance alternative mode access and egress to four new Metrorail stations in Tysons. The TMSAMS effort also helps identify areas where additional planning and analysis are needed.					
Reston Metrorail Access Group (RMAG) - Planning, Design & Coordination	0/0.0	$3,500,000	$0	$3,500,000	$0
Federal Regional Surface Transportation Program (RSTP) funding to implement recommendations made by the Reston Metrorail Access Group (RMAG) related to bicycle and pedestrian improvements associated with the Dulles Rail project in Reston. These recommendations include improvements at intersections, trail crossings and pathways, as well as over nine miles of sidewalks, six miles of mixed use trails and 14 miles of on-street bike lanes.					
TOTAL – DEPARTMENT OF TRANSPORTATION	**7/7.0**	**$8,814,917**	**$144,991**	**$8,669,926**	**$0**
Department of Family Services					
V-Stop (1670002)	0/0.0	$25,463	$0	$25,463	$0
The Department of Criminal Justice Services provides funding through federal Violence Against Women Act (VAWA) monies to provide one part-time volunteer coordinator for the Victim Assistance Network (VAN). Volunteers are then trained to staff VAN's 24-hour hotline for sexual and domestic violence calls, facilitate domestic violence and sexual assault support groups, provide community education and assist with office duties.					

FY 2018 ANTICIPATED GRANT AWARDS					
	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	SOURCES OF FUNDING		
ANTICIPATED GRANT			GENERAL FUND	FEDERAL/ STATE	OTHER
Domestic Violence Crisis (1670003)	1/0.5	$150,000	$0	$150,000	$0
The Virginia Department of Social Services provides funding to assist victims of domestic violence and their families who are in crisis. The grant supports one apartment unit at the Women's Shelter, as well as basic necessities such as groceries and utilities.					
Virginia Serious and Violent Offender Re-Entry (1670007)	1/1.0	$93,626	$0	$0	$93,626
The Virginia Serious and Violent Offender Re-Entry (VASAVOR) program provides services to ex-offenders recently released from prison. Services include job skills training, education, career assessment, employment counseling and job seeking services.					
Fairfax Bridges to Success (1670008)	3/3.0	$342,000	$0	$342,000	$0
The U.S. Department of Health and Human Services provides this funding through the Virginia Department of Social Services to facilitate successful employment and movement toward self-sufficiency for Temporary Assistance for Needy Families (TANF) participants who have disabilities. This program combines the former TANF Hard-to-Serve and the TANF Job Retention/Wage Advancement grants into a single award.					
Inova Health System (1670010)	13/13.0	$1,031,109	$0	$0	$1,031,109
Funding under the Inova Health Systems grant covers the personnel costs of grant eligibility workers stationed at the Inova Fairfax and Inova Mount Vernon hospitals for the purposes of identifying, accepting and processing applications for financial/medical assistance of County residents who are at the time hospitalized. Inova reimburses Fairfax County for 100 percent of all Personnel Services costs (salary and County benefits) on a monthly basis for the positions.					
Virginia Community Action Partnership (VACAP) (1670011)	0/0.0	$8,000	$0	$0	$8,000
The Virginia Community Action Partnership (VACAP) EITC Initiative supports community groups and local coalitions throughout the Commonwealth as they provide free tax preparation services to low-income working individuals and families.					
Independent Living Initiatives Grant Program (1670023)	0/0.0	$62,800	$0	$62,800	$0
The U.S. Department of Health and Human Services Independent Living Initiatives Grant Program, administered through the Virginia Department of Social Services, provides comprehensive services for older youth in foster care to develop skills necessary to live productive, self-sufficient and responsible adult lives. The program directly serves youth in foster care through the age of 20. No Local Cash Match is required for this grant's Operating Expenses.					
Foster and Adoptive Parent Training Grant (1670024)	0/0.0	$358,200	$176,651	$181,549	$0
The Virginia Department of Social Services Foster and Adoptive Parent Training Grant provides for: the enhancement of community education regarding foster care and adoption; pre-service training, in-service training, and in-home support of agency-approved foster and adoptive parents and volunteers; training for child welfare staff; and employee educational stipends.					

Fund 50000
Federal-State Grant Fund

FY 2018 ANTICIPATED GRANT AWARDS					
			SOURCES OF FUNDING		
ANTICIPATED GRANT	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	GENERAL FUND	FEDERAL/ STATE	OTHER
Promoting Safe and Stable Families (1670026)	8/7.0	$773,591	$119,907	$653,684	$0
These Virginia Department of Social Services funds are used to develop, expand, and deliver family preservation and family support services. Required Local Cash Match for this program is 15.5 percent.					
USDA Child and Adult Care Food Program (1670028)	8/8.0	$4,909,858	$0	$4,909,858	$0
The Virginia Department of Health, with federal pass-through funds from the U.S. Department of Agriculture (USDA) provides partial reimbursement for snacks served to children in family day care homes. Funds also provide for nutrition training, monitoring, and technical assistance. The program serves children from ages infant to 12 in approved day care homes.					
USDA School-Age Child Care Snacks (1670029)	0/0.0	$400,000	$0	$400,000	$0
The Virginia Department of Health, with federal pass-through funds from the U.S. Department of Agriculture (USDA), provides partial reimbursement for snacks served to children in the School-Age Child Care (SACC) program. The program serves school-age children, grades K-6.					
Virginia Preschool Initiative (1670031)	6/6.0	$5,378,125	$325,000	$5,053,125	$0
The Virginia Department of Education Preschool Initiative allows Fairfax County to serve approximately 1,613 at risk four-year-olds in a comprehensive preschool program in various settings throughout the County, including community pre-schools, family child care homes, and Fairfax County Public Schools. The Virginia Department of Education requires a Local Cash Match, which varies from year to year based on the state composite index. The anticipated state composite index for FY 2018 will require $325,000 in Local Cash Match from the County, with the balance of required Local Cash Match provided by the Fairfax County Public Schools.					
Virginia Infant and Toddler Specialist (ITS) Network (1670033)	3/3.0	$300,589	$0	$300,589	$0
Funds are provided by Child Development Resources, Inc. to establish a Virginia Infant and Toddler Specialist Network office in the Northern 1 Region (encompassing Arlington County, Fairfax County, Loudoun County, City of Alexandria, City of Fairfax, and City of Falls Church) to provide training and professional development to child care centers and family child care providers to strengthen practices and enhance the healthy growth and development of infants and toddlers (birth to 36 months of age).					
Virginia Star Quality Initiative Program (1670040)	0/0.0	$292,000	$0	$292,000	$0
The Virginia Department of Social Services provides funds to allow Fairfax County to develop and implement a strategic and detailed quality rating and improvement system plan for early care and education programs at a regional level, including Arlington County, Fairfax County, Prince William County, City of Alexandria, City of Manassas and City of Manassas Park.					
USDA Greater Mount Vernon Head Start (1670041)	0/0.0	$103,000	$0	$103,000	$0
The Virginia Department of Health, with federal pass-through funds from the U.S. Department of Agriculture (USDA), provides partial reimbursement for meals and snacks served to Head Start children in the Greater Mount Vernon Community Head Start program.					

FY 2018 ANTICIPATED GRANT AWARDS					
	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	SOURCES OF FUNDING		
ANTICIPATED GRANT			GENERAL FUND	FEDERAL/ STATE	OTHER
USDA Greater Mount Vernon Early Head Start (1670042)	0/0.0	$30,643	$0	$30,643	$0
The Virginia Department of Health, with federal pass-through funds from the U.S. Department of Agriculture (USDA), provides partial reimbursement for meals and snacks served to Early Head Start children in the Greater Mount Vernon Community Head Start program.					
Child Care Quality Initiative Program (1670043)	0/0.0	$101,406	$15,718	$85,688	$0
The Virginia Department of Social Services provides funds to develop, expand, and deliver family preservation and family support services to enhance the quality and supply of child care services in the community. A 15.5 percent Local Cash Match is required.					
Educating Youth through Employment (EYE) Program (1670044)	0/0.0	$24,268	$0	$0	$24,268
The U.S. Department of Labor provides funding for a summer initiative that recruits, screens and matches youth ages 16 to 21 with professional opportunities in the private sector and other area businesses. Participants are required to attend intensive training workshops before and during their summer work experiences.					
Office for Violence Against Women - Domestic Violence Grant (1670051)	2/2.0	$900,000	$0	$900,000	$0
The Department of Justice, Office for Violence Against Women provides funds to develop and strengthen effective responses to violence against women. This program encourages communities to treat sexual assault, domestic violence, dating violence and stalking as serious crimes by strengthening the criminal justice response to these crimes and promoting a coordinated community response. Victim safety and offender accountability are the focus of projects funded under the program.					
Sexual Assault Services Program (1670069)	0/0.0	$11,403	$0	$11,403	$0
The Department of Criminal Justice provides funding through the federal Violence Against Women Act (VAWA) for the Sexual Assault Services Program to help provide support and healing for survivors of sexual assault trauma. Community outreach and education are provided on issues related to sexual violence and teen dating violence.					
Success Through Education, Employment and Reintegration - STEER (1670075)	1/1.0	$114,320	$0	$0	$114,320
The STEER program provides returning citizens with job search, training and placement and supportive services both prior to and after their release. Participants in the program will be trained and employed to lead them to stable career pathways in high growth Northern Virginia industries. STEER is supported by one case manager.					
Virginia Preschool Initiative Plus (1670077)	1/0.5	$485,700	$0	$485,700	$0
Fairfax County Public Schools is implementing the Virginia Department of Education VPI+ grant in partnership with Fairfax County. The grant includes funding to serve 36 at-risk four year olds in two community-based child care centers.					

FY 2018 ANTICIPATED GRANT AWARDS					
	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	SOURCES OF FUNDING		
ANTICIPATED GRANT			GENERAL FUND	FEDERAL/ STATE	OTHER
USDA Greater Mount Vernon Early Head Start CC Partnership & Expansion (1670078)	0/0.0	$15,000	$0	$15,000	$0
The Virginia Department of Health, with federal pass-through funds from the U.S. Department of Agriculture (USDA), provides partial reimbursement for meals and snacks served to Early Head Start children in the Greater Mount Vernon Community Early Head Start Expansion program.					
TOGETHER (1670079)	1/1.0	$114,539	$0	$0	$114,539
The TOGETHER program promotes healthy family relationships through vocational training and work experience opportunities for participants who are not eligible for Workforce Innovation and Opportunity Act services.					
Sexual Assault/Domestic Violence Grant Program (1670082)	5/5.0	$523,100	$0	$523,100	$0
The Virginia Department of Criminal Justice Services provides funding for a grant award that represents a combination of the Sexual Assault Grant Program and the Victims of Crime Act Domestic Violence Grant Program. This SADVGP grant program, consolidated funding streams to provide and/or enhance direct services to both victims of sexual assault and domestic violence.					
Workforce Innovation and Opportunity Act					
Fairfax County receives funding from the U.S. Department of Labor for the Workforce Innovation and Opportunity Act (WIOA) programs. WIOA is designed to help job seekers access employment, education, training and support services to succeed in the labor market and to match employers with the skilled workers they need. Funding in the following programs is anticipated.					
WIOA Adult Program (1670004)	8/8.0	$1,266,121	$0	$1,266,121	$0
The WIOA Adult Program provides career services and training services to unemployed or under-employed adult job seekers. The program is universally accessible, customer centered, and training services is job-driven. Services include job search and placement assistance, labor market information, assessment of skills, follow-up services after employment and training services directly linked to job opportunities in in-demand industries and occupations. Priority is given to recipients of public assistance, other low-income individuals, individuals who are basic skills deficient, and veterans and eligible spouses.					
WIOA Youth Program (1670005)	11/11.0	$1,331,087	$0	$1,331,087	$0
The WIOA Youth Program provides career services and training services to youth and young adults beginning with career exploration, continued support for educational attainment, opportunities for skills training in in-demand industries and occupations, and culminating in employment along a career pathway or enrollment in post-secondary education. A key provision of the program requires a minimum of 75 percent of funding to be used for out-of-school youth defined as between the ages of 16-24, not attending any school, and meet one or more additional barriers like school dropout, pregnant or parenting, or in foster care or aged out of foster care system.					
WIOA Dislocated Worker Program (1670006)	11/11.0	$1,454,137	$0	$1,454,137	$0
The WIOA Dislocated Worker Program provides career services and training services to assist workers who have been laid off or are about to be laid off. The program is universally accessible, customer centered, and training services is job-driven. Services may include job search and placement assistance, labor market information, assessment of skills, follow-up services after employment, and training services directly linked to job opportunities in in-demand industries and occupations.					
Subtotal - WIOA	**30/30.0**	**$4,051,345**	**$0**	**$4,051,345**	**$0**

FY 2018 ANTICIPATED GRANT AWARDS					
	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	SOURCES OF FUNDING		
ANTICIPATED GRANT			GENERAL FUND	FEDERAL/ STATE	OTHER
Fairfax Area Agency on Aging					
The Department of Family Services administers Aging Grants which includes federal funds granted to localities under the Older Americans Act and state funds from the Virginia Department for the Aging. With additional support from the County, these funds provide community-based services such as case management/consultation services, legal assistance, insurance counseling, transportation, information and referral, volunteer home services, home delivered meals, nutritional supplements and congregate meals. In addition, the regional Northern Virginia Long-Term Care Ombudsman Program serves the jurisdictions of Alexandria, Arlington, Fairfax, and Loudoun.					
Community Based Services (1670016)	8/7.5	$996,357	$80,455	$890,196	$25,706
Community-Based Services provides services to adults age 60 and older to enable them to live as independently as possible in the community. This includes assisted transportation, information and referral, telephone reassurance, volunteer home services, insurance counseling, and other related services.					
Long Term Care Ombudsman (1670017)	7/7.0	$711,714	$460,074	$88,758	$162,882
The Long Term Care Ombudsman Program, serving the City of Alexandria and the counties of Arlington, Fairfax and Loudoun, improves quality of life for the more than 10,000 residents in 110 nursing and assisted living facilities by educating residents and care providers about patient rights and by resolving complaints against nursing and assisted living facilities, as well as home care agencies, through counseling, mediation and investigation. More than 60 trained volunteers are part of this program. The program also provides information about long-term care providers and educates the community about long-term care issues.					
Homemaker/Fee for Service (1670018)	0/0.0	$280,709	$0	$280,709	$0
Fee for Service provides home-based care to adults age 60 and older to enable them to remain in their homes rather than in more restrictive settings. Services are primarily targeted toward those older adults who are frail, isolated, of a minority group, or in economic need.					
Congregate Meals Program (1670019)	0/0.0	$1,554,021	$746,861	$582,718	$224,442
The Congregate Meals program provides one meal a day, five days a week, which meets one third of the dietary reference intake for older adults. Congregate Meals are provided in 29 congregate meal sites around the County including the County's senior and adult day health centers, several private senior centers and other sites serving older adults such as the Alzheimer's Family Day Center. Congregate Meals are also provided to residents of the five County senior housing complexes.					
Home Delivered Meals (1670020)	3/3.0	$1,542,051	$140,302	$1,226,936	$174,813
Funding supports the Home-Delivered Meal program and the Nutritional Supplement program. Home-Delivered Meals provides meals to frail, homebound, low-income residents age 60 and older who cannot prepare their own meals. Meals are delivered through partnerships with 22 community volunteer organizations that drive 49 delivery routes. The Nutritional Supplement program targets low-income and minority individuals who are unable to consume sufficient calories from solid food due to chronic disabling conditions, dementia, or terminal illnesses.					
Care Coordination (1670021)	8/8.0	$816,622	$538,433	$278,189	$0
Care Coordination Services are provided to elderly persons at risk of institutionalization who have deficiencies in two or more activities of daily living through the DFS "Adult Care Network" Program. Care Coordination Services include intake, assessment, plan of care development, implementation of the plan of care, service monitoring, follow-up and reassessment.					

FY 2018 ANTICIPATED GRANT AWARDS					
	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	SOURCES OF FUNDING		
ANTICIPATED GRANT			GENERAL FUND	FEDERAL/ STATE	OTHER
Family Caregiver (1670022)	1/1.0	$320,499	$79,910	$235,029	$5,560
Caregiver Support provides education and support services to caregivers of persons 60 and older, or older adults caring for grandchildren. Services include scholarships for respite care, gap-filling respite and bathing services, assisted transportation (which is also reflected in Community-Based Services), assistance paying for supplies and services, and other activities that contribute to the well-being of senior adults and help to relieve caregiver stress.					
Subtotal – Fairfax Area Agency on Aging	**27/26.5**	**$6,221,973**	**$2,046,035**	**$3,582,535**	**$593,403**
U.S. Department of Health and Human Services Head Start Programs					
Head Start is a national child development program that serves income eligible families with very young children. Families served by Head Start grants receive assistance with child education and development, social and health services, and parent education including family literacy and English-as-a-Second-Language. The overall match requirements for Head Start grants are 20 percent. In addition to Local Cash Match, the agency uses in-kind services to meet this required match total.					
Head Start (1670030)	26/24.0	$5,072,875	$659,106	$4,413,769	$0
Head Start is a national child development program that serves income-eligible families with children 3 to 5 years of age. Families served by Head Start receive assistance with child education and development, social and health services, and parent education including family literacy and English-as-a-Second-Language. This funding will provide services to an estimated 434 children and their families.					
Early Head Start (1670032)	29/26.0	$3,941,130	$364,805	$3,576,325	$0
The Early Head Start program is a national child development program that serves income eligible families with children 0 to 3 years of age. Families served by Early Head Start receive assistance with child education and development, social and health services, and parent education including family literacy and English-as-a-Second-Language. This funding will provide services to an estimated 244 children 0 to 3 years of age, as well as pregnant mothers.					
Early Head Start Childcare Partnership & Expansion (1670072)	13/12.3	$970,916	$170,875	$800,041	$0
Funding from the U.S. Department of Health and Human Services is used to expand the Early Head Start program to serve an additional 56 children, including 16 children in two classrooms in a center-based program at Gum Springs Glenn Children Center and 40 children through partnerships with regulated family child care providers.					
Subtotal – Head Start Programs	**68/62.3**	**$9,984,921**	**$1,194,786**	**$8,790,135**	**$0**
TOTAL - DEPARTMENT OF FAMILY SERVICES	**178/169.8**	**$36,806,979**	**$3,878,097**	**$30,949,617**	**$1,979,265**
Health Department					
Immunization Action Plan (1710001)	0/0.0	$74,627	$0	$74,627	$0
The U.S. Department of Health and Human Services Immunization Action Plan provides funding for outreach and education services regarding immunizations for children from low-income families within the community.					

FY 2018 ANTICIPATED GRANT AWARDS					
	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	SOURCES OF FUNDING		
ANTICIPATED GRANT			GENERAL FUND	FEDERAL/ STATE	OTHER
Women, Infants, and Children (1710002)	49/49.0	$3,230,663	$0	$3,230,663	$0
The U.S. Department of Agriculture provides funding for the Women, Infants, and Children (WIC) Grant. This program provides food, nutrition education, and breastfeeding promotion for pregnant, postpartum, or breastfeeding women, infants, and children under age five. The award is based on participation levels in the program.					
Perinatal Health Services (1710003)	4/4.0	$260,621	$0	$260,621	$0
The U.S. Department of Health and Human Services Perinatal Health Services Grant provides nutrition counseling for low-income pregnant women to reduce the incidence of low birth weight in Fairfax County.					
Tuberculosis Grant (1710004)	2/2.0	$175,000	$0	$175,000	$0
The Centers for Disease Control and Prevention Tuberculosis Control Program, administered by the Virginia Department of Health, Tuberculosis Control Division, provides funding to coordinate tuberculosis case investigation, case management, and reporting activity for Fairfax County. These efforts include timely reporting of newly diagnosed cases, monitoring the follow-up of tuberculosis suspects to ensure timely diagnosis and treatment, and assisting nursing staff with investigation of contact with active cases of tuberculosis in the County.					
PHEP&R (Public Health Emergency Preparedness & Response) for Bioterrorism (1710005)	2/2.0	$204,673	$0	$204,673	$0
For the Public Health Emergency Preparedness and Response (PHEP&R) grants, the Centers for Disease Control and Prevention (CDC) provide funding for ongoing development of public health preparedness and response efforts through the Virginia Department of Health. The goal of this grant is to have an emergency response plan that is coordinated with local agencies, hospitals, physicians, and laboratories in the County and the region.					
Medical Reserve Corp Capacity Building Grant - NACCHO (1710006)	0/0.0	$3,500	$0	$3,500	$0
The Health Department receives $5,000 from the National Association of City and County Health Officials. These funds will be used to build the capacity of the Fairfax Medicaid Reserve Corp unit specifically to support recruitment and outreach activities.					
WIC - Peer Counseling Program (1710007)	0/0.0	$131,306	$0	$131,306	$0
The U.S. Department of Agriculture provides funding for the Women, Infants, and Children grant. This program provides enhancements to the continuity and consistency of WIC's breastfeeding promotion efforts by offering mother-to-mother breastfeeding support.					
Virginia Department of Health Sexually Transmitted Disease Control and Prevention Grant (1710008)	0/0.0	$75,000	$0	$75,000	$0
The Health Department receives funding from the Virginia Department of Health in support of supplies and reagent costs associated with laboratory testing to control and prevent sexually transmitted diseases.					
Tuberculosis Outreach and Laboratory Support Services Grant (1710011)	1/1.0	$65,050	$0	$65,050	$0
The Health Department receives funding from the Virginia Department of Health in support of outreach and laboratory support services including mileage reimbursements, communications charges, and staff time required to support operations within the Communicable Diseases Division.					

FY 2018 ANTICIPATED GRANT AWARDS					
	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	SOURCES OF FUNDING		
ANTICIPATED GRANT			GENERAL FUND	FEDERAL/ STATE	OTHER
Maternal, Infant and Early Childhood Home Visiting Program Grant (1710013)	4/4.0	$522,368	$0	$522,368	$0
Funding from the Virginia Department of Health supports the implementation of a Nurse-Family Partnership evidence-based early childhood home visiting service delivery model. The goal of this program is to improve the health and early childhood outcomes for vulnerable children and families by drawing on the expertise of Registered Nurses.					
Tobacco Use Control Grant (1710018)	1/1.0	$88,000	$0	$88,000	$0
Funding from the Centers for Disease Control and prevention (CDC) provides for coordination of tobacco control activities in the Northern Virginia Health Region for the dissemination of the VDH quit line resources and implementation of policy, systems and environmental changes within this region.					
Improving Food Safety in Fairfax County (1710025)	0/0.0	$45,024	$0	$45,024	$0
Funding from the Food and Drug Administration to coordinate a risk factor study, data analysis and prepare trends report on the occurrence of foodborne illness factors. The data will be used to educate not only food handlers but the residents of Fairfax County.					
TOTAL - HEALTH DEPARTMENT	**63/63.0**	**$4,875,832**	**$0**	**$4,875,832**	**$0**
Office to Prevent and End Homelessness					
RISE (Reaching Independence through Support and Education) Supportive Housing Grant (1730002)	0/0.0	$585,327	$67,000	$518,327	$0
The U.S. Department of Housing and Urban Development RISE Supportive Housing Grant is a renewable grant that provides 20 units of transitional housing. Funding also provides support services for families through a partnership of private nonprofit organizations and County agencies.					
Emergency Solutions Grant (1730004)	0/0.0	$862,428	$431,214	$431,214	$0
The U.S. Department of Housing and Urban Development Emergency Solutions Grant (ESG) funding must be used to support prevention and rapid re-housing activities through the housing relocation and stabilization services that are provided by the community case managers and the Housing Locators Program contracted through several nonprofit organizations. HUD allocates funding in two phases at different times of the fiscal year with approximately 65 percent of funds arriving early in the year, and 35 percent arriving on the latter part of the year. A 50 percent Local Cash Match is required.					
Continuum of Care Planning Project Grant (1730006)	0/0.0	$82,214	$0	$82,214	$0
The U.S. Department of Housing and Urban Development (HUD) provides funding under the Continuum of Care (CoC) program to consolidate homeless assistance grant programs and monitor their progress.					
TOTAL - OFFICE TO PREVENT AND END HOMELESSNESS	**0/0.0**	**$1,529,969**	**$498,214**	**$1,031,755**	**$0**

FY 2018 ANTICIPATED GRANT AWARDS					
			SOURCES OF FUNDING		
ANTICIPATED GRANT	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	GENERAL FUND	FEDERAL/ STATE	OTHER
Fairfax-Falls Church Community Services Board					
Health Planning Region II Projects					
The Fairfax-Falls Church Community Services Board (CSB) receives funding from the Commonwealth of Virginia, Department of Behavioral Health and Developmental Services (DBHDS) for Health Planning Region II (HPR II) projects. Health Planning Region II includes the counties of Arlington, Fairfax, Loudoun, and Prince William and the cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park. Projects include Acute Care, Discharge Assistance, Crisis Stabilization, Community Support, Recovery Services, Regional Education Assessment Crisis Services and Habilitation (REACH) and Suicide Prevention. Services are designed to prevent institutional placements or to support transition from institutional placements to the community.					
Regional Acute Care (1760003)	0/0.0	$1,675,782	$0	$1,675,782	$0
DBHDS provides funding to HPR II for local inpatient services for individuals who require inpatient treatment but cannot be admitted to a state psychiatric hospital due to lack of capacity or complex clinical issues.					
Regional Discharge Assistance (1760004)	0/0.0	$5,090,843	$0	$5,090,843	$0
DBHDS provides funding to HPR II for specialized treatment services in the community for consumers with serious mental illness who have not been able to leave state hospitals without funding for such placements.					
Regional Crisis Stabilization (1760005)	0.6/0.6	$847,933	$0	$847,933	$0
DBHDS provides funding to HPR II for crisis stabilization services for consumers with mental illness and/or co-occurring developmental disabilities at-risk of hospitalization. The position supported and funded by this grant splits time with the DV Youth Crisis Stabilization grant, 1760035.					
REACH (1760025)	0/0.0	$2,646,118	$0	$2,646,118	$0
DBHDS provides funding to HPR II for the Regional Educational, Assessment, Crisis Response and Habilitation (REACH) program, promoting a system of care, community services and natural supports for individuals with developmental disabilities. To divert individuals from unnecessary institutional placements, services include mobile crisis services, alternative placements and short-term crisis stabilization.					
Regional Deaf Services (1760027)	0/0.0	$23,750	$0	$23,750	$0
DBHDS provides funding to HPR II for clinical and consultative services to address issues related to mental illness, intellectual disability, and substance use disorder for people of all ages who are deaf, hard of hearing, late deafened and deaf-blind as well as their families.					
Regional Suicide Prevention (1760028)	0/0.0	$125,000	$0	$125,000	$0
DBHDS provides funding to HPR II for a comprehensive suicide prevention and intervention planning effort among school personnel, human service providers, faith communities and others, including screening, counseling and referral services for individuals at-risk of suicide.					
Regional DV Youth Crisis Stabilization (1760035)	1.4/1.4	$1,913,964	$0	$1,913,964	$0
DBHDS provides funding to HPR II to provide a system of care for children with intellectual and developmental disabilities in crisis due to mental health or behavioral challenges. To divert children from unnecessary institutional placements, services include continuing care coordination, psychiatric and behavioral health specialist services and training for families and providers. The positions supported and funded by this grant split time with the Crisis Stabilization grant, 1760005.					

FY 2018 ANTICIPATED GRANT AWARDS					
	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	SOURCES OF FUNDING		
ANTICIPATED GRANT			GENERAL FUND	FEDERAL/ STATE	OTHER
Regional MH Other (1760041)	5/5.0	$701,962	$0	$701,962	$0
DBHDS provides funding to HPR II to provide project management, clinical oversight, financial management and administrative support for the various programs. In addition, MH Other funding may also be used for various behavioral health services as determined by HPR II priorities, including local inpatient and discharge planning services.					
Regional Community Support Center (1760042)	0/0.0	$64,607	$0	$64,607	$0
DBHDS provides funding to HPR II to support recovery-oriented services at the Northern Virginia Mental Health Institute. Services promote the development of recovery and resiliency skills needed for clients to successfully discharge to the community.					
Subtotal - Health Planning Region II Projects	**7/7.0**	**$13,089,959**	**$0**	**$13,089,959**	**$0**
Department of Behavioral Health and Developmental Services Programs					
The Commonwealth of Virginia, Department of Behavioral Health and Developmental Services (DBHDS) provides State and Federal funding through the State Performance Contract to CSB for specific services or targeted populations, such as treatment services for individuals with serious emotional disturbance, mental illness, substance use or co-occurring disorders.					
Recovery Services (1760006)	0/0.0	$478,585	$0	$478,585	$0
DBHDS provides funding for project-based, peer-operated recovery services for consumers recovering from mental illness, substance use and/or co-occurring disorders.					
Jail & Offender Services (1760012)	3/3.0	$159,802	$0	$159,802	$0
DBHDS provides funding for prevention, treatment and rehabilitation services for individuals with substance use disorder incarcerated at the Adult Detention Center.					
Homeless Assistance Program, PATH (1760013)	3/3.0	$164,542	$0	$164,542	$0
DBHDS provides funding for services for individuals with serious mental illness or co-occurring substance use disorders who are homeless or at imminent risk of becoming homeless.					
Jail Diversion Services (1760015)	4/3.8	$321,050	$0	$321,050	$0
DBHDS provides funding for forensic services for individuals with serious mental illness who are involved in the Commonwealth's legal system. Services include mental health evaluations and screenings, case management and treatment to restore competency to stand trial.					
MH Initiative - Non-Mandated CSA (1760016)	4/4.0	$515,529	$0	$515,529	$0
DBHDS provides funding for mental health and case management services for children with serious emotional disturbance who reside in the community and are not mandated to be served under the Comprehensive Services Act.					
MH Juvenile Detention (1760017)	1/1.0	$111,724	$0	$111,724	$0
DBHDS provides funding for assessment, evaluation, consumer monitoring and emergency treatment services for children and adolescents placed in juvenile detention centers.					

FY 2018 ANTICIPATED GRANT AWARDS					
ANTICIPATED GRANT	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	SOURCES OF FUNDING		
			GENERAL FUND	FEDERAL/ STATE	OTHER
MH Transformation (1760018)	1/1.0	$75,563	$0	$75,563	$0
DBHDS provides funding for pre-discharge planning services for individuals being discharged from a State mental health facility.					
MH Law Reform (1760019)	7/7.0	$530,387	$0	$530,387	$0
DBHDS provides funding for outpatient treatment services for individuals under temporary detention orders, emergency custody orders or involved in involuntary commitment proceedings.					
MH Child & Adolescent Services (1760020)	1/1.0	$75,000	$0	$75,000	$0
DBHDS provides funding for intensive care coordination and wrap-around services for court-involved children and adolescents as well as psychiatric services for youth placed in juvenile detention centers.					
Turning Point: Young Adult Services Initiative (1760030)	1/1.0	$760,750	$0	$752,500	$8,250
DBHDS provides funding for medical and psychosocial support services as well as supported employment, education and family engagement services for young adults, ages 16-25, experiencing first episode psychosis.					
MH Telepsychiatry (1760031)	0/0.0	$3,249	$0	$3,249	$0
DBHDS provides funding to support the purchase of new or updated telecommunications equipment to enable the delivery of behavioral health evaluations and treatment services more quickly and efficiently through the use of telemedicine technology.					
Crisis Intervention Team (CIT) Assessment Site (1760036)	0/0.0	$312,158	$0	$312,158	$0
DBHDS provides funding to support the County's Diversion First initiative aimed at reducing the number of people with mental illness in the County jail by complementing existing resources at the Merrifield Crisis Response Center to either expand staffing coverage or address staffing shortfalls within existing hours. Funding enables the transfer of custody of individuals experiencing an acute or sub-acute mental health crisis from law enforcement to emergency mental health personnel. Funding will support 1/1.0 FTE merit police officer and 1/1.0 FTE merit deputy sheriff position.					
Permanent Supportive Housing for Adults with Serious Mental Illness (1760047)	0/0.0	$714,300	$0	$714,300	$0
DBHDS provides funding to provide permanent supportive housing for individuals with serious mental illness and/or co-occurring substance use who are homeless, at risk of homelessness, at risk of coming in contact with the criminal justice system, and individuals leaving hospitals without a housing plan in need of supportive housing.					
Subtotal- Department of Behavioral Health & Developmental Services Programs	**25/24.8**	**$4,222,639**	**$0**	**$4,214,389**	**$8,250**

FY 2018 ANTICIPATED GRANT AWARDS					
			SOURCES OF FUNDING		
ANTICIPATED GRANT	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	GENERAL FUND	FEDERAL/ STATE	OTHER
IDEA Part C (1760001)	32/32.0	$4,423,223	$0	$4,423,223	$0
The Commonwealth of Virginia, Department of Behavioral Health and Developmental Services (DBHDS) provides funding for the Infant and Toddler Connection (ITC), a statewide program providing federally-mandated assessment and early intervention services as outlined in Part C of the Individuals with Disabilities Education Act (IDEA). Funding supports assessment and early intervention services for infants and toddlers, from birth through age 3, who have a developmental delay or a diagnosis that may lead to a developmental delay. Services include physical, occupational and speech therapy; developmental services; medical, health and nursing services; hearing and vision services; service coordination; assistive technology (e.g., hearing aids, adapted toys and mobility aids); family training and counseling; and transportation.					
High Intensity Drug Trafficking Area, HIDTA (1760002)	0/0.0	$369,000	$0	$369,000	$0
The U.S. Office of National Drug Control Policy provides funding through a sub-award with Washington/Baltimore HIDTA Mercyhurst University for residential, day treatment and medical detoxification services.					
Al's Pals: Kids Making Healthy Choices Program (1760022)	0/0.0	$59,925	$0	$59,925	$0
The Commonwealth of Virginia, Virginia Foundation for Healthy Youths (VFHY) provides funding for the Al's Pals: Kids Making Healthy Choices program. VFHY was created in 1999 by the General Assembly to distribute monies from the Virginia Tobacco Settlement Fund to localities for youth-focused tobacco use prevention programs. The Al's Pals program is an early childhood prevention program for children ages three to eight years old which includes interactive lessons to develop social skills, self-control and problem solving abilities to prevent use of tobacco, alcohol, and other drugs.					
BeWell, SAMHSA (1760037)	1/1.0	$400,000	$0	$400,000	$0
The U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration (SAMHSA) provides funding for expanded efforts to integrate primary and behavioral health care as well as preventative and wellness services for people with mental illness. Through evidence-based practices focused on the whole health of individuals, this program will improve health access and outcomes for some of the community's most vulnerable members.					
TOTAL – FAIRFAX-FALLS CHURCH COMMUNITY SERVICES BOARD	**65/64.8**	**$22,564,746**	**$0**	**$22,556,496**	**$8,250**
Department of Neighborhood and Community Services					
Summer Lunch Program (1790001)	0/0.0	$337,267	$87,564	$249,703	$0
Funding is awarded by the U.S. Department of Agriculture (USDA) to provide free lunches to all children 18 years of age or younger that attend eligible sites for Rec-Pac/RECQuest or any other approved community location during the summer months. This program distributes nutritious lunches to children throughout the County and site participation is increased annually pursuant to request by the Board of Supervisors.					
Local Government Challenge Grant (1790002)	0/0.0	$5,000	$0	$5,000	$0
The Virginia Commission for the Arts Local Government Challenge Grant is awarded to jurisdictions that support local arts programs for improving the quality of the arts. The funding awarded to Fairfax County will be provided to the Arts Council of Fairfax County for distribution.					

FY 2018 ANTICIPATED GRANT AWARDS					
	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	SOURCES OF FUNDING		
ANTICIPATED GRANT			GENERAL FUND	FEDERAL/ STATE	OTHER
Youth Smoking Prevention Program (1790003)	1/0.9	$60,000	$0	$60,000	$0
The Virginia Tobacco Settlement Foundation awards funding for a comprehensive tobacco, alcohol, and drug prevention program for teens. The program's goals include educating youth about tobacco products and addictions, including empowering them with life skills on resisting substance use by providing information on the social and health benefits for staying tobacco, alcohol, and drug free.					
Joey Pizzano Memorial Fund (1790008)	0/0.0	$46,937	$0	$0	$46,937
The Joey Pizzano Memorial Fund funds a swim and water safety program for school-age children with disabilities that helps develop new leisure activities for beginning swimmers and enhance levels of more experienced swimmers.					
TOTAL - DEPARTMENT OF NEIGHBORHOOD AND COMMUNITY SERVICES	**1/0.9**	**$449,204**	**$87,564**	**$314,703**	**$46,937**
Juvenile and Domestic Relations District Court					
Safe Havens (1810005)	1/0.5	$225,000	$0	$225,000	$0
The Safe Havens Supervised Visitation and Safe Exchange Program provides an opportunity for communities to support supervised visitation and safe exchange of children in situations involving domestic violence, sexual assault, dating violence, child abuse, or stalking. Grant funds support a 1/0.5 FTE program monitor, security services, program supplies, travel and training, and a contract with two advocacy groups that provide services to participants of the program.					
General District Court					
Comprehensive Community Corrections Act (1850000)	8/8.0	$763,632	$0	$763,632	$0
The Court Services Division of the General District Court provides pre-trial and post-trial supervision of defendants and offenders in the community as mandated by the Comprehensive Community Corrections Act (CCCA) Grant. This award from the Virginia Department of Criminal Justice Services will continue to support 8/8.0 FTE grant positions that provide pre-trial services, including supervision of staff in the Court Services Division and client services in the General District Court, and provide probation services in the General District Court and the Juvenile and Domestic Relations District Court.					
Police Department					
Seized Funds (1900001, 1900002, 1900005, 1900006)	0/0.0	$951,118	$0	$951,118	$0
The Seized Funds Program provides additional funding for law enforcement activities under authority of the Comprehensive Crime Control Act of 1984 and the Anti-Drug Abuse Act of 1986. These funds are released by the Department of Justice from asset seizures in connection with illegal narcotics activity.					
Victim Witness Assistance (1900007)	6/6.0	$521,460	$0	$521,460	$0
The Virginia Department of Criminal Justice Services provides funding to support 6/6.0 FTE positions in the Victim Witness Unit who deliver critical services to victims and witnesses of criminal activity.					

FY 2018 ANTICIPATED GRANT AWARDS					
	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	SOURCES OF FUNDING		
ANTICIPATED GRANT			GENERAL FUND	FEDERAL/ STATE	OTHER
Someplace Safe (1900008)	1/1.0	$52,993	$13,248	$39,745	$0
The Virginia Department of Criminal Justice Services provides funding for the Victim Witness Unit's Someplace Safe Program, which delivers critical services to victims of domestic violence in Fairfax County. The required Local Cash Match is 25 percent.					
DMV Traffic Safety Programs (1900013)	0/0.0	$94,000	$0	$94,000	$0
The Virginia Department of Motor Vehicles (DMV) provides funding to support the cost of a traffic safety information and enforcement program in Fairfax County.					
Justice Assistance Grant (JAG) (1900014)	0/0.0	$127,737	$0	$127,737	$0
The Justice Assistance Grant provides funding for equipment, technology, and other services designed to reduce crime and improve public safety in Fairfax County.					
DMV-Traffic Safety Programs - Pedestrian/Bicycle Grant (1900023)	0/0.0	$18,000	$0	$18,000	$0
The Virginia Department of Motor Vehicles (DMV) provides funding to support overtime costs for an educational and enforcement program targeting proper pedestrian and bicyclist safety laws in Fairfax County.					
DMV Traffic Safety Programs - Occupant Protection Grant (1900024)	0/0.0	$40,000	$0	$40,000	$0
The Virginia Department of Motor Vehicles (DMV) provides funding to support overtime costs for an educational and enforcement program targeting proper vehicle occupant protection safety laws in Fairfax County.					
DMV DWI Enforcement Squad (1900031)	0/0.0	$1,206,401	$221,616	$984,785	$0
The Virginia Department of Motor Vehicles (DMV) provides funding to support a designated squad of officers to specialize in the enforcement of DWI laws in Virginia. The objective is to reduce the number of alcohol related accidents and fatalities in the County. Statistical data will be collected to analyze the enforcement efforts to see if DWI accidents and fatalities decrease, thus providing a model for other Virginia law enforcement agencies. Funding will support 9/9.0 FTE merit police officer positions.					
VOCA Victim Witness Assistance Program (1900032)	1/1.0	$99,905	$19,981	$79,924	$0
The Virginia Department of Criminal Justice Services provides funding to increase access to culturally appropriate direct victim services for unserved/underserved victims of crime. This funding will support a Victim Services Specialist who will respond exclusively to the needs of Hispanic victims of crime through advocacy and direct services, such as on-scene crisis stabilization counseling, community and emergency personnel briefings, critical incident response, judicial advocacy, court accompaniment, case management, follow-up services, and information and referral.					
TOTAL – POLICE DEPARTMENT	**8/8.0**	**$3,111,614**	**$254,845**	**$2,856,769**	**$0**

FY 2018 ANTICIPATED GRANT AWARDS					
			SOURCES OF FUNDING		
ANTICIPATED GRANT	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	GENERAL FUND	FEDERAL/ STATE	OTHER
Fire and Rescue Department					
Virginia Department of Fire Programs (1920001)	10/8.8	$3,468,518	$0	$3,468,518	$0
The Virginia Department of Fire Programs provides funding for fire services training; constructing, improving and expanding regional fire service training facilities; public fire safety education; purchasing firefighting equipment or firefighting apparatus; or purchasing protective clothing and protective equipment for firefighting personnel. Program revenues may not be used to supplant County funding for these activities. The program serves residents of Fairfax County, as well as the towns of Clifton and Herndon.					
Four-for-Life (1920002)	0/0.0	$944,506	$0	$944,506	$0
The Virginia Department of Health, Division of Emergency Services Four-for-Life Program is funded from the $4 fee included as part of the annual Virginia motor vehicle registration. Funds are set aside by the Commonwealth for local jurisdictions to support emergency medical services, including the training of Emergency Medical Services (EMS) personnel and the purchase of necessary equipment and supplies.					
Fire Prevention and Safety Grant Program (1920019)	0/0.0	$291,853	$13,897	$277,956	$0
The primary goal of the Fire Prevention and Safety grant program is to support projects that enhance the safety of the public and firefighters from fire and related hazards. Funding will be used for projects that reduce injury and prevent death among high-risk populations.					
Rescue Squad Assistance Fund (1920021 and 1920036)	0/0.0	$200,000	$100,000	$100,000	$0
The Rescue Squad Assistance Fund (RSAF) is a matching grant for Virginia governmental volunteer and non-profit EMS agencies and organizations to provide financial assistance based on demonstrated need. The primary goal of the program is to financially assist EMS agencies with the purchase of equipment, vehicles and EMS programs and projects. A Local Cash Match of 50 percent is required. Two funding opportunities are available each year, and two separate awards are anticipated, each totaling $100,000 including a $50,000 Local Cash Match. These two awards are companion awards that have been separated into two different grant numbers for reporting purposes to the grantor.					
Assistance to Firefighters Act (1920040)	0/0.0	$416,996	$54,391	$362,605	$0
The primary goal of the Assistance to Firefighters Act (AFG) grant is to meet the firefighting and emergency response needs of fire departments and non-affiliated emergency medical service organizations. Funding supports County projects that protect the public and emergency personnel from fire related hazards and increase the knowledge and skills of Emergency Medical Services (EMS) staff.					
FEMA Urban Search and Rescue (1920005)	4/4.0	$1,200,000	$0	$1,200,000	$0
The responsibilities and procedures for national urban search and rescue activities under the Robert T. Stafford Disaster Relief Emergency Act are set forth in a cooperative agreement between the Federal Emergency Management Agency (FEMA) and the County. Funding is provided to enhance, support and maintain the readiness of the department's Urban Search and Rescue Team, equipment cache, and medical supplies.					

FY 2018 ANTICIPATED GRANT AWARDS					
ANTICIPATED GRANT	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	SOURCES OF FUNDING: GENERAL FUND	FEDERAL/ STATE	OTHER
FEMA Urban Search and Rescue Activations	0/0.0	$1,200,000	$0	$1,200,000	$0
The responsibilities and procedures for national urban search and rescue activities provided by the department's Urban Search and Rescue Team are identified in a cooperative agreement with the Federal Emergency Management Agency (FEMA). Activities are performed at the request of a government agency and are provided at the option of the local jurisdiction. Upon activation, an appropriation is necessary to cover initial expenses for procuring or replacing emergency supplies and to cover Personnel Services expenditures. All expenditures related to activations are reimbursed by FEMA. This appropriation is restricted to the necessary expenditures resulting from the activation of the Fairfax County Urban Search and Rescue Team (VA-TF1).					
OFDA International Urban Search and Rescue (1920006)	3/3.0	$2,000,000	$0	$2,000,000	$0
A cooperative agreement with the U.S. Agency for International Development (USAID), Office of Foreign Disaster Assistance (OFDA) exists to provide emergency urban search and rescue services internationally. Funding is provided to enhance, support, and maintain the readiness of the Department's Urban Search and Rescue Team, equipment cache, and medical supplies. It is anticipated that funding for year four of the five year agreement will be awarded FY 2018 at an estimated value of $2,000,000. The total value of this agreement over the five-year grant period (exclusive of deployment costs) will be approximately $12,600,000.					
OFDA International Urban Search and Rescue Activations	0/0.0	$2,500,000	$0	$2,500,000	$0
The responsibilities and procedures for international urban search and rescue activities provided by the department's Urban Search and Rescue Team are set forth in a cooperative agreement with the Office of Foreign Disaster Assistance (OFDA). Activities are performed at the request of a government agency and are provided at the option of the local jurisdiction. Upon activation, an appropriation is necessary to cover initial expenses for procuring or replacing emergency supplies and to cover Personnel Services expenditures. All expenditures related to an activation are reimbursed by OFDA. This appropriation is restricted to the necessary expenditures resulting from the activation of the Fairfax County Urban Search and Rescue Team (USAID SAR 1).					
TOTAL – FIRE AND RESCUE DEPARTMENT	**17/15.8**	**$12,221,873**	**$168,288**	**$12,053,585**	**$0**
Department of Animal Sheltering					
Department of Motor Vehicles (DMV) Animal Friendly License Plate Grant (1960001)	0/0.0	$25,000	$0	$25,000	$0
The DMV Animal Friendly License Plate program provides funding to support sterilization programs for dogs and cats. Fairfax County receives an annual share of the DMV's Animal Friendly license plate sales.					
Tax Spay and Neuter Program (1960002)	0/0.0	$8,000	$0	$8,000	$0
The Virginia Department of Taxation distributes funding to localities on an annual basis that can be used either to provide low-cost spay and neuter surgeries, or be made available to any private, non-profit sterilization programs for dogs and cats within the locality. Funding for the program is provided by voluntary contributions from individuals' state income tax refunds for a Spay and Neuter Fund.					
TOTAL – DEPARTMENT OF ANIMAL SHELTERING	**0/0.0**	**$33,000**	**$0**	**$33,000**	**$0**

Fund 50000
Federal-State Grant Fund

FY 2018 ANTICIPATED GRANT AWARDS					
			SOURCES OF FUNDING		
ANTICIPATED GRANT	GRANT FUNDED POSITION/ FTE	TOTAL PROJECTED FUNDING	GENERAL FUND	FEDERAL/ STATE	OTHER
Emergency Preparedness					
Emergency Management Performance Grant (1HS0012)	1/1.0	$109,897	$0	$109,897	$0
The Department of Homeland Security provides funding to enhance the capacity of localities to develop and maintain a comprehensive emergency management program with support for planning, training, and equipment procurement activities. The 1/1.0 FTE position is in the Office of Emergency Management.					
State Homeland Security Program	0/0.0	$200,000	$0	$200,000	$0
The Department of Homeland Security funds the State Homeland Security Program (SHSP) to enhance the capacity of state and local emergency responders to prevent, respond to and recover from a weapons of mass destruction terrorism incident involving chemical, biological, radiological, nuclear and explosive devices and cyber-attacks.					
Urban Areas Security Initiative	5/5.0	$15,000,000	$0	$15,000,000	$0
The Department of Homeland Security funds the Urban Areas Security Initiative (UASI) program to assist local governments in high-density urban areas to enhance capabilities in the areas of law enforcement, emergency medical services, emergency management, fire service, public works, public safety communications, and public health through the purchase of response equipment that will be necessary to prepare for and respond to emergencies arising out of terrorist or other mass casualty events affecting public safety. Positions associated with UASI funding are in the Office of Emergency Management (3/3.0 FTE), the Health Department (1/1.0 FTE), and the Fire and Rescue Department (1/1.0 FTE).					
TOTAL – EMERGENCY PREPAREDNESS	**6/6.0**	**$15,309,897**	**$0**	**$15,309,897**	**$0**
Fund 50000 Summary					
Reserve for Anticipated Grants (subtotal of grants in above table)	*357/346.8*	$108,663,873	*$5,031,999*	*$101,597,422*	*$2,034,452*
Reserve for Unanticipated Grants	*0/0.0*	$5,075,000	*$75,000*	*$5,000,000*	*$0*
TOTAL FUND	**357/346.8**	**$113,738,873**	**$5,106,999**	**$106,597,422**	**$2,034,452**

Agency Position Summary

Agency	FY 2016 Actual Pos	FY 2016 Actual FTE	FY 2017 Adopted Pos	FY 2017 Adopted FTE	FY 2017 Revised Pos	FY 2017 Revised FTE	FY 2018 Advertised Pos	FY 2018 Advertised FTE	FY 2018 Adopted Pos	FY 2018 Adopted FTE
Office of Human Rights and Equity Programs	3	2.9	4	3.9	3	3.0	3	3.0	3	3.0
Department of Transportation	7	7.0	7	7.0	7	7.0	7	7.0	7	7.0
Department of Family Services	178	174.4	178	172.0	178	175.0	178	169.8	178	169.8
Health Department	63	63.0	62	62.0	63	63.0	63	63.0	63	63.0
Fairfax-Falls Church Community Svcs. Board	60	60.0	60	59.8	65	65.0	65	64.8	65	64.8
Dept. of Neighborhood and Community Svcs.	3	3.0	1	0.9	3	3.0	1	0.9	1	0.9
Juvenile and Domestic Relations District Court	1	0.5	1	0.5	1	0.5	1	0.5	1	0.5
General District Court	9	9.0	8	8.0	9	9.0	8	8.0	8	8.0
Police Department	10	10.0	6	6.0	9	9.0	8	8.0	8	8.0
Fire and Rescue Department	17	17.0	17	15.8	18	18.0	17	15.8	17	15.8
Emergency Preparedness [1]	6	6.0	6	6.0	6	6.0	6	6.0	6	6.0
Total Federal/State Grant Fund [2]	357	352.8	350	341.9	362	358.5	357	346.8	357	346.8

[1] Emergency Preparedness positions include 1/1.0 FTE in the Office of Emergency Management supported by the Emergency Management Performance Grant and 5/5.0 FTE supported by UASI funding in the Office of Emergency Management (3/3.0 FTE), the Health Department (1/1.0 FTE), and the Fire and Rescue Department (1/1.0 FTE).

[2] It should be noted that the FY 2017 Revised position count includes grant positions that are funded with prior year awards for which additional funding is not anticipated.

Fund 50000
Federal-State Grant Fund

FUND STATEMENT

Fund 50000, Federal-State Grant Fund

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance [1]	$39,204,297	$742,262	$36,803,117	$742,263	$742,263
Revenue:					
Federal Funds	$60,985,541	$0	$138,571,624	$0	$0
State Funds	30,171,855	0	43,893,593	0	0
Other Revenue	2,080,085	0	2,959,779	0	0
Other Match	0	0	791,500	0	0
Reserve for Estimated Grant Funding	0	103,833,552	38,122,332	108,631,874	108,631,874
Total Revenue	$93,237,481	$103,833,552	$224,338,828	$108,631,874	$108,631,874
Transfers In:					
General Fund (10001)					
Local Cash Match	$5,408,464	$0	$4,829,709	$0	$0
Reserve for Estimated Local Cash Match	0	5,480,836	651,127	5,106,999	5,106,999
Total Transfers In	$5,408,464	$5,480,836	$5,480,836	$5,106,999	$5,106,999
Total Available	$137,850,242	$110,056,650	$266,622,781	$114,481,136	$114,481,136
Expenditures:					
Emergency Preparedness [2]	$11,721,291	$0	$25,398,793	$0	$0
Economic Development Authority	2,450,000	0	300,000	0	0
Dept. of Housing and Community Development	1,573,390	0	1,758,905	0	0
Office of Human Rights	158,109	0	613,541	0	0
Department of Transportation	6,437,782	0	56,831,096	0	0
Fairfax County Public Library	0	0	5,771	0	0
Department of Family Services	34,405,465	0	48,536,729	0	0
Health Department	5,260,940	0	6,255,810	0	0
Office to Prevent and End Homelessness	2,533,183	0	2,884,213	0	0
Fairfax-Falls Church Community Services Board	17,204,469	0	42,167,217	0	0
Dept. of Neighborhood and Community Services	579,944	0	1,067,734	0	0
Circuit Court and Records	0	0	29,619	0	0
Juvenile & Domestic Relations District Court	280,923	0	365,110	0	0
Commonwealth's Attorney	46,608	0	127,798	0	0
General District Court	772,715	0	1,249,987	0	0
Police Department	2,579,387	0	7,107,953	0	0
Office of the Sheriff	0	0	148,689	0	0
Fire and Rescue Department	14,897,174	0	23,897,300	0	0
Department of Public Safety Communications	145,745	0	1,768,255	0	0
Unclassified Administrative Expenses	0	109,314,388	45,365,998	113,738,873	113,738,873
Total Expenditures	$101,047,125	$109,314,388	$265,880,518	$113,738,873	$113,738,873
Total Disbursements	$101,047,125	$109,314,388	$265,880,518	$113,738,873	$113,738,873
Ending Balance [3]	$36,803,117	$742,262	$742,263	$742,263	$742,263

[1] The *FY 2017 Revised Budget Plan* Beginning Balance reflects $12,071,054 in Local Cash Match carried over from FY 2016. This includes $5,496,587 in Local Cash Match previously appropriated to agencies but not yet expended, $2,373,872 in Local Cash Match held in the Local Cash Match reserve grant, and $4,200,595 in the Reserve for Estimated Local Cash Match.

[2] Emergency Preparedness grant funding is reflected as a separate category in order to centrally identify grant funds earmarked for security and emergency preparedness requirements. Agencies currently involved in this effort include the Department of Information Technology, Health Department, Police Department, Fire and Rescue Department, Office of Emergency Management, and the Department of Public Safety Communications.

[3] The Ending Balance in Fund 50000, Federal-State Grant Fund, fluctuates primarily due to timing, as some revenues received late in the fiscal year have not been by spent by June 30 as the time period for spending grant funds often continues beyond the end of the fiscal year.

Fund S10000
Public School Operating

Focus

Expenditures required for operating, maintaining and supporting the instructional program of Fairfax County Public Schools (FCPS) are recorded in Fund S10000, Public School Operating. These expenditures include the costs for salaries and related employee benefits, materials, equipment and services, as well as costs for projected changes in membership and inflation. Revenue to support these expenditures is provided by a transfer from the County General Fund, state and federal aid, tuition payments from the City of Fairfax, as well as other fees and transfers.

The FY 2018 Fairfax County Public Schools Superintendent's Proposed Budget reflected a General Fund transfer increase of $108.2 million or 5.7 percent over the FY 2017 Adopted Budget Plan. This amount has been reflected on the following fund statement. Adjustments to the Superintendent's Proposed Budget, adopted by the Fairfax County School Board on February 9, 2017 were discussed in the Overview volume of the County's FY 2018 Advertised Budget Plan.

All financial schedules included in the FY 2018 Adopted Budget Plan reflect an increase of $53,400,698 or 2.8 percent, in the General Fund transfer as adopted by the Board of Supervisors on May 2, 2017. The adopted County General Fund transfer for school operations in FY 2018 totals $1,966,919,600.

More details on the FCPS budget can be found at https://www.fcps.edu/about-fcps/budget/FY2018.

Fund S10000
Public School Operating

FUND STATEMENT

Fund S10000, Public School Operating Fund

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan[1]	FY 2018 Superintendent's Proposed	FY 2018 Adopted Budget Plan[2]
Beginning Balance:					
Budgeted Beginning Balance	$30,347,826	$27,838,595	$33,120,624	$26,983,307	$33,510,377
Department Carryover	4,078,400	0	5,900,431	0	0
Schools/Projects Carryover	16,204,465	0	25,537,011	0	0
Outstanding Encumbered Obligations	36,575,423	0	28,007,401	0	0
Prior Committed Priorities and Requirements	6,153,754	0	4,071,352	0	0
Strategic Plan Investments	3,201,469	0	3,367,259	0	0
Total Beginning Balance	$96,561,337	$27,838,595	$100,004,078	$26,983,307	$33,510,377
Reserves:					
Future Year Beginning Balance	$27,838,595	$5,282,030	$22,176,402	$0	$0
Textbook Replacement	6,059,244	8,865,265	8,865,265	11,671,465	11,671,465
Staffing Reserve to Address Class Size	763,930	0	1,000,000	0	0
Fuel Contingency	0	0	2,000,000	0	0
Transportation Public Safety Radios	7,445,623	0	0	0	0
School Board Flexibility Reserve	8,000,000	0	8,000,000	0	0
Total Reserves	$50,107,392	$14,147,295	$42,041,667	$11,671,465	$11,671,465
Revenue:					
Sales Tax	$187,946,264	$187,816,375	$192,391,105	$198,962,838	$198,962,838
State Aid	402,126,484	405,810,153	413,472,456	432,462,456	432,462,456
Federal Aid	41,154,625	42,219,310	51,852,234	42,355,500	42,355,500
City of Fairfax Tuition	44,005,676	43,755,699	45,125,891	45,955,699	45,955,699
Tuition, Fees, and Other	21,441,228	20,001,399	20,166,514	20,966,514	20,966,514
Total Revenue	$696,674,277	$699,602,936	$723,008,200	$740,703,007	$740,703,007
Transfers In:					
County General Fund (10001)	$1,825,153,345	$1,913,518,902	$1,913,518,902	$2,021,703,576	$1,966,919,600
County Cable Communications (40030)	600,000	600,000	600,000	600,000	600,000
Total Transfers In	$1,825,753,345	$1,914,118,902	$1,914,118,902	$2,022,303,576	$1,967,519,600
Total Available	$2,669,096,351	$2,655,707,728	$2,779,172,847	$2,801,661,355	$2,753,404,449
Expenditures	$2,492,894,761	$2,609,766,024	$2,693,146,053	$2,759,921,034	$2,705,137,058
School Board Flexibility Reserve	0	0	8,000,000	0	0
Total Expenditures	$2,492,894,761	$2,609,766,024	$2,701,146,053	$2,759,921,034	$2,705,137,058

Fund S10000
Public School Operating

FUND STATEMENT

Fund S10000, Public School Operating Fund

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan[1]	FY 2018 Superintendent's Proposed	FY 2018 Adopted Budget Plan[2]
Transfers Out:					
Consolidated County & Schools Debt Fund (20000)	$3,468,575	$3,466,725	$3,466,725	$3,471,100	$3,471,100
School Construction Fund (S31000)	12,666,296	7,049,030	10,905,774	9,983,347	9,983,347
School Adult & Community Education Fund (S43000)	235,000	235,000	235,000	235,000	235,000
School Grants & Self-Supporting Fund (S50000)	17,785,974	18,237,453	18,237,453	18,711,506	18,711,506
Total Transfers Out	$34,155,845	$28,988,208	$32,844,952	$32,400,953	$32,400,953
Total Disbursements	$2,527,050,606	$2,638,754,232	$2,733,991,005	$2,792,321,987	$2,737,538,011
Ending Balance	$142,045,745	$16,953,496	$45,181,842	$9,339,368	$15,866,438
Reserves:					
Future Year Beginning Balance	$22,176,402	$5,282,030	$0	$0	$0
Textbook Replacement Reserve	8,865,265	11,671,466	11,671,465	9,339,368	9,339,368
School Board Flexibility Reserve	8,000,000	0	0	0	0
Commitments and Carryover:					
Budgeted Beginning Balance	33,120,624	0	33,510,377	0	0
Outstanding Encumbered Obligations	28,007,401	0	0	0	0
School/Projects Carryover	25,537,011	0	0	0	0
Department Critical Needs Carryover	5,900,431	0	0	0	0
Administrative Adjustments:					
Fuel Contingency	2,000,000	0	0	0	0
Staffing Contingency to Address Class Size	1,000,000	0	0	0	0
Joint BOS/SB Infrastructure Sinking Reserve Fund	305,774	0	0	0	0
Major Maintenance	3,550,970	0	0	0	0
World Languages	214,608	0	0	0	0
Substitute Pay for FCPS Retired Teachers	309,514	0	0	0	0
World Languages Textbooks	3,057,745	0	0	0	0
Available Ending Balance	$0	$0	$0	$0	$6,527,070

[1] The *FY 2017 Revised Budget Plan* reflects adjustments adopted by the Fairfax County School Board on March 23, 2017 during its *FY 2017 Third Quarter Review*.

[2] Pending School Board approval, FY 2018 Adopted Budget Plan expenditures have been reduced to offset the discrepancy between the County General Fund Transfer Out adopted by the Board of Supervisors and the transfer request in the Superintendent's Proposed Budget. Final adjustments will be reflected at the *FY 2017 Carryover Review*. The County's financial schedules reflect total expenditures as appropriated by the Board of Supervisors when adopting the budget.

Fund S40000
Public School Food and Nutrition Services

Focus

Fund S40000, Food and Nutrition Services, totals $96.5 million in FY 2018 for all Food and Nutrition Services' operational and administrative costs. This fund is entirely self-supporting and is operated under the federally-funded National School Lunch and Child Nutrition Acts.

The Food and Nutrition Services program:

- Procures, prepares and serves lunches, breakfasts, and a la carte items to over 142,000 customers daily;
- Offers breakfasts in 181 schools and centers;
- Contracts meal provision to day care centers and snack provision to all School-Age Child Care (SACC) programs and After School Middle School programs; and
- Provides meals and nutrition counseling at senior nutrition sites and Meals-on-Wheels programs.

Other responsibilities include nutrition education, enforcement of sanitary practices, specifications for food and equipment, and layout and design of kitchens in new schools.

No support from Fund S10000, School Operating Fund, is required as sufficient revenues are derived from food sales and federal and state aid.

Fund S40000
Public School Food and Nutrition Services

FUND STATEMENT

Fund S40000, Public School Food and Nutrition Services

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan[1]	FY 2018 Superintendent's Proposed	FY 2018 Adopted Budget Plan[2]
Beginning Balance	$12,462,035	$9,033,086	$13,458,962	$12,994,029	$12,994,029
Revenue:					
Food Sales	$39,603,824	$43,873,919	$43,956,209	$42,471,480	$42,471,480
Federal Aid	34,821,381	36,075,261	36,075,261	39,840,792	39,840,792
State Aid	1,049,064	1,153,857	1,153,857	1,217,890	1,217,890
Other Revenue	46,469	17,207	128,279	18,037	18,037
Total Revenue	$75,520,738	$81,120,244	$81,313,606	$83,548,199	$83,548,199
Total Available	$87,982,773	$90,153,330	$94,772,568	$96,542,228	$96,542,228
Total Expenditures	$74,199,901	$81,120,244	$81,778,539	$83,553,099	$83,553,099
Food and Nutrition Services General Reserve[3]	0	9,033,086	12,994,029	12,989,129	12,989,129
Total Disbursements	$74,199,901	$90,153,330	$94,772,568	$96,542,228	$96,542,228
Inventory Change	$323,910	$0	$0	$0	$0
Ending Balance	$13,458,962	$0	$0	$0	$0

[1] The *FY 2017 Revised Budget Plan* reflects adjustments adopted by the Fairfax County School Board on March 23, 2017 during its *FY 2017 Third Quarter Review*.

[2] Fairfax County School Board action on the FY 2018 budget was taken on May 25, 2017 and will be included for approval by the Board of Supervisors as part of the *FY 2017 Carryover Review*.

[3] Any unused portion of the allocated Food and Nutrition Services General Reserve carries forward into the subsequent budget year. Accordingly, the FY 2018 beginning balance is the projected ending balance for FY 2017 of $0 plus the estimated balance for the reserve of $12,994,029.

Fund S43000
Public School Adult and Community Education

Focus

Fund S43000, Public School Adult and Community Education, provides lifelong literacy and education opportunities for all residents and students of Fairfax County through adult education programs such as basic skill education, high school completion and English for Speakers of Other Languages (ESOL). FY 2018 expenditures are estimated at $9.6 million.

The Fund also provides for pre-kindergarten through grade 12 support programs, including behind-the-wheel driver education, SAT preparation, summer school, before- and after-school enrichment activities and remediation support.

Fund S43000
Public School Adult and Community Education

FUND STATEMENT

Fund S43000, Public School Adult and Community Education

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan[1]	FY 2018 Superintendent's Proposed	FY 2018 Adopted Budget Plan[2]
Beginning Balance	$397,679	$0	$28,491	$0	$0
Revenue:					
State Aid	$725,301	$744,292	$744,292	$747,063	$747,063
Federal Aid	1,766,774	1,666,438	1,751,564	1,666,438	1,666,438
Tuition	5,559,726	6,412,348	6,157,486	6,600,679	6,600,679
Industry, Foundation, Other	511,713	452,384	452,384	358,670	358,670
Total Revenue	$8,563,514	$9,275,462	$9,105,726	$9,372,850	$9,372,850
Transfers In:					
School Operating Fund (S10000)	$235,000	$235,000	$235,000	$235,000	$235,000
Total Transfers In	$235,000	$235,000	$235,000	$235,000	$235,000
Total Available	$9,196,193	$9,510,462	$9,369,217	$9,607,850	$9,607,850
Total Expenditures	$9,167,702	$9,510,462	$9,369,217	$9,607,850	$9,607,850
Total Disbursements	$9,167,702	$9,510,462	$9,369,217	$9,607,850	$9,607,850
Ending Balance	$28,491	$0	$0	$0	$0

[1] The *FY 2017 Revised Budget Plan* reflects adjustments adopted by the Fairfax County School Board on March 23, 2017 during its *FY 2017 Third Quarter Review*.

[2] Fairfax County School Board action on the FY 2018 budget was taken on May 25, 2017 and will be included for approval by the Board of Supervisors as part of the *FY 2017 Carryover Review*.

Fund S50000
Public School Grants and Self-Supporting Programs

Focus

Fund S50000, Public School Grants and Self-Supporting Programs, consists of two subfunds: the Grants Subfund and the Summer School and Standards of Learning (SOL) Remediation Subfund. FY 2018 revenue reflects federal, state and private industry grants, summer school fees and transfers from Fund S10000, School Operating, and Fund 40030, Cable Communications. FY 2018 disbursements are estimated at $76.3 million.

Fund S50000
Public School Grants and Self-Supporting Programs

FUND STATEMENT

Fund S50000, Public School Grants and Self-Supporting Programs

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan[1]	FY 2018 Superintendent's Proposed	FY 2018 Adopted Budget Plan[2]
Beginning Balance	$12,727,348	$2,550,968	$11,922,007	$446,235	$446,235
Revenue:					
State Aid	$11,731,474	$9,909,251	$12,035,016	$8,205,794	$8,205,794
Federal Aid	34,153,302	30,905,754	46,353,193	37,063,923	37,063,923
Tuition	2,225,580	2,406,205	2,406,205	2,139,926	2,139,926
Industry, Foundation, Other	1,062,298	0	868,105	465	465
Unallocated Grants	0	6,000,000	6,000,000	6,000,000	6,000,000
Total Revenue	$49,172,654	$49,221,210	$67,662,519	$53,410,108	$53,410,108
Transfers In:					
School Operating Fund Grants (S10000)	$9,029,576	$9,481,055	$9,481,055	$9,955,108	$9,955,108
School Operating Fund Summer School (S10000)	8,756,398	8,756,398	8,756,398	8,756,398	8,756,398
Cable Communications Fund (40030)[3]	3,282,217	3,619,872	3,619,872	3,697,587	3,522,651
Total Transfers In	$21,068,191	$21,857,325	$21,857,325	$22,409,093	$22,234,157
Total Available	$82,968,193	$73,629,503	$101,441,851	$76,265,436	$76,090,500
Total Expenditures[4]	$71,046,186	$73,629,503	$100,502,131	$76,265,436	$76,090,500
Summer School Reserve[5]	0	0	939,720	0	0
Total Disbursements	$71,046,186	$73,629,503	$101,441,851	$76,265,436	$76,090,500
Ending Balance	$11,922,007	$0	$0	$0	$0

[1] The *FY 2017 Revised Budget Plan* reflects adjustments adopted by the Fairfax County School Board on March 23, 2017 during its *FY 2017 Third Quarter Review*.

[2] Fairfax County School Board action on the FY 2018 budget was taken on May 25, 2017 and will be included for approval by the Board of Supervisors as part of the *FY 2017 Carryover Review*.

[3] The FY 2018 transfer from Fund 40030, Cable Communications, as well as the corresponding expenditures which it supports, have been adjusted to reflect the final amount from the County of $3,522,651.

[4] Expenditures shown for the FY 2018 Adopted Budget Plan are adjusted based on the final transfer from Fund 40030, Cable Communications, received each year. The County's financial schedules reflect total expenditures as approved by the Board of Supervisors when adopting the budget.

[5] Any unused portion of the allocated Summer School Reserve carries forward into the subsequent budget year. Information regarding the FY 2017 Summer School Reserve and the FY 2018 Beginning Balance is taken from the FY 2018 FCPS Superintendent's Proposed Budget.

Solid Waste Management Program

Mission

To protect the public interest through solid waste management planning and regulatory oversight of the County's refuse ordinances by providing efficient and effective collection, recycling, and disposal of solid waste for customers in an environmentally responsible manner.

Focus

The Solid Waste Management Program is responsible for the management and/or oversight and long-range planning for all refuse collection, recycling and disposal operations within the County. Operations include a County-owned and operated refuse transfer station, two closed municipal solid waste landfills, a regional ashfill operated by the County, two recycling and disposal facilities, and equipment and facilities for refuse collection, disposal, and recycling operations. The operation of the Solid Waste Management Program is achieved through the Division of Solid Waste Operations and the Division of Recycling, Engineering, and Environmental Compliance. The Administrative Services Branch performs the tasks associated with the overall administrative, financial and management functions for those funds that comprise Solid Waste Management.

Fund 40130, Leaf Collection, provides curbside vacuum leaf collection within Fairfax County's 38 approved leaf collection districts. For FY 2018, approximately 25,000 homes are included within these districts. Revenue for Fund 40130 is derived from a levy charged to homeowners within leaf collection districts. The FY 2017 levy of $0.015 per $100 of assessed real estate value will decrease to $0.013 per $100 of assessed real estate value in FY 2018. The division is able to reduce the rate based on the division's efforts to enhance the up-front planning strategies and streamline costs.

Fund 40140, Refuse Collection and Recycling Operations, provides for collection of waste and recycling from approximately 44,000 individual households within Fairfax County's approved sanitary districts. Revenue to support residential collection operations is derived from the refuse collection fee. In FY 2018, the annual collection rate of $345 will remain the same as the FY 2017 Adopted Budget Plan level.

The fund supports collection of waste and recycling from properties owned and occupied by Fairfax County, known as the County Agency Routes (CARs) program. Revenue for this service is collected from County agencies to which the service is provided. The cost per cubic yard is based on fiscal year operating expenses.

The Recycling Program is also funded through Fund 40140 and it is responsible for:

- Overall management of solid waste reduction and recycling programs;
- Plans for future recycling programs and waste reduction systems; and
- Ensuring that disposal capacity remains available for wastes by reducing the amount of waste sent for disposal through recycling programs that divert reusable or recyclable items from the waste stream to avoid disposal.

As part of the County's recycling program, the Fairfax County SWMP operates two manned locations, one at the I-66 Transfer Station and the other at the I-95 Landfill Complex.

Fund 40150, Refuse Disposal, operates the I-66 Transfer Station, which has the responsibility for delivering refuse collected in northern and western portions of the County primarily to the Energy/Resource Recovery Facility (E/RRF) in Lorton, Virginia. In times when the E/RRF is unavailable due to maintenance or other operational issues, wastes are transported to the Prince William County landfill or other available landfills. Leaves and grass are transported to compost facilities for processing in Prince William and Loudoun Counties. Other programs conducted at the Transfer Station include: operation of the Household Hazardous Waste program, electronics recycling, used motor oil, antifreeze and cooking oil recycling, latex paint recycling, automotive battery recycling, and scrap metal/appliance recycling. In FY 2018, the System Disposal Rate will increase from $62 to $64 per ton. The contractual disposal rate for FY 2018 will increase from $58 to $60 per ton.

As part of the FY 2018 Adopted Budget Plan, Fund 40160, Energy/Resource Recovery Facility, is being consolidated into Fund 40150, Refuse Disposal, as a result of a reorganization designed to generate efficiencies, maximize operational effectiveness and increase financial transparency. Fund 40160, as part of the Service Agreement, was originally created to manage the unique agreements between Fairfax County and Covanta Fairfax, Inc. These agreements included the County's obligations to maintain the debt service payments issued to fund the original construction of the refuse incineration facility operated by Covanta. The bonds and debt service payments have been retired for several years and the County entered into a new contract with Covanta that became effective on February 2, 2016. This contract is a fee-for-service agreement and is no longer associated with debt service obligations and commitments on the part of the County to contribute to operating and maintenance expenses and capital upgrades at the Covanta facility. Fairfax County's legal and financial requirements under the Service Agreement to Covanta Fairfax, Inc. have been met. Fund 40160 is no longer necessary to pay the contract expenses for waste disposal.

Fund 40170, I-95 Refuse Disposal, funds the operation of the I-95 Landfill Complex that has provided solid waste services to residents and businesses for over 25 years. This is the location of the municipal solid waste (MSW) landfill that was designed and constructed by the District of Columbia and operated from 1970 to 1995. This landfill closed in December 1995. Since that time, the facility has accepted only ash generated by the combustion of waste. The ash landfill has been constructed in four phases and meets federal and state standards for the construction of new landfills, which require a double liner with a leachate collection system for the prevention of groundwater degradation.

Costs associated with maintenance and groundwater remediation related to the closed portion of the landfill are anticipated to increase in future years. This is attributed to landfill gas control, groundwater monitoring and remediation, stormwater management and leachate control. These activities ensure compliance with the facility's state-issued permit (SWP103) and applicable environmental regulations administered by the Virginia Department of Environmental Quality (VDEQ).

In FY 2018, the Refuse Disposal fee will remain at $25.50 per ton which will provide adequate funding for operations and capital projects and maintain acceptable Post-Closure reserves. It should also be noted that the ash disposal rate at the I-95 Landfill Complex is anticipated to increase in future years to accommodate operational requirements and provide sufficient reserve funding for capital projects and post closure care. Offsetting some of these costs are the continued maintenance and expansion of landfill gas wells where methane is captured, processed and sold to generate electricity, provide fuel for heating and other County facilities, and other environmental uses.

Specific description, discussion, and funding requirements for each fund of the SWMP can be found on the subsequent pages.

OPERATIONAL FEE STRUCTURE

Solid Waste Operations Fee Structure[1]

	Fund 40130, Leaf Collection	Fund 40140, Refuse Collection and Recycling Operations	Fund 40150, Refuse Disposal	Fund 40170, I-95 Refuse Disposal
FY 2018 Fee	$0.013/$100 Assessed Property Value	$345 Curbside	$64/Ton, System Fee $60 Negotiated Contract/Discount $64/Ton, Recycling and Disposal Center	$25.50/Ton
FY 2017 Fee	$0.015/$100 Assessed Property Value	$345 Curbside	$62/Ton, System Fee $58 Negotiated Contract/Discount $62/Ton, Recycling and Disposal Center	$25.50/Ton
Who Pays	Leaf District Residents	Sanitary District Residents	Private Collectors, Residents and County Agencies through Fund 40140	Fund 40150 and Participating Jurisdictions

[1] There are numerous special rates that have been negotiated and implemented as needed, which are not reflected in the structure above. Examples include varying miscellaneous charges for yard debris (brush, grass, and leaves), tires, and others.

Key Performance Measures

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Output:					
Total tons of sanitary district refuse and recyclables	75,586	76,166	77,000 / 79,946	77,000	80,000
Total County tons recycled (1)	518,575	484,783	500,000 / 520,628	510,000	520,000
Ton of material delivered to the E/RRF	947,080	943,089	770,000 / 772,868	650,000	650,000
Efficiency:					
Cost per ton of refuse and recyclables collected in the sanitary districts	$374.00	$389.00	$342.00 / $343.99	$347.87	$346.91
Disposal cost avoidance by recycling ($ million)	$28.00	$26.20	$27.00 / $29.20	$28.00	$29.00
Cost per ton of material disposed (contract rate)	$54.00	$54.00	$56.00 / $56.00	$58.00	$60.00
Service Quality:					
Percent of customers or citizens rating refuse services as good or better	99.00%	97.90%	95.00% / 98.70%	95.00%	95.00%
Did the division meet the mandated recycling rate?	Yes	Yes	Yes / Yes	Yes	Yes
Tons delivered to E/RRF in excess of Guaranteed Annual Tonnage (GAT) (2)	16,330	12,339	22,770 / 2,868	65,000	65,000
Outcome:					
Customer satisfaction deviation from 95 percent target	4.90%	2.90%	0.00% / 3.70%	0.00%	0.00%
Total County recycling rate	48.00%	48.00%	45.00% / 50.00%	50.00%	50.00%
Percent of GAT Met	101.75%	101.33%	100.00% / 100.37%	100.00%	100.00%

(1) VADEQ requires annual recycling rate to be prepared on a calendar year basis.

(2) The low actual number for FY 2016 is the result of numerous outages at the burn facility that caused SWMP to divert refuse to other disposal facilities. The increases in FY 2017 and FY 2018 are projected based upon the new agreement with Covanta, which went into effect in February 2016.

Performance Measurement Results

The performance measures for the Solid Waste Management Program were met and exceeded in FY 2016. The program exceeded the service quality measure of 95 percent of its customers rating refuse services as good or better by almost 4 percentage points and exceeded the state-mandated recycling rate by 25 percentage points. In FY 2016, the number of tons delivered to the E/RRF exceeded the Guaranteed Annual Tonnage (GAT) by only 2,868 tons. The low actual number of tons delivered to the E/RRF in excess of GAT in FY 2016 is the result of numerous outages at the burn facility that caused SWMP to divert refuse to other disposal facilities. The deliveries of waste to the E/RRF in excess of GAT in FY 2017 and FY 2018 are projected to be equal to 65,000 tons and they reflect the new contract with Covanta, which went into effect in February 2016.

Unclassified Administrative Expenses - Solid Waste General Fund Programs

Mission

To provide funding support for the elimination of unsanitary conditions that present a hazard to the environment and to the health, safety and welfare of County residents.

Focus

The General Fund provides funding to operate the Community Cleanup Program, Court/Board-directed Cleanups, the Health Department Referral Program, the Eviction Program and Emergency Storm Cleanup.

The Solid Waste Management Program through Fund 40140, Refuse Collection and Recycling Operations, provides equipment and personnel for program operations. The Community Cleanup Program supports community and civic associations' efforts to enhance and maintain the appearance of neighborhoods and the environment. In addition, the division eliminates hazardous conditions identified by the Fairfax County Courts, the Fairfax County Board of Supervisors, the Fairfax County Health Department and the Fairfax County Sheriff's Office with regards to evictions.

All charges incurred by Fund 40140, Refuse Collection and Recycling Operations, for providing collection and disposal services for these programs are billed to the General Fund. The overall cost to the General Fund is reduced by the cleanup fees recovered from property owners for cleanup work performed on their property at the direction of the Health Department or the County Courts. The recovered funds are returned to the General Fund.

Agency accomplishments, new initiatives, and performance measures for Solid Waste are displayed at a program-wide level. Please refer to the Solid Waste Management Program Overview in Volume 2 of the FY 2018 Adopted Budget Plan for those items.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Solid Waste General Fund Programs	$78,911	$195,076	$195,076	$120,000	$120,000
Total Expenditures	$78,911	$195,076	$195,076	$120,000	$120,000
Income:					
Cleanup Fees[1]	$0	$2,900	$0	$0	$0
Total Income	$0	$2,900	$0	$0	$0
NET COST TO THE COUNTY	$78,911	$192,176	$195,076	$120,000	$120,000

1 The overall cost to the General Fund is reduced by fees recovered from property owners, who are charged for cleanup work performed on their property at the direction of the Health Department, or by sanctions imposed at the direction of the County Courts for cleanups stemming from zoning violations.

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

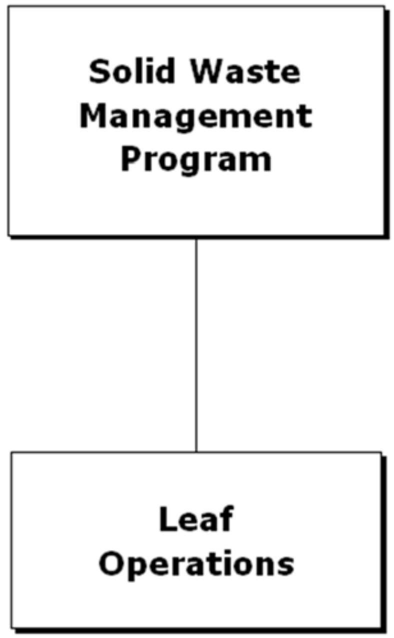
- **Solid Waste General Fund Programs Adjustment** **($75,076)**
  A decrease of $75,076 for the Solid Waste General Fund Programs division has been included based on actual experience with storm related cleanup costs from the previous five years.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- There have been no adjustments to this agency since approval of the FY 2017 Adopted Budget Plan.

Fund 40130
Leaf Collection



Mission

To provide curbside vacuum leaf collection service for customers within designated sanitary leaf districts on three separate occasions during the leaf collection season (October through January). Curbside vacuum leaf collection:

- Keeps streets clear of leaves to decrease their ability to create road conditions that cause accidents and impede parking.
- Prevents leaves from accumulating in storm drains to reduce flooding potential and prevents their discharge into surface waters of Fairfax County.
- Aids in keeping communities clean by preventing vermin harborage.

Focus

Leaf Collection supports the following County Vision Elements:

Maintaining Safe and Caring Communities

Practicing Environmental Stewardship

The Solid Waste Management Program (SWMP) currently provides curbside vacuum leaf collection within Leaf Districts served through Fund 40130, Leaf Collection. Leaf Districts are created through a petition process established by the Code of Virginia, Section 21-118.2. Section 15.2-935 allows local jurisdictions to prohibit the placement of leaves and grass in landfills and other disposal facilities. To that end, leaf and other yard waste recycling was established in 1994 by the Fairfax County Board of Supervisors. The Board approved the amendment to the County's solid waste ordinance, Chapter 109.1, to require residents to separate yard waste from trash and other recyclables for placement at the curb separately to allow for collection and delivery to a yard waste recycling facility.

In the fall months, the SWMP deploys curbside vacuum leaf collection crews and equipment to the leaf districts. The crews vacuum leaves from the curb that has been placed there by residents. Routes for leaf collection follow the established routes used for trash and recycling collection. All leaf collection customers receive an annual brochure each year with general information about how the program works. Customers are notified in advance using visible signs placed in numerous locations in the leaf collection district with dates as to when collection will occur in their neighborhood. Each residence receives three rounds of leaf collection each season to ensure that sufficient time passes for leaf accumulation and collection at the curb.

Leaves collected are transported to either of two composting facilities that are not owned or operated by Fairfax County. The facilities include the Prince William County yard waste composting facility owned by Prince William County and Loudoun Composting, a privately-owned composting facility in Loudoun County.

Revenue is derived from a collection levy (service fee) that is charged to homeowners within the leaf districts. The FY 2017 levy of $0.015 per $100 of assessed real estate value will decrease to $0.013 per $100 of assessed real estate value in FY 2018. The division is able to reduce the rate based on the division's efforts to enhance the up-front planning strategies and streamline costs. This rate is anticipated to generate an estimated $2,098,488 in FY 2018. SWMP will continue to ensure an adequate balance between real estate tax revenues dedicated to leaf collection operations and usage of accumulated operational surpluses to sustain operations.

Performance Measures for Solid Waste are displayed at a program-wide level. Please refer to the Solid Waste Management Program Overview in Volume 2 of the FY 2018 Adopted Budget Plan for those items.

Fund 40130
Leaf Collection

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$426,440	$510,279	$510,279	$510,279	$510,279
Operating Expenses	1,494,630	1,676,903	1,728,699	1,362,014	1,362,014
Capital Equipment	0	0	0	0	0
Total Expenditures	$1,921,070	$2,187,182	$2,238,978	$1,872,293	$1,872,293

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Operating Expenses** **($314,889)**
  A decrease of $314,889 in Operating Expenses is based on a thorough analysis of the relationship between Operating Expenses and Recovered Costs within the various SWMP funds. Starting in FY 2018 the only charge for administrative overhead costs within the SWMP funds will be incurred in Fund 40130, Leaf Collection, from Fund 40140, Refuse Collection and Recycling Operations, and Fund 40150, Refuse Disposal. This is due to Fund 40130, Leaf Collection, having no full time merit positions and thus a charge for administrative support from the other funds is warranted. In previous years, all SWMP funds billed one another for overhead charges, resulting in largely offsetting amounts of Operating Expenses and Recovered Costs. It should be noted that appropriate administrative overhead costs from outside the SWMP funds (from Agency 25, Business Planning and Support) will be divided between the SWMP funds on a proportional basis.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$51,796**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved encumbered carryover of $51,796 in Operating Expenses primarily due to maintenance and repair of leaf collection-related equipment.

Fund 40130
Leaf Collection

FUND STATEMENT

Fund 40130, Leaf Collection

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$4,134,070	$4,049,481	$4,490,656	$4,568,509	$4,568,509
Revenue:					
Interest on Investments	$14,095	$4,708	$4,708	$14,095	$14,095
Rental of Equipment	0	20,736	20,736	0	0
Leaf Collection Levy/Fee	2,263,561	2,291,387	2,291,387	2,098,488	2,098,488
Total Revenue	$2,277,656	$2,316,831	$2,316,831	$2,112,583	$2,112,583
Total Available	$6,411,726	$6,366,312	$6,807,487	$6,681,092	$6,681,092
Expenditures:					
Personnel Services	$426,440	$510,279	$510,279	$510,279	$510,279
Operating Expenses[1]	1,494,630	1,676,903	1,728,699	1,362,014	1,362,014
Capital Equipment	0	0	0	0	0
Total Expenditures	$1,921,070	$2,187,182	$2,238,978	$1,872,293	$1,872,293
Total Disbursements	$1,921,070	$2,187,182	$2,238,978	$1,872,293	$1,872,293
Ending Balance	$4,490,656	$4,179,130	$4,568,509	$4,808,799	$4,808,799
Operating Reserve[2]	$480,690	$537,128	$926,507	$642,966	$642,966
Capital Equipment Reserve	800,000	800,000	800,000	800,000	800,000
Rate Stabilization Reserve[3]	3,209,966	2,842,002	2,842,002	3,365,833	3,365,833
Unreserved Balance	$0	$0	$0	$0	$0
Assessed Value[4]	$0.015	$0.015	$0.015	$0.013	$0.013

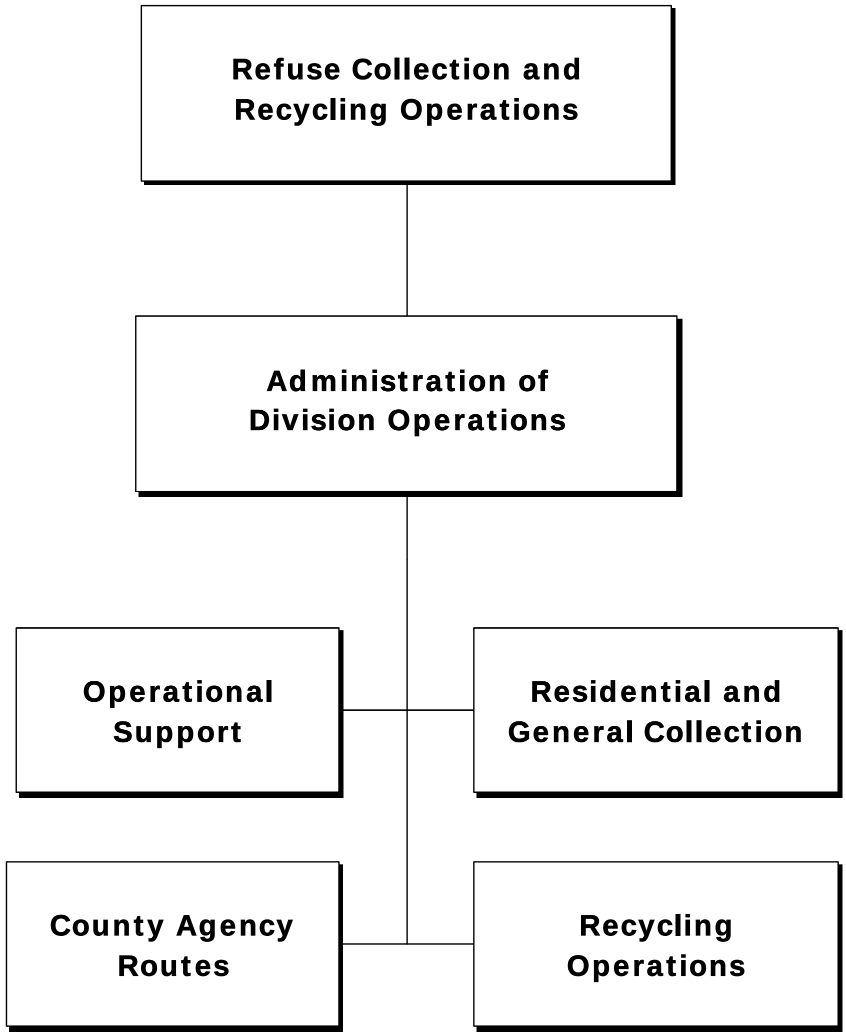
[1] After a thorough analysis of the relationship between Operating Expenses and Recovered Costs within the various SWMP funds, starting in FY 2018 the only charge for administrative overhead costs within the SWMP funds will be incurred in Fund 40130, Leaf Collection, from Fund 40140, Refuse Collection and Recycling Operations, and Fund 40150, Refuse Disposal. This is due to Fund 40130, Leaf Collection, having no full time merit positions and thus a charge for administrative support from the other funds is warranted. In previous years, all SWMP funds billed one another for overhead charges, resulting in largely offsetting amounts of Operating Expenses and Recovered Costs. It should be noted that appropriate administrative overhead costs from outside the SWMP funds (from Agency 25, Business Planning and Support) will be divided between the SWMP funds on a proportional basis.

[2] The Operating Reserve provides a minimum of 15 percent of the operating budget to maintain financial stability for unforeseen expenditures.

[3] The Rate Stabilization Reserve provides funds to mitigate against any need for an unusually large rate increase in a future year.

[4] The leaf collection levy of $0.015 per $100 of assessed real estate value will decrease to $0.013 per $100 of assessed real estate value in FY 2018 based on the division's efforts to enhance the up-front planning strategies and streamline costs. This rate is anticipated to generate an estimated $2,098,488 in FY 2018.

Fund 40140
Refuse Collection and Recycling Operations



Mission

The Fairfax County Solid Waste Management Program (SWMP) provides environmentally-sound and economically-viable refuse and recyclables collection services to residents within sanitary refuse collection districts and to Fairfax County agencies. These operations are dedicated to keeping Fairfax County clean by preventing pollution associated with the improper disposal of refuse. The SWMP refuse collection operations also strive to reduce the County's overall municipal solid waste stream through the effective development, implementation and management of comprehensive waste reduction and recycling strategies to ensure that Fairfax County meets or exceeds the Commonwealth of Virginia's recycling mandate of 25 percent of the solid waste stream.

Focus

Refuse Collection and Recycling operations in the SWMP are responsible for the collection of refuse and recyclable materials from approximately 43,100 residential customers within Fairfax County's sanitary refuse collection districts, about 220 properties that the County owns and occupies, and two college campuses. The SWMP provides certain services related to keeping the community clean to prevent health and safety hazards including the Community Cleanup Program, the Health Department Referral Program, the Evictions Program and the Court/Board-directed Cleanup Program. The SWMP provides staff and equipment for these operations and also to respond to community emergency response and recovery efforts such as floods, hurricanes, snow events, and other emergencies.

The SWMP manages the system to promote recycling of Fairfax County-generated wastes, including:

- Overall management of solid waste reduction and recycling programs.
- Plans for future recycling programs and waste reduction systems.
- Reducing the amount of waste sent for disposal through recycling programs that divert reusable or recyclable items from the waste stream to avoid disposal.

Refuse Collection and Recycling Operations supports the following County Vision Elements:

Practicing Environmental Stewardship

Maintaining Safe and Caring Communities

Connecting People and Places

Creating a Culture of Engagement

Refuse Collection is provided to residents within sanitary refuse collection districts, which are created by the Board of Supervisors upon receipt of petition, to provide said service, are charged an annual fee for weekly refuse and recycling collection service through the semi-annual property tax collection system. In FY 2018, the annual collection rate of $345 will remain the same as the FY 2017 Adopted Budget Plan level.

SWMP is responsible for the collection of refuse and recycling from County agencies and two institutions: George Mason University and Northern Virginia Community College, Annandale Campus. Revenue is derived from billings to County agencies and other institutions based on the cubic yard capacity of the containers assigned to individual agencies as needed to provide adequate service. The cost per cubic yard is based on fiscal year operating expenses.

The SWMP operates two programs designed to address oversized piles of waste and illegal dumping throughout the county. The first program, entitled *MegaBulk*, provides residents with a convenient and cost-competitive way to remove oversized piles of waste while providing a revenue stream for the collection program. This service is billed individually to each customer based on the size of the pile of refuse that is placed at the curb. Residents, who request this service from the SWMP, are provided with a price for the service prior to collection and may pay by check or credit card. Residents are not obligated to use the service even after a price quote is provided, as they may elect to use another company to perform the work.

The second program entitled *Clean Streets Initiative* (CSI), partners with the Fairfax County Health Department to respond to complaints about uncollected waste dumped or illegally placed on properties throughout the County. The Health Department refers the complaint to the SWMP which contacts the property owner to compel him/her to remove the waste. If the owner refuses to remove the waste, then SWMP staff removes the material for disposal and the owner is billed for the service. If the owner still refuses to pay, a lien is placed on the property for the price of the waste removal service.

Fund 40140
Refuse Collection and Recycling Operations

Recycling Operations is responsible for providing the overall management of solid waste reduction and recycling programs that are required by the county and for developing plans for future recycling programs and waste reduction systems. The annual recycling rate in Fairfax County based on Calendar Year 2015 information is 50 percent, well above the Commonwealth of Virginia's mandated rate of 25 percent. The agency's goal is to maintain a high rate of recycling in the County.

Agency performance measures for Solid Waste are displayed at a program-wide level. Please refer to the Solid Waste Management Program Overview in Volume 2 of the FY 2018 Adopted Budget Plan for those items.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$10,242,768	$11,333,845	$11,333,845	$10,481,674	$10,481,674
Operating Expenses	8,574,017	9,000,000	8,541,213	7,763,948	7,517,165
Capital Equipment	248,383	590,000	1,036,418	550,000	550,000
Capital Projects	11,397	0	801,915	0	0
Subtotal	$19,076,565	$20,923,845	$21,713,391	$18,795,622	$18,548,839
Less:					
Recovered Costs	($1,914,111)	($1,631,805)	($82,966)	($69,959)	($69,959)
Total Expenditures	$17,162,454	$19,292,040	$21,630,425	$18,725,663	$18,478,880
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	129 / 129	129 / 129	119 / 119	128 / 128	119 / 119

Admin. of Division Operations
1 Deputy Director, DPWES
1 PW Environmental Svcs. Manager
1 Human Resources Generalist III
1 Human Resources Generalist I
1 Management Analyst II
1 Safety Analyst
3 Administrative Assistants IV
1 Administrative Assistant III
1 Financial Specialist II

Operational Support
2 Asst. Refuse Superintendents
2 PW Environmental Svcs. Specialists
3 Administrative Assistants III
3 Administrative Assistants II
1 Welder II
1 Welder I

Residential and General Collections
1 Solid Waste Oper. Div. Director
1 Asst. Refuse Superintendent
2 Equipment Repairers
4 Lead Refuse Operators
3 Maintenance Supervisors
1 Management Analyst II
1 Trades Supervisor
1 PW Environmental Svcs. Specialist
5 Heavy Equipment Supervisors
8 Heavy Equipment Operators
26 Motor Equipment Operators
4 Senior Maintenance Workers
31 Maintenance Workers

County Agency Routes
4 Heavy Equipment Operators

Recycling Operations
4 Heavy Equipment Operators

TOTAL POSITIONS
119 Positions / 119.0 FTE

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Employee Compensation** **$152,641**
  An increase of $152,641 in Personnel Services includes an amount of $147,618 for performance-based and longevity increases for non-uniformed merit employees effective July 2017, as well as an amount of $5,023 for employee pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions.

- **Other Post-Employment Benefits** **($4,812)**
  A decrease of $4,812 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

- **Personnel Services** **($1,000,000)**
  A decrease of $1,000,000 in Personnel Services is based on actual salary requirements from prior years and the division's efforts to streamline costs and improve efficiencies.

- **Operating Expenses** **($1,236,052)**
  A decrease of $1,236,052 in Operating Expenses includes a decrease of $400,000, which is based on actual experience from prior years and reflects the program's continued efforts to streamline costs, and a decrease of $836,052, which is due to a thorough analysis of the relationship between Operating Expenses and Recovered Costs within the various SWMP funds. Starting in FY 2018 the only charge for administrative overhead costs within the SWMP funds will be incurred in Fund 40130, Leaf Collection, from Fund 40140, Refuse Collection and Recycling Operations, and Fund 40150, Refuse Disposal. This is due to Fund 40130, Leaf Collection, having no full time merit positions and thus a charge for administrative support from the other funds is warranted. In previous years, all SWMP funds billed one another for overhead charges, resulting in largely offsetting amounts of Operating Expenses and Recovered Costs. It should be noted that appropriate administrative overhead costs from outside the SWMP funds (from Agency 25, Business Planning and Support) will be divided between the SWMP funds on a proportional basis.

- **Department of Vehicle Services Charges** **($246,783)**
  A decrease of $246,783 in Operating Expenses is included for Department of Vehicle Services charges based on anticipated billings for fuel.

- **Recovered Costs** **$1,561,846**
  A decrease of $1,561,846 is required due to a thorough analysis of the relationship between Operating Expenses and Recovered Costs within the various SWMP funds. Starting in FY 2018 the only charge for administrative overhead costs within the SWMP funds will be incurred in Fund 40130, Leaf Collection, from Fund 40140, Refuse Collection and Recycling Operations, and Fund 40150, Refuse Disposal. This is due to Fund 40130, Leaf Collection, having no full time merit positions and thus a charge for administrative support from the other funds is warranted. In previous years, all SWMP

funds billed one another for overhead charges, resulting in largely offsetting amounts of Operating Expenses and Recovered Costs. It should be noted that appropriate administrative overhead costs from outside the SWMP funds (from Agency 25, Business Planning and Support) will be divided between the SWMP funds on a proportional basis.

♦ **Capital Equipment** **$550,000**
Funding of $550,000 is included for the replacement of two rear loading packers. These replacement items have exceeded their useful life and are required to be replaced based on age, mileage, and frequency of costly repairs.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$1,379,827**
As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an increase of $1,379,827, including $801,915 in unexpended Capital Project balances and encumbered carryover of $446,418 in Capital Equipment and $131,494 in Operating Expenses.

♦ **Third Quarter Adjustments** **$958,558**
As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved an increase of $958,558, including a decrease of $590,281 in Operating Expenses offset by a decrease of $1,548,839 in Recovered Costs associated with the revised methodology for internal administrative overhead charges. After a thorough analysis of the relationship between Operating Expenses and Recovered Costs within the various Solid Waste Management Program (SWMP) funds, it was recommended that as part of the FY 2018 Adopted Budget Plan the only charge for administrative overhead costs within the SWMP funds will be incurred in Fund 40130, Leaf Collection, from Fund 40140, Refuse Collection and Recycling Operations, and Fund 40150, Refuse Disposal. In previous years, all SWMP funds billed one another for overhead charges, resulting in largely offsetting amounts of Operating Expenses and Recovered Costs. It should be noted that appropriate administrative overhead costs from outside the SWMP funds (from Agency 25, Business Planning and Support) will be divided between the SWMP funds on a proportional basis. To be consistent with the changes made in FY 2018, similar FY 2017 adjustments were necessary and were included as part of the *FY 2017 Third Quarter Review*.

♦ **Position Adjustments** **$0**
In order to properly align staff with workload requirements, 1/1.0 FTE position was transferred from Fund 40140, Refuse Collection and Recycling Operations, to Fund 40100, Stormwater Services, 8/8.0 FTE positions were transferred from Fund 40140 to Fund 40150, Refuse Disposal, and 1/1.0 FTE position was transferred from Fund 40140 to Fund 40170, I-95 Refuse Disposal.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 40140
Refuse Collection and Recycling Operations

FUND STATEMENT

Fund 40140, Refuse Collection

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$10,108,717	$7,848,907	$10,674,070	$8,216,856	$5,913,298
Revenue:					
Interest on Investments	$39,539	$12,013	$12,013	$47,400	$47,400
Refuse Collection Fees[1]	16,396,019	16,118,644	16,118,644	16,299,769	16,299,769
Refuse Disposal Fees[2]	977,388	1,345,000	0	0	0
Sale of Assets and Recyclables	285,663	215,210	215,210	110,000	110,000
Miscellaneous Revenues	83,303	82,780	82,780	82,780	82,780
Charges for Services	179,967	320,657	320,657	150,635	150,635
Replacement Reserve Fees	184,475	540,315	540,315	188,435	188,435
State Litter Funds	129,453	128,034	128,034	129,453	129,453
Total Revenue	$18,275,807	$18,762,653	$17,417,653	$17,008,472	$17,008,472
Total Available	$28,384,524	$26,611,560	$28,091,723	$25,225,328	$22,921,770
Expenditures:					
Personnel Services	$10,242,768	$11,333,845	$11,333,845	$10,481,674	$10,481,674
Operating Expenses[2]	8,574,017	9,000,000	8,541,213	7,763,948	7,517,165
Recovered Costs[2]	(1,914,111)	(1,631,805)	(82,966)	(69,959)	(69,959)
Capital Equipment	248,383	590,000	1,036,418	550,000	550,000
Capital Projects	11,397	0	801,915	0	0
Total Expenditures	$17,162,454	$19,292,040	$21,630,425	$18,725,663	$18,478,880
Transfers Out:					
General Fund (10001)[3]	$548,000	$548,000	$548,000	$548,000	$548,000
Total Transfers Out	$548,000	$548,000	$548,000	$548,000	$548,000
Total Disbursements	$17,710,454	$19,840,040	$22,178,425	$19,273,663	$19,026,880
Ending Balance[4]	$10,674,070	$6,771,520	$5,913,298	$5,951,665	$3,894,890
Construction and Infrastructure Reserve[5]	$487,158	$346,695	$1,069,363	$0	$0
Rate Stabilization Reserve[6]	1,955,928	1,390,881	1,981,162	989,425	989,425
Capital Equipment Reserve[7]	4,027,361	3,402,348	1,853,509	2,427,538	1,896,201
Operating Reserve[8]	4,203,623	1,631,596	1,009,264	2,534,702	1,009,264
Unreserved Balance	$0	$0	$0	$0	$0
Levy per Household Unit[1]	$345/Unit	$345/Unit	$345/Unit	$345/Unit	$345/Unit

[1] The FY 2018 levy/collection fee per household unit is set at $345 per unit. The vast majority of these fees are collected as a separate levy included on the Real Estate Tax bill. Approximately 404 units must be billed directly by the agency.

[2] After a thorough analysis of the relationship between Operating Expenses and Recovered Costs within the various SWMP funds, starting in FY 2018 the only charge for administrative overhead costs within the SWMP funds will be incurred in Fund 40130, Leaf Collection, from Fund 40140, Refuse Collection and Recycling Operations, and Fund 40150, Refuse Disposal. This is due to Fund 40130, Leaf Collection, having no full time merit positions and thus a charge for administrative support from the other funds is warranted. In previous years, all SWMP funds billed one another for overhead charges, resulting in largely offsetting amounts of Operating Expenses and Recovered Costs. It should be noted that appropriate administrative overhead costs from outside the SWMP funds (from Agency 25, Business Planning and Support) will be divided between the SWMP funds on a proportional basis. To be consistent with the changes made in FY 2018, similar FY 2017 adjustments were necessary, and were included as part of the FY 2017 Third Quarter package.

[3] FY 2018 funding in the amount of $548,000 is transferred to the General Fund to partially offset central support services supported by the General Fund, which benefit Fund 40140. These indirect costs include support services such as Human Resources, Purchasing, Budget and other administrative services.

[4] Ending Balance fluctuations are a result of operating and revenue requirements that change annually. Funding is carried forward each fiscal year to provide flexibility given the uncertainty of market conditions and expenditure requirements.

[5] The Construction and Infrastructure Reserve funds emergency repairs necessary at the Newington Solid Waste Facility.

[6] The Rate Stabilization Reserve provides funds to mitigate against any need for an unusually large rate increase in a future year.

[7] The Capital Equipment Reserve consolidates the Collection Equipment Reserve, Recycling Equipment Reserve and Residential/General Equipment Reserve and is for future capital equipment requirements based on replacement value and age of equipment.

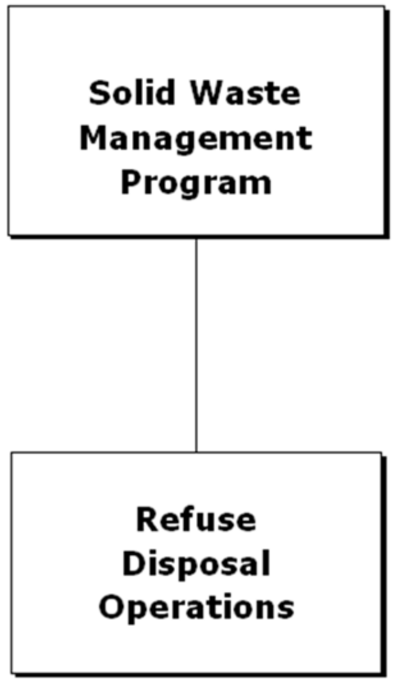
[8] The Operating Reserve consolidates the Wheeled Container Reserve and PC Replacement Reserve and is for the purchase/replacement of single-stream recycling and trash collection containers for sanitary district customers, the timely replacement of obsolete computer equipment and other operating requirements.

FY 2018 Summary of Capital Projects

Fund 40140, Refuse Collection and Recycling Operations

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Newington Refuse Facility Enhancements (SW-000001)	$1,718,039	$0.00	$664,323.51	$0	$0
Newington-Stormwater Upgrades (SW-000007)	350,000	11,397.00	137,591.00	0	0
Total	$2,068,039	$11,397.00	$801,914.51	$0	$0

Fund 40150
Refuse Disposal



As part of the FY 2018 Adopted Budget Plan, Fund 40160, Energy/Resource Recovery Facility, is being consolidated into Fund 40150, Refuse Disposal, as a result of a reorganization designed to generate efficiencies, maximize operational effectiveness and increase financial transparency. Fund 40160, as part of the Service Agreement, was originally created to manage the unique agreements between Fairfax County and Covanta Fairfax, Inc. These agreements included the County's obligations to maintain the debt service payments issued to fund the original construction of the refuse incineration facility operated by Covanta. The bonds and debt service payments have been retired for several years and the County entered into a new contract with Covanta that became effective on February 2, 2016. This contract is a fee-for-service agreement and is no longer associated with debt service obligations and commitments on the part of the County to contribute to operating and maintenance expenses and capital upgrades at the Covanta facility. Fairfax County's legal and financial requirements under the Service Agreement to Covanta Fairfax, Inc. have been met. Fund 40160 is no longer necessary to pay the contract expenses for waste disposal.

Mission

The Fairfax County Solid Waste Management Program (SWMP) is dedicated to keeping Fairfax County clean by preventing pollution and other contamination associated with the improper disposal of refuse. This is achieved by providing environmentally-sound and economically-viable management of refuse and recyclables through the operation of the I-66 Transfer Station in Fairfax, Virginia, and environmentally-sound and economically-viable disposal of waste at the Energy/Resource Recovery Facility (E/RRF) in Lorton, Virginia. The I-66 Transfer Station provides the County with the following services:

- Wastes delivered to the I-66 Transfer Station are transported to the Energy/Resource Recovery Facility (E/RRF) in Lorton, Virginia for final disposal.

- Brush is ground into mulch on site with County staff and equipment for reuse.

- Leaves and grass are transported to composting facilities in Prince William and Loudoun Counties where it is processed into a soil amendment.

- Construction and demolition debris (CDD) is transported to a recycling facility where it is processed for reuse and the residue from the recycling process is backhauled to the E/RRF for final disposal.

- Other programs conducted at the I-66 Transfer Station include: operation of the Recycling and Disposal Centers (RDCs) for residents and small businesses, Household Hazardous Waste, electronics recycling, used motor oil, antifreeze and cooking oil recycling, latex paint recycling, automotive battery recycling, and scrap metal/appliance recycling.

- Landfill gas generated at the closed landfill generates methane captured and processed for power production.

- Staff and equipment from the I-66 Transfer Station respond to emergencies by providing debris removal during emergencies and disasters, including snow and ice control in winter months.

The combustion of waste for power production at the Energy/Resource Recovery Facility (E/RRF):

- Generates 80 megawatts (MW) of renewable energy.

- Reduces the need for landfill space through volume reduction of solid waste that occurs in the combustion process.

- Reduces greenhouse gas emissions by generating renewable energy.

- Recovers ferrous and non-ferrous metal from the ash, which is recycled.

- Uses treated wastewater (rather than potable water) for cooling water used during the combustion process.

Fund 40150
Refuse Disposal

Focus

Fund 40150, Refuse Disposal, funds the operation of waste and recycling services to the community by providing a location for waste collection vehicles to empty their loads so that they can be transported to the E/RRF for final disposal. The main role of the I-66 Transfer Station is to move waste collected in the northern and western parts of the County to the E/RRF in the south for final disposal. The SWMP also uses private trucking companies to augment its transportation fleet to move waste from the I-66 Transfer Station to its final disposal destination, which is the E/RRF. The consolidation of loads of waste from small trucks into large trucks reduces the number of vehicles on the roads and operating costs for the County's solid waste management system as a whole.

In FY 2018, the System Disposal Rate will increase from $62 to $64 per ton. The contractual disposal rate for FY 2018 will increase from $58 to $60 per ton. Based on the rate increase and the projected slight increase in tonnage, the total FY 2018 revenue for this fund is projected to be $50,428,345, an increase of $4,870,744 over the FY 2017 Adopted Budget Plan total of $45,557,601.

Starting in FY 2018, Fund 40150 will support the management of the contract for the I-95 Energy/Resource Recovery Facility (E/RRF), owned and operated by Covanta Fairfax, Inc. (CFI). Under the terms of the current Service Agreement, the County delivers municipal solid waste (MSW) to the E/RRF for which it pays a disposal fee to CFI. The SWMP charges a disposal (tipping) fee to all users of the E/RRF and subsequently pays the contractual disposal fee to CFI from these revenues. A long-term contract between the County and CFI ended on February 1, 2016, after an initial 25-year term. A new Waste Disposal Agreement (WDA) has been awarded, which significantly changes the relationship between the County and CFI.

The new contract guarantees the County capacity to dispose of its waste through January 31, 2021 with two additional 5-year extensions available. The WDA covers the period of CFI's lease of the property to FY 2031. The new contract no longer shares energy revenue with the County from the sale of electricity to Dominion Virginia Power. Operational risks for the facility are retained by CFI. Moreover, the WDA affords the County below market pricing and sustainability for waste disposal. The County significantly reduced its risks and liabilities with the new agreement while maintaining performance guarantees and monitoring of the facility.

Fairfax County is obligated to deliver a minimum amount of municipal solid waste to CFI known as Guaranteed Annual Tonnage (GAT). Under the original long-term contract it had to deliver 930,750 tons of waste per year including waste from Washington, D.C. and Prince William County. Since the new contract went into effect in February 2016, GAT decreased to 650,000 tons per year. The revised GAT amount does not include waste generated in Washington, D.C., which is approximately 200,000 tons per year.

Refuse Disposal supports the following County Vision Elements:

- ***Maintaining Safe and Caring Communities***
- ***Creating a Culture of Engagement***
- ***Practicing Environmental Stewardship***
- ***Connecting People and Places***

Fund 40150
Refuse Disposal

The expanded Household Hazardous Waste (HHW) program, the three Conditionally Exempt Small Quantity Generator events, rechargeable battery and Compact fluorescent light (CFL) light collections, daily waste collection and other programs continue to remove significant amounts of materials with hazardous properties from the waste stream of the E/RRF. These measures contribute to the facility maintaining a low environmental impact for the amount of waste disposed by County residents.

Performance measures for Solid Waste are displayed at a program-wide level. Please refer to the Solid Waste Management Program Overview in Volume 2 of the FY 2018 Adopted Budget Plan for those items.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$11,734,993	$12,028,621	$12,528,621	$13,256,785	$13,256,785
Operating Expenses	14,206,161	33,158,078	12,419,852	38,925,495	38,925,495
Capital Equipment	1,091,320	585,000	585,000	1,430,000	1,430,000
Capital Projects	285,214	0	3,678,624	0	0
Subtotal	$27,317,688	$45,771,699	$29,212,097	$53,612,280	$53,612,280
Less:					
Recovered Costs	($1,823,857)	($1,878,941)	($98,380)	($97,505)	($97,505)
Total Expenditures	$25,493,831	$43,892,758	$29,113,717	$53,514,775	$53,514,775
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	145 / 145	145 / 145	146 / 146	156 / 156	158 / 158

Administration

1 Division Director
2 Public Works Environmental Services Specialists
1 Management Analyst III (1T)
2 Management Analysts II (1T)
1 Network/Telecom. Analyst II
1 Financial Specialist III
1 Financial Specialist II
3 Administrative Assistants IV (1T)
2 Administrative Assistants III
1 Human Resources Generalist I

Transfer Station Operations

2 Public Works Environmental Services Managers
5 Asst. Refuse Superintendents
1 Engineer III
1 Trades Supervisor
3 Heavy Equipment Supervisors
1 Management Analyst IV
3 Management Analysts II
1 Management Analyst I
1 Senior Environmental Specialist
7 Engineering Technicians II (1T)
4 Engineering Technicians I
5 Environmental Technicians II
13 Weighmasters (5T)
54 Heavy Equipment Operators (1T)
1 Motor Equipment Operator
5 Senior Maintenance Workers
15 Maintenance Workers
1 Code Specialist II
8 Lead Refuse Operators
2 Maintenance Trade Helpers II
2 Administrative Assistants III (1T)
3 Administrative Assistants II (1T)
1 Safety Analyst
1 Welder II
1 Welder I
1 Financial Specialist I
1 Industrial Electrician II

TOTAL POSITIONS
158 Positions (12T) / 158.0 FTE (12.0T)

T Denotes Transferred Positions

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Employee Compensation** **$196,490**

An increase of $196,490 in Personnel Services includes an amount of $188,948 for performance-based and longevity increases for non-uniformed merit employees effective July 2017, as well as an amount of $7,542 for employee pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions.

♦ **Other Post-Employment Benefits** **$9,230**

An increase of $9,230 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

♦ **Personnel Services** **$1,022,444**

An increase of $1,022,444 and 12/12.0 FTE positions in Personnel Services is based on the consolidation of Fund 40160, Energy/Resource Recovery Facility, and Fund 40150, Refuse Disposal, as a result of a reorganization designed to generate efficiencies, maximize operational effectiveness and increase financial transparency. Fund 40160, as part of the Service Agreement, was originally created to manage the unique agreements between Fairfax County and Covanta Fairfax, Inc. These agreements included the County's obligations to maintain the debt service payments issued to fund the original construction of the refuse incineration facility operated by Covanta. The bonds and debt service payments have been retired for several years and the County entered into a new contract with Covanta that became effective on February 2, 2016. This contract is a fee-for-service agreement and is no longer associated with debt service obligations and commitments on the part of the County to contribute to operating and maintenance expenses and capital upgrades at the Covanta facility. Fairfax County's legal and financial requirements under the Service Agreement to Covanta Fairfax, Inc. have been met. Fund 40160 is no longer necessary to pay the contract expenses for waste disposal.

♦ **Operating Expenses** **$6,117,417**

A net increase of $6,117,417 in Operating Expenses includes an increase of $8,421,073 based on the consolidation of Fund 40160, Energy/Resource Recovery Facility, and Fund 40150, Refuse Disposal, and a decrease of $2,303,656 based on changes related to Operating Expenses and Recovered Costs within the various SWMP funds. The increase of $8,421,073 is due to the consolidation of Fund 40160, Energy/Resource Recovery Facility, and Fund 40150, Refuse Disposal, noted above and it is partially offset by a decrease of $2,303,656, which is based on a thorough analysis of the relationship between Operating Expenses and Recovered Costs within the various SWMP funds. Starting in FY 2018 the only charge for administrative overhead costs within the SWMP funds will be incurred in Fund 40130, Leaf Collection, from Fund 40140, Refuse Collection and Recycling Operations, and Fund 40150, Refuse Disposal. This is due to Fund 40130, Leaf Collection, having no full time merit positions and thus a charge for administrative support from the other funds is warranted. In previous years, all SWMP funds billed one another for overhead charges, resulting in largely offsetting amounts of Operating Expenses and Recovered Costs. It should be noted that appropriate administrative overhead costs from outside the SWMP funds (from Agency 25, Business Planning and Support) will be divided between the SWMP funds on a proportional basis.

- **Fuel Savings** **($350,000)**
  A decrease of $350,000 in Operating Expenses is included for Department of Vehicle Services charges based on anticipated billings for fuel.

- **Capital Equipment** **$1,430,000**
  Funding of $1,430,000 in Capital Equipment includes $300,000 for the replacement of two road tractors; $230,000 for the replacement of two transfer trailers; $750,000 for the replacement of one horizontal grinder; and $150,000 for the replacement of the accounting system that the SWMP funds use for accounts receivable, tonnage, etc. These replacement items have all exceeded their useful life and are required to be replaced based on age, mileage, frequency of costly repairs, excessive downtime and overall condition of the equipment/computer software.

- **Recovered Costs** **$1,781,436**
  A decrease of $1,781,436 is required due to a thorough analysis of the relationship between Operating Expenses and Recovered Costs within the various SWMP funds. Starting in FY 2018 the only charge for administrative overhead costs within the SWMP funds will be incurred in Fund 40130, Leaf Collection, from Fund 40140, Refuse Collection and Recycling Operations, and Fund 40150, Refuse Disposal. This is due to Fund 40130, Leaf Collection, having no full time merit positions and thus a charge for administrative support from the other funds is warranted. In previous years, all SWMP funds billed one another for overhead charges, resulting in largely offsetting amounts of Operating Expenses and Recovered Costs. It should be noted that appropriate administrative overhead costs from outside the SWMP funds (from Agency 25, Business Planning and Support) will be divided between the SWMP funds on a proportional basis.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$4,685,319**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an increase of $4,685,319, including $3,678,624 in unexpended Capital Project balances and $1,006,695 in encumbered carryover in Operating Expenses.

- **Third Quarter Adjustments** **($19,464,360)**
  As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved a decrease of $19,464,360, including $19,662,687 necessary to be consistent with an FY 2016 audit adjustment and a net decrease of $301,673 associated with the revised methodology for internal administrative overhead charges. These decreases are partially offset by an increase of $500,000 in Personnel Services to provide contingency funding for overtime and limited term employees related to the fire at the Covanta Fairfax Inc. facility.

- **Position Adjustments** **$0**
  In order to properly align staff with workload requirements, 1/1.0 FTE position was transferred from Fund 40150, Refuse Disposal, to Fund 40170, I-95 Refuse Disposal, 8/8.0 FTE positions were transferred from Fund 40140, Refuse Collection and Recycling Operations, to Fund 40150, and 1/1.0 FTE position was transferred from Fund 40150 to Agency 08, Facilities Management Department. In addition, in order to better support the Department of Public Works and Environmental Services' (DPWES) four core business areas and enhance department-wide initiatives, a total of 19/19.0 FTE positions were transferred to Agency 25, Business Planning and Support (BPS), from other divisions within DPWES. Of this total, 5/5.0 FTE positions were transferred from Fund 40150, Refuse Disposal to BPS in FY 2017.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 40150
Refuse Disposal

FUND STATEMENT[1]

Fund 40150, Refuse Disposal

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan[2]
Beginning Balance	$9,748,504	$3,354,281	$13,427,450	$68,446,875	$65,248,548
Revenue:					
Interest on Investments	$31,111	$4,791	$4,791	$135,105	$135,105
Charges for Services[3]	28,088,612	44,007,970	24,345,283	48,468,000	48,468,000
Miscellaneous Revenue:					
White Goods	$545,746	$800,000	$800,000	$700,000	$700,000
Rent of Equipment, Space	194,930	300,000	300,000	232,400	232,400
Sale of Equipment	613,573	66,000	66,000	200,000	200,000
Licensing Fees	88,680	78,840	78,840	78,840	78,840
Miscellaneous	187,125	300,000	300,000	614,000	614,000
Subtotal Miscellaneous Revenue	$1,630,054	$1,544,840	$1,544,840	$1,825,240	$1,825,240
Total Revenue	$29,749,777	$45,557,601	$25,894,914	$50,428,345	$50,428,345
Total Available	$39,498,281	$48,911,882	$39,322,364	$118,875,220	$115,676,893
Expenditures:					
Personnel Services[3]	$11,734,993	$12,028,621	$12,528,621	$13,256,785	$13,256,785
Operating Expenses[3,4]	14,206,161	33,158,078	12,419,852	38,925,495	38,925,495
Capital Equipment	1,091,320	585,000	585,000	1,430,000	1,430,000
Recovered Costs[4]	(1,823,857)	(1,878,941)	(98,380)	(97,505)	(97,505)
Capital Projects	285,214	0	3,678,624	0	0
Total Expenditures	$25,493,831	$43,892,758	$29,113,717	$53,514,775	$53,514,775
Transfers Out:					
General Fund (10001)[5]	$577,000	$577,000	$577,000	$626,000	$626,000
Total Transfers Out	$577,000	$577,000	$577,000	$626,000	$626,000
Total Disbursements	$26,070,831	$44,469,758	$29,690,717	$54,140,775	$54,140,775
Ending Balance[6]	$13,427,450	$4,442,124	$9,631,647	$64,734,445	$61,536,118
Reserves:					
Capital Equipment Reserve[7]	$1,000,000	$600,000	$1,000,000	$1,000,000	$1,000,000
Operating Reserve[8]	5,637,871	1,412,936	3,632,313	8,734,445	8,536,118
Rate Stabilization Reserve[9]	0	0	0	50,000,000	47,000,000
Environmental Reserve[10]	1,000,000	919,580	1,000,000	1,000,000	1,000,000
Construction and Infrastructure Reserve[11]	5,789,579	1,509,608	3,999,334	4,000,000	4,000,000
Unreserved Balance	$0	$0	$0	$0	$0
System Disposal Rate/Ton[12]	$62	$62	$62	$64	$64
Discounted Disposal Rate/Ton[13]	$56	$58	$58	$60	$60

[1] As part of the FY 2018 Adopted Budget Plan, Fund 40160, Energy/Resource Recovery Facility, is being consolidated into Fund 40150, Refuse Disposal, as a result of a reorganization designed to generate efficiencies, maximize operational effectiveness and increase financial transparency. Fund 40160, as part of the Service Agreement, was originally created to manage the unique agreements between Fairfax County and Covanta Fairfax, Inc. These agreements included the County's obligations to maintain the debt service payments issued to fund the original construction of the refuse incineration facility operated by Covanta. The bonds and debt service payments have been retired for several years and the County entered into a new contract with Covanta that became effective on February 2, 2016. This contract is a fee-for-service agreement and is no longer associated with debt service obligations and commitments on the part of the County to contribute to operating and maintenance expenses and capital upgrades at the Covanta facility. Fairfax County's legal and financial requirements under the Service Agreement to Covanta Fairfax, Inc. have been met. Fund 40160 is no longer necessary to pay the contract expenses for waste disposal.

[2] It should be noted that the *FY 2017 Revised Budget Plan* Ending Balance from Fund 40160, Energy/Resource Recovery Facility, totaling $55,616,901 is brought over and reflected in the Beginning Balance of the FY 2018 Adopted Budget Plan.

[3] As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved reductions in Charges for Services and Operating Expenses necessary to be consistent with an FY 2016 audit adjustment. Additional adjustments in Operating Expenses were required associated with the revised methodology for internal administrative overhead charges. These decreases are partially offset by an increase in Personnel Services to provide contingency funding for overtime and limited term employees related to the February 2, 2017 fire at the Covanta Fairfax Inc. facility.

[4] After a thorough analysis of the relationship between Operating Expenses and Recovered Costs within the various SWMP funds, starting in FY 2018 the only charge for administrative overhead costs within the SWMP funds will be incurred in Fund 40130, Leaf Collection, from Fund 40140, Refuse Collection and Recycling Operations, and Fund 40150, Refuse Disposal. This is due to Fund 40130, Leaf Collection, having no full time merit positions and thus a charge for administrative support from the other funds is warranted. In previous years, all SWMP funds billed one another for overhead charges, resulting in largely offsetting amounts of Operating Expenses and Recovered Costs. It should be noted that appropriate administrative overhead costs from outside the SWMP funds (from Agency 25, Business Planning and Support) will be divided between the SWMP funds on a proportional basis.

[5] Funding of $626,000 is transferred to the General Fund in FY 2018 to partially offset central support services supported by the General Fund, which benefit Fund 40150. These indirect costs include support services such as Human Resources, Purchasing, Budget and other administrative services.

[6] Ending Balance fluctuations are a result of operating and revenue requirements that change annually. Funding is carried forward each fiscal year to provide flexibility given the uncertainty of market conditions, tipping fee negotiations, and expenditure requirements.

[7] The Capital Equipment Reserve provides for the timely replacement of equipment required to operate the I-66 Transfer Station. Proceeds from the sale of equipment as well as a small portion of Refuse Disposal Revenue are used to fund this reserve. The amount fluctuates based on anticipated replacement schedules of the existing fleet of vehicles.

[8] The Operating Reserve provides funds to react to unanticipated events such as significant changes in waste quantities, increases in contract disposal rates at composting facilities and landfills, increases in fuel costs, significant reductions in revenues, etc. The reserve also acts as a rate stabilization reserve, allowing smooth transition to rate changes minimizing the impact on customers.

[9] The Rate Stabilization Reserve is maintained in order to safeguard against significant increases in tipping fees charged to users of Fairfax County Solid Waste Management Program. This reserve has been used as a result of the new Waste Disposal Agreement that impacts both revenues received and expenditures required for disposal operations. Starting in FY 2018, this reserve is moved from Fund 40160, Energy/Resource Recovery Facility (E/RRF), to Fund 40150, Refuse Disposal, due to the consolidation of these funds.

[10] The Environmental Reserve is a contingency fund, assuring that the County has funds to implement unplanned actions to protect the environment or meet regulatory requirements related to the closed landfill at the I-66 Complex. Specific examples of current and future environmental projects are likely to include landfill gas control, groundwater protective measures, stormwater and wastewater management.

[11] The Construction and Infrastructure Reserve provides for future improvements at the I-66 Transfer Station.

[12] The FY 2018 System Disposal rate is $64 per ton.

[13] In August 1998 (FY 1999), Fairfax County implemented a contractual rate discount that was offered to any hauler that guaranteed all of its collected refuse or a specified tonnage amount would be delivered to the Energy/Resource Recovery Facility (E/RRF) or other County disposal sites. The FY 2018 Contract Disposal rate is $60 per ton in order to meet program requirements, maintain identified reserves and avoid significant increases in rates in the future.

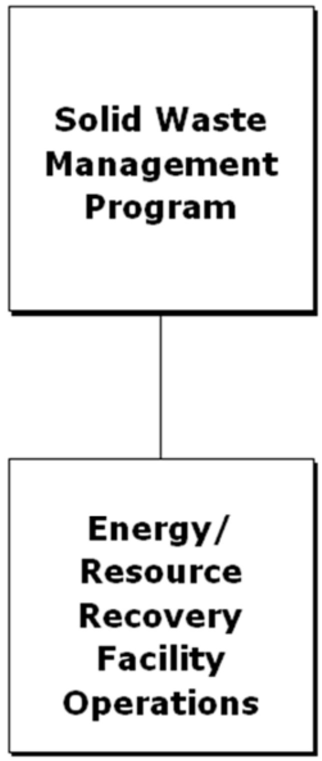
Fund 40150
Refuse Disposal

FY 2018 Summary of Capital Projects

Fund 40150, Refuse Disposal

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
I-66 Basement Drainage Renovation (SW-000023)	$750,000	$0.00	$750,000.00	$0	$0
I-66 Landfill Leachate Systems (SW-000013)	1,000,000	82,818.95	850,713.38	0	0
I-66 Permit and Receiving Center Renovation (SW-000011)	298,307	52,277.02	71,858.16	0	0
I-66 Retaining Wall Ramp Rehab (SW-000012)	796,623	150,118.51	630,217.97	0	0
I-66 Transport Study/Site Redevelopment (SW-000024)	1,375,834	0.00	1,375,834.00	0	0
Total	$4,220,764	$285,214.48	$3,678,623.51	$0	$0

Fund 40160
Energy/Resource Recovery Facility



As part of the FY 2018 Adopted Budget Plan, Fund 40160, Energy/Resource Recovery Facility, is being consolidated into Fund 40150, Refuse Disposal, as a result of a reorganization designed to generate efficiencies, maximize operational effectiveness and increase financial transparency. Fund 40160, as part of the Service Agreement, was originally created to manage the unique agreements between Fairfax County and Covanta Fairfax, Inc. These agreements included the County's obligations to maintain the debt service payments issued to fund the original construction of the refuse incineration facility operated by Covanta. The bonds and debt service payments have been retired for several years and the County entered into a new contract with Covanta that became effective on February 2, 2016. This contract is a fee-for-service agreement and is no longer associated with debt service obligations and commitments on the part of the County to contribute to operating and maintenance expenses and capital upgrades at the Covanta facility. Fairfax County's legal and financial requirements under the Service Agreement to Covanta Fairfax, Inc. have been met. Fund 40160 is no longer necessary to pay the contract expenses for waste disposal.

Fund 40160
Energy/Resource Recovery Facility

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$805,169	$1,017,126	$1,017,126	$0	$0
Operating Expenses	23,392,073	25,788,423	28,801,785	0	0
Capital Equipment	0	0	0	0	0
Total Expenditures	$24,197,242	$26,805,549	$29,818,911	$0	$0
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	12 / 12	12 / 12	12 / 12	0 / 0	0 / 0

0	Management Analysts III (-1T)	0	Heavy Equipment Operators (-1T)	0	Administrative Assistants II (-1T)
0	Management Analysts II (-1T)	0	Administrative Assistants IV (-1T)	0	Weighmasters (-5T)
0	Engineering Technicians II (-1T)	0	Administrative Assistants III (-1T)		

TOTAL POSITIONS
0 Positions (-12T) / 0.0 FTE (-12.0T)

T Denotes Transferred Positions

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Fund Consolidation** **($26,805,549)**

Funding of $26,805,549, including $1,017,126 in Personnel Services and $25,788,423 in Operating Expenses, and 12/12.0 FTE positions are being transferred to Fund 40150, Refuse Disposal, based on the consolidation of Fund 40160, Energy/Resource Recovery Facility, and Fund 40150, Refuse Disposal, as a result of a reorganization designed to generate efficiencies, maximize operational effectiveness and increase financial transparency. Fund 40160, as part of the Service Agreement, was originally created to manage the unique agreements between Fairfax County and Covanta Fairfax, Inc. These agreements included the County's obligations to maintain the debt service payments issued to fund the original construction of the refuse incineration facility operated by Covanta. The bonds and debt service payments have been retired for several years and the County entered into a new contract with Covanta that became effective on February 2, 2016. This contract is a fee-for-service agreement and is no longer associated with debt service obligations and commitments on the part of the County to contribute to operating and maintenance expenses and capital upgrades at the Covanta facility. Fairfax County's legal and financial requirements under the Service Agreement to Covanta Fairfax, Inc. have been met. Fund 40160 is no longer necessary to pay the contract expenses for waste disposal.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$13,362**

As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an increase of $13,362 due to encumbered carryover in Operating Expenses for consultant/contractual services.

♦ **Third Quarter Adjustments** **$3,000,000**

As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved an increase of $3,000,000 in Operating Expenses to support projected increases in transportation and disposal costs associated with the February 2, 2017 fire at the Covanta Fairfax Inc. facility. Staff will seek to maximize the amount of insurance reimbursement associated with the fire; however, it should be this reimbursement is not anticipated in FY 2017.

Fund 40160
Energy/Resource Recovery Facility

FUND STATEMENT[1]

Fund 40160, Energy/Resource Recovery Facility (E/RRF)

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$66,425,583	$66,410,045	$65,768,001	$0	$0
Revenue:					
Disposal Revenue[2]	$23,217,177	$18,871,000	$18,871,000	$0	$0
Interest on Investments	371,483	53,811	53,811	0	0
Miscellaneous[3]	0	792,000	792,000	0	0
Total Revenue	$23,588,660	$19,716,811	$19,716,811	$0	$0
Total Available	$90,014,243	$86,126,856	$85,484,812	$0	$0
Expenditures:					
Personnel Services	$805,169	$1,017,126	$1,017,126	$0	$0
Operating Expenses[4]	23,392,073	25,788,423	28,801,785	0	0
Total Expenditures	$24,197,242	$26,805,549	$29,818,911	$0	$0
Transfers Out:					
General Fund (10001)[5]	$49,000	$49,000	$49,000	$0	$0
Total Transfers Out:	$49,000	$49,000	$49,000	$0	$0
Total Disbursements	$24,246,242	$26,854,549	$29,867,911	$0	$0
Ending Balance[6]	$65,768,001	$59,272,307	$55,616,901	$0	$0
Tipping Fee Reserve[7]	$1,500,000	$0	$0	$0	$0
Rate Stabilization Reserve[8]	53,268,001	48,272,307	47,616,901	0	0
Operations and Maintenance Reserve[9]	11,000,000	11,000,000	8,000,000	0	0
Unreserved Ending Balance	$0	$0	$0	$0	$0
Disposal Rate/Ton	$29	$29	$29	$0	$0

[1] As part of the FY 2018 Adopted Budget Plan, Fund 40160, Energy/Resource Recovery Facility, is being consolidated into Fund 40150, Refuse Disposal, as a result of a reorganization designed to generate efficiencies, maximize operational effectiveness and increase financial transparency. Fund 40160, as part of the Service Agreement, was originally created to manage the unique agreements between Fairfax County and Covanta Fairfax, Inc. These agreements included the County's obligations to maintain the debt service payments issued to fund the original construction of the refuse incineration facility operated by Covanta. The bonds and debt service payments have been retired for several years and the County entered into a new contract with Covanta that became effective on February 2, 2016. This contract is a fee-for-service agreement and is no longer associated with debt service obligations and commitments on the part of the County to contribute to operating and maintenance expenses and capital upgrades at the Covanta facility. Fairfax County's legal and financial requirements under the Service Agreement to Covanta Fairfax, Inc. have been met. Fund 40160 is no longer necessary to pay the contract expenses for waste disposal.

[2] The decrease in FY 2017 revenue reflected lower disposal tonnage associated with the new Waste Disposal Agreement (WDA). The fund absorbed the reduction through use of available balance.

[3] Miscellaneous revenue was generated by the excess amount that Covanta Fairfax, Inc. (CFI) charged for the disposal of Supplemental Waste.

[4] Operating Expenses increased in FY 2016 as a result of the new Waste Disposal Agreement. In addition, Operating Expenses were increased as part of the *FY 2017 Third Quarter Review* to support projected increases in transportation and disposal costs associated with the February 2, 2017 fire at the Covanta facility.

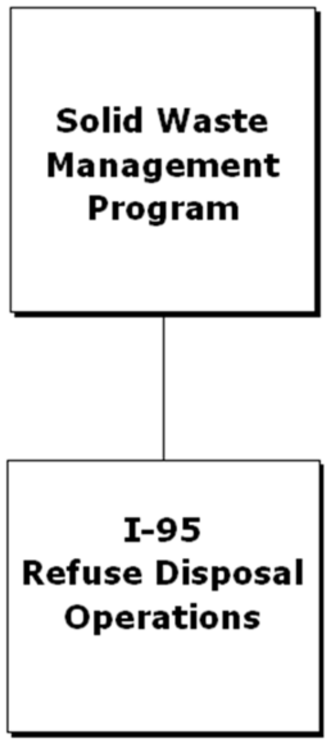
[5] FY 2017 funding in the amount of $49,000 was transferred to the General Fund to partially offset central support services supported by the General Fund, which benefit Fund 40160. These indirect costs include support services such as Human Resources, Purchasing, Budget and other administrative services.

[6] Ending balance fluctuations were a result of operating and revenue requirements that changed annually. Funding was carried forward each fiscal year to provide flexibility given the uncertainty of market conditions, tipping fee negotiations, and expenditure requirements.

[7] The Tipping Fee Reserve was used to buffer against sharp annual changes in tipping fees. Potential changes could result from issues such as tax changes regarding energy sales, power deregulation, state or EPA environmental fees, and/or contract changes. In FY 2017, the remaining balance in this reserve was redirected to the Rate Stabilization Reserve to help address the new Waste Disposal Agreement.

[8] The Rate Stabilization Reserve (RSR) was maintained in order to safeguard against significant increases in tipping fees charged to users of the E/RRF. Starting in FY 2018, this reserve will be part of the consolidated Fund 40150, Refuse Disposal.

[9] The Operations and Maintenance Reserve was maintained for ongoing improvements and enhancements to the E/RRF, including emissions control efforts.



Mission

The Fairfax County Solid Waste Management Program (SWMP) is dedicated to keeping Fairfax County clean by preventing pollution and other contamination associated with the improper disposal of refuse. This is achieved by providing environmentally-sound and economically-viable management of refuse and recyclables through the operation of the I-95 Landfill Complex in Lorton, Virginia. The primary activity performed is the landfilling of ash generated from the combustion of waste at the Energy/Resource Recovery Facility (E/RRF). The following activities are conducted at this location:

I-95 Refuse Disposal supports the following County Vision Elements:

Creating a Culture of Engagement

Connecting People and Places

Practicing Environmental Stewardship

Maintaining Safe and Caring Communities

- The E/RRF combustion process generates ash, which is landfilled on site by County employees. Ash from the E/RRF, a similar Covanta facility serving the City of Alexandria / Arlington County, and the Noman Cole Plant, are disposed of at the I-95 Ash Landfill.

- Brush is ground into mulch for reuse using County staff and equipment.

- Leaves and grass are transported to composting facilities in Prince William and Loudoun Counties where it is processed into a soil amendment.

- Landfill gas generated at the closed landfill generates methane captured and processed for power production.

- Staff and equipment from the I-95 facility are used to respond to emergencies by providing debris removal during emergencies and disasters, including snow and ice control in winter months.

- Other programs conducted at the I-95 facility include: operation of a Recycling and Disposal Center (RDC) for residents and small businesses, Household Hazardous Waste, recycling of electronics, motor oil, antifreeze, cooking oil, latex paint, automotive batteries, and scrap metal.

- The SWMP manages environmental control programs for the closed portion of the landfill as required by federal and state regulations. Systems to control landfill gas and groundwater and stormwater impacts attributed to waste disposal are operated and maintained by County staff.

Focus

The County has operated the I-95 Landfill Complex for more than 25 years providing solid waste services to residents and businesses. This is the location of the municipal solid waste (MSW) landfill that was designed and constructed by the District of Columbia and operated from 1970 to 1995. This landfill accepted unprocessed waste that is not combusted and closed in December 1995; since that time, the facility has accepted only ash generated by the combustion of waste.

The ash landfill has been designed in four phases and meets federal and state standards for the construction of new landfills, which requires a double liner with a leachate collection system for the prevention of groundwater degradation. Phases I and II have reached capacity and have been covered with an intermediate cover system. Phase III is currently being used for ash disposal and has at least five years of capacity remaining. Phase IV has not yet been constructed.

The E/RRF's suite of pollution control equipment includes a dolomitic lime system that chemically treats the ash to reduce the potential of mobilizing metals that may leach from the ash after landfilling. The ash is tested twice per year using the Toxicity Characteristic Leaching Procedure (TCLP), as specified in federal regulations. During FY 2016, analysis of the ash by a certified laboratory found the ash to be non-hazardous, demonstrating that all parameters analyzed are within the limits for all regulated constituents.

This facility is responsible for the management of the closed portion of the municipal solid waste landfill including landfill gas control, groundwater monitoring and remediation, storm water management and leachate control. These activities ensure compliance with the facility's state-issued permit (SWP103) and applicable environmental regulations administered by the Virginia Department of Environmental Quality (VDEQ).

Fund 40170
I-95 Refuse Disposal

The ash disposal fee in FY 2018 for Fund 40170, I-95 Refuse Disposal, will remain at $25.50 per ton to provide adequate funding for operations and capital projects and maintain acceptable Post-Closure reserves. The Post-Closure Reserve is required for a 30-year period after the ashfill landfill is closed as mandated by federal and state regulations. The FY 2018 Post-Closure Reserve is projected to be $24.0 million or 46 percent of the permit requirement of $51.9 million. Prior to FY 2010, high interest earning rates had provided sufficient funds to support operating expenditures, as well as to provide adequate reserve funding required for capital projects and post closure care. It had allowed the fund to maintain the lower ash disposal fee of $11.50 per ton from FY 2001 to FY 2009. Since that time, interest earnings have continued to decline and operational requirements have exceeded available resources. Increased maintenance needs require additional funding to ensure that the landfill remains in compliance with its many permits. In addition, the ash tonnage has declined in recent years, which can be attributed to the sluggish economy and increases in recycling. It should also be noted that FY 2017 tonnage estimates (and resulting revenue) were impacted by the fire at the Covanta facility that happened on February 2, 2017. The estimated FY 2018 revenue from the ash disposal fee assumes a return to recent trends outside of the period impacted by the fire and strives to continue to build the state and federally mandated Post-Closure Reserve requirements.

Performance measures for Solid Waste are displayed at a program-wide level. Please refer to the Solid Waste Management Program Overview in Volume 2 of the FY 2018 Adopted Budget Plan for those items.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$3,484,952	$3,870,633	$3,870,633	$3,916,795	$3,916,795
Operating Expenses	3,436,683	3,787,316	3,968,680	3,302,079	3,302,079
Capital Equipment	30,928	550,000	950,000	850,000	850,000
Capital Projects	657,346	600,000	7,673,691	2,550,000	2,550,000
Subtotal	$7,609,909	$8,807,949	$16,463,004	$10,618,874	$10,618,874
Less:					
Recovered Costs	($293,511)	$0	$0	$0	$0
Total Expenditures	$7,316,398	$8,807,949	$16,463,004	$10,618,874	$10,618,874
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	40 / 40	40 / 40	40 / 40	40 / 40	40 / 40

1	Engineer V	1	Engineering Technician III	1	Maintenance Supervisor
1	Senior Engineer III	3	Engineering Technicians II	1	Administrative Assistant II
1	Public Works Environmental Services Manager	2	Engineering Technicians I	1	Senior Maintenance Worker
1	Sr. Environmental Specialist	1	Financial Specialist II	5	Maintenance Workers
4	Public Works Env. Svcs. Specs.	1	Management Analyst I	1	Motor Equipment Operator
9	Heavy Equipment Operators	4	Asst. Refuse Superintendents	1	Safety Analyst
		1	Project Manager II		

TOTAL POSITIONS
40 Positions / 40.0 FTE

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Employee Compensation** **$46,175**
  An increase of $46,175 in Personnel Services is for performance-based and longevity increases for non-uniformed merit employees effective July 2017.

- **Other Post-Employment Benefits** **($13)**
  A decrease of $13 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

- **Operating Expenses** **($485,237)**
  A decrease of $485,237 in Operating Expenses is based on a thorough analysis of the relationship between Operating Expenses and Recovered Costs within the various SWMP funds. Starting in FY 2018 the only charge for administrative overhead costs within the SWMP funds will be incurred in Fund 40130, Leaf Collection, from Fund 40140, Refuse Collection and Recycling Operations, and Fund 40150, Refuse Disposal. This is due to Fund 40130, Leaf Collection, having no full time merit positions and thus a charge for administrative support from the other funds is warranted. In previous years, all SWMP funds billed one another for overhead charges, resulting in largely offsetting amounts of Operating Expenses and Recovered Costs. It should be noted that appropriate administrative overhead costs from outside the SWMP funds (from Agency 25, Business Planning and Support) will be divided between the SWMP funds on a proportional basis.

- **Capital Equipment** **$850,000**
  Funding of $850,000 in Capital Equipment is included for the replacement of one material handler and one rubber tire front loader. These items have exceeded their useful life and are required to be replaced based on the overall age and condition of the equipment.

- **Capital Projects** **$2,550,000**
  Funding of $2,550,000 is included in Capital Projects in FY 2018. An amount of $1,600,000 will support the construction of an enclosed facility to handle the Hazardous Waste Materials at the I-95 Complex improving environmental conditions and customer service. The building will be composed of two components: the concrete base of the floor and walls, and a fabric structure to enclose the facility. The base of the structure provides push walls for dumping and loading activities as well as sound suppression. The fabric structure provides protection from the elements, as well as natural lighting with no internal columns for dumping clearance inside the structure. In addition, an amount of $950,000 will support the I-95 Landfill Lot B Redesign project.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$7,655,055**

As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an increase of $7,655,055, including $7,073,691 in unexpended Capital Project balances, $181,364 in encumbered carryover in Operating Expenses, and $400,000 in Capital Equipment to support the replacement of two pit scales at the Recycling and Disposal Center at the I-95 landfill that have outlived their useful life and are not cost effective to repair.

♦ **Position Adjustments** **$0**

In order to properly align staff with workload requirements, 1/1.0 FTE position was transferred from Fund 40170, I-95 Refuse Disposal, to Agency 31, Land Development Services, 1/1.0 FTE position was transferred from Fund 40150, Refuse Disposal, to Fund 40170, and 1/1.0 FTE position was transferred from Fund 40140, Refuse Collection and Recycling Operations, to Fund 40170. In addition, in order to better support the Department of Public Works and Environmental Services' (DPWES) four core business areas and enhance department-wide initiatives, a total of 19/19.0 FTE positions were transferred to Agency 25, Business Planning and Support (BPS), from multiple divisions within DPWES. Of this total, 1/1.0 FTE position was transferred from Fund 40170, I-95 Refuse Disposal, to BPS in FY 2017.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 40170
I-95 Refuse Disposal

FUND STATEMENT

Fund 40170, I-95 Refuse Disposal

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$35,657,796	$27,989,349	$36,694,304	$29,169,437	$26,030,137
Revenue:					
Interest on Investments	$96,831	$53,437	$53,437	$59,256	$59,256
Refuse Disposal Revenue[1]	8,213,140	8,856,500	5,717,200	8,698,500	8,698,500
Other Revenue:					
Fees, Landfill Permit	$0	$7,200	$7,200	$7,200	$7,200
Sale of Equipment	12,871	5,000	5,000	330,000	330,000
Miscellaneous Revenue	216,064	202,000	202,000	204,000	204,000
Subtotal Other Revenue	$228,935	$214,200	$214,200	$541,200	$541,200
Total Revenue	$8,538,906	$9,124,137	$5,984,837	$9,298,956	$9,298,956
Total Available	$44,196,702	$37,113,486	$42,679,141	$38,468,393	$35,329,093
Expenditures:					
Personnel Services	$3,484,952	$3,870,633	$3,870,633	$3,916,795	$3,916,795
Operating Expenses[2]	3,436,683	3,787,316	3,968,680	3,302,079	3,302,079
Recovered Costs[2]	(293,511)	0	0	0	0
Capital Equipment	30,928	550,000	950,000	850,000	850,000
Capital Projects	657,346	600,000	7,673,691	2,550,000	2,550,000
Total Expenditures	$7,316,398	$8,807,949	$16,463,004	$10,618,874	$10,618,874
Transfers Out:					
General Fund (10001)[3]	$186,000	$186,000	$186,000	$186,000	$186,000
Total Transfers Out	$186,000	$186,000	$186,000	$186,000	$186,000
Total Disbursements	$7,502,398	$8,993,949	$16,649,004	$10,804,874	$10,804,874
Ending Balance[4]	$36,694,304	$28,119,537	$26,030,137	$27,663,519	$24,524,219
Reserves					
Active Cell Closure Liability Reserve[5]	$257,165	$257,165	$257,165	$143,915	$143,915
Environmental Reserve[6]	500,000	500,000	1,000,000	200,000	100,000
Operating Reserve[7]	8,653,318	162,372	572,972	119,604	80,304
Capital Equipment Reserve[8]	283,821	200,000	200,000	200,000	200,000
Post-Closure Reserve[9]	27,000,000	27,000,000	24,000,000	27,000,000	24,000,000
Unreserved Ending Balance	$0	$0	$0	$0	$0
Disposal Fee/Ton[10]	$24.50	$25.50	$25.50	$25.50	$25.50

Fund 40170
I-95 Refuse Disposal

[1] The *FY 2017 Revised Budget Plan* Refuse Disposal Revenue was reduced by an amount of $3,139,300 based on a projected decrease associated with lower levels of disposal and hauling of ash services from the Covanta Fairfax Inc. facility due to the fire that happened at the facility on February 2, 2017.

[2] After a thorough analysis of the relationship between Operating Expenses and Recovered Costs within the various SWMP funds, starting in FY 2018 the only charge for administrative overhead costs within the SWMP funds will be incurred in Fund 40130, Leaf Collection, from Fund 40140, Refuse Collection and Recycling Operations, and Fund 40150, Refuse Disposal. This is due to Fund 40130, Leaf Collection, having no full time merit positions and thus a charge for administrative support from the other funds is warranted. In previous years, all SWMP funds billed one another for overhead charges, resulting in largely offsetting amounts of Operating Expenses and Recovered Costs. It should be noted that appropriate administrative overhead costs from outside the SWMP funds (from Agency 25, Business Planning and Support) will be divided between the SWMP funds on a proportional basis.

[3] Funding in the amount of $186,000 is transferred to the General Fund to partially offset central support services supported by the General Fund which benefit Fund 40170. These indirect costs include support services such as Human Resources, Purchasing, Budget and other administrative services.

[4] Ending balance fluctuations are a result of operating and revenue requirements that change annually. Funding is carried forward each fiscal year to provide flexibility given the uncertainty of market conditions and expenditure requirements.

[5] The Active Cell Closure Liability Reserve is necessary for the closure of active disposal cells of the Ashfill and is necessary for ashfilling activities to progress in accord with state requirements.

[6] The Environmental Reserve assures that the County has funds to implement, or at least start to implement, unplanned actions to protect the environment or meet regulatory requirements. Specific examples of future environmental projects are likely to include: Landfill Gas Control Projects, Stormwater Management, Wastewater (Leachate) Management, and Groundwater protective measures.

[7] The Operating Reserve is used for the timely replacement of obsolete computer equipment, unanticipated operating expenditures and fluctuations in revenues.

[8] The Capital Equipment Reserve provides for the timely replacement of equipment required to operate the I-95 Ashfill. Funds are transferred from Ash Disposal Revenue to equipment reserve as are proceeds from the sale of equipment. The reserve requirement is based on a replacement schedule composed of yearly payments to the reserve, which are based on the useful life of the equipment and vehicles.

[9] The Post-Closure Reserve is required for a 30-year period after the ashfill closes and is mandated by federal and state regulations. The projected reserve of $24.0 million for FY 2018 represents 46 percent of the estimated requirement of $51.9 million and is not sufficient to cover all identified costs. Additional funds will be set aside in future years.

[10] The FY 2018 ash disposal fee will remain at $25.50 per ton to provide adequate funding for operations and capital projects and maintain acceptable Post-Closure reserves.

Fund 40170
I-95 Refuse Disposal

FY 2018 Summary of Capital Projects

Fund 40170, I-95 Refuse Disposal

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
I-95 Landfill Closure (SW-000019)	$1,840,098	$0.00	$1,838,644.11	$0	$0
I-95 Landfill Enviornmental Compliance (SW-000016)	1,079,536	2,471.00	979,818.19	0	0
I-95 Landfill Leachate Facility (SW-000018)	3,860,478	79,648.87	3,331,965.95	0	0
I-95 Landfill Lot B Redesign (SW-000020)	1,250,000	0.00	300,000.00	950,000	950,000
I-95 Methane Gas Recovery (SW-000014)	2,259,232	575,225.72	622,100.27	0	0
I-95 Operation Building Renovation (SW-000015)	28,952	0.00	1,162.57	0	0
I-95 Transfer/Materials Recovery Fac. (SW-000022)	2,200,000	0.00	600,000.00	1,600,000	1,600,000
Total	$12,518,296	$657,345.59	$7,673,691.09	$2,550,000	$2,550,000

Overview

Internal Service Funds account for services provided by specific County agencies to other County agencies on a cost reimbursement basis. The services consist of insurance, central acquisition of commonly used supplies and equipment, vehicle fleet maintenance, communications, and data processing. Revenues of these funds consist primarily of charges to County agencies for these services. Specific funds included in this group are:

FAIRFAX COUNTY INTERNAL SERVICE FUNDS

- **Fund 60000, County Insurance Fund**, is utilized to meet the County's casualty obligations, liability exposures, and worker's compensation requirements.

- **Fund 60010, Department of Vehicle Services**, ensures that the County, School and Park Authority vehicle fleet is responsive to the transportation needs of all customer agencies and is operated in a safe and cost-effective manner.

- **Fund 60020, Document Services Division**, supports the archive, mail, printing, copier, and micrographic services to County and School agencies.

- **Fund 60030, Technology Infrastructure Services**, is managed by the Department of Information Technology and provides Data Center and Network Services to County agencies. Infrastructure costs associated with the operation and maintenance of the mainframe, data communications, PC replacements, and radio networks are billed to user agencies.

- **Fund 60040, Health Benefits Fund**, is the County's self-insurance fund which provides health insurance benefits to Fairfax County employees.

FAIRFAX COUNTY PUBLIC SCHOOLS INTERNAL SERVICE FUNDS

- **Fund S60000, Public School Insurance Fund,** is an insurance fund that provides administration of workers' compensation accounts, centralization of self-insurance accounts for automobile and general liability, and commercial insurance for other liabilities.

- **Fund S62000, Public School Health and Flexible Benefits,** is the Fairfax County Public Schools self-insurance fund which provides health insurance benefits to its employees.

Fund 60000
County Insurance

Mission

To ensure the health and safety of County residents, employees, and public officials, and to protect the County's financial assets. The agency is committed to providing the highest quality customer service in managing the County's risks and exposures.

AGENCY DASHBOARD

	Key Data	FY 2014	FY 2015	FY 2016
1.	County Population	1,116,246	1,125,400	1,131,900
2.	Largest Number of Active Employees on the Payroll	13,189	13,088	13,265
3.	Medical Expenses Inflation (CPI)	2.3%	2.3%	2.4%
4.	County-Owned Building Values	$2,600,161,973	$2,707,690,440	$2,539,055,759
5.	Investment Return Rate on Insurance Fund	0.50%	0.75%	0.68%
6.	Average Age of Workers' Compensation Claim	13.65 Years	12.02 Years	10.57 Years

Focus

Fairfax County has a statutory responsibility to provide Workers' Compensation benefits, including medical treatment and loss of wages due to related disability, to employees who sustain occupational injuries and illnesses. Fund 60000, County Insurance, was established to fulfill this obligation. The fund also provides for countywide commercial insurance and self-insurance. The County self-insures automobile and general liability claims. Special commercial coverage is provided for aviation insurance on County helicopters, real property coverage, and Fire and Rescue Department vehicle damage insurance. Administrative expenses of risk management programs are paid through this fund.

The County Insurance Fund supports the following County Vision Elements:

Maintaining Safe and Caring Communities

Exercising Corporate Stewardship

Fairfax County provides a wide range of services to its employees and residents, which in turn create potential risks and exposures to the County. Some of these risks include injuries involving County employees or damage to County property; injuries to residents or damage to residents' property; automobile accidents; incidents arising from police activity; the actions of public officials; and the operation and maintenance of sewage and storm management systems.

The Risk Management Division approaches its mission from both internal and external perspectives. Recognizing that an organization the size of Fairfax County will experience losses, Risk Management staff work to mitigate losses and manage financial liabilities. This is accomplished through both self-insurance (which generally applies to losses expected to occur regularly, such as Workers' Compensation, automobile and general liability, and police professional and public officials liability) and commercial insurance (for losses which occur infrequently but tend to be large exposures, such as real property losses, aircraft liability, and damage to high-value vehicles). Recognizing the importance of prompt and fair resolution of claims against the County, claims administration uses both in-house staff and a contract claims administrator. Risk Management is committed to the prevention of injuries in the workplace and focuses on programs that address countywide injury prevention and reduction through training and awareness campaigns. Finally, Risk Management staff focuses on building and using partnerships with other County agencies, the community, and neighboring jurisdictions to mitigate risks and to ensure excellent communication with the residents of Fairfax County.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$1,455,804	$1,615,997	$1,615,997	$1,637,963	$1,637,963
Operating Expenses	27,461,403	24,461,743	66,961,743	25,036,408	25,036,408
Capital Equipment	0	0	0	0	0
Subtotal	$28,917,207	$26,077,740	$68,577,740	$26,674,371	$26,674,371
Less:					
Recovered Costs	($264,900)	($250,000)	($250,000)	($250,000)	($250,000)
Total Expenditures	$28,652,307	$25,827,740	$68,327,740	$26,424,371	$26,424,371
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	14 / 14	14 / 14	14 / 14	14 / 14	14 / 14

1	Risk Manager	1	Loss Prevention Analyst II	2	Claims Specialists I
1	Insurance Manager	1	Loss Prevention Analyst I	1	Administrative Assistant IV
1	Loss Prevention Analyst IV	1	Claims Specialist III	2	Administrative Assistants III
2	Loss Prevention Analysts III	1	Claims Specialist II		

TOTAL POSITIONS
14 Positions / 14.0 FTE

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Employee Compensation** **$21,966**
An increase of $21,966 in Personnel Services is for performance-based and longevity increases for non-uniformed merit employees effective July 2017.

♦ **General Insurance Costs** **$416,165**
An increase of $416,165 in Operating Expenses is primarily due to increased coverage and premiums for volunteer safety personnel and high-valued vehicles, as well as the annual contract costs of the Risk Management Information system.

- **Workers' Compensation Expenses** **$158,500**
  An increase of $158,500 in Operating Expenses is due to projected increases in Workers' Compensation expenses based on the actual experience in prior years.

- **General Fund Transfer**
  It should be noted that the General Fund transfer to this fund is increased by $21,966 to cover increases in expenses related to employee compensation increases.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$39,000,000**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved appropriation of $39,000,000 in Operating Expenses from the Litigation Reserve for expenditures related to tax litigation refunds, primarily as a result of the Virginia Supreme Court ruling on Business, Professional, and Occupational License (BPOL) tax.

- **Third Quarter Adjustments** **$3,500,000**
  As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved appropriation of $3,500,000 in Operating Expenses from the Litigation Reserve based on updated estimates of potential tax litigation refunds as a result of the 2015 Virginia Supreme Court ruling on Business, Professional, and Occupational License (BPOL) tax. It should be noted that the General Fund transfer to Fund 60000, County Insurance, was increased by $3,726,000 as part of the *FY 2017 Third Quarter Review* due to accrued liability adjustments.

Key Performance Measures

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
County Insurance					
Percentage of claims processed within 30 days	98%	97%	98% / 98%	98%	98%
Preventable accidents per 100,000 miles driven	0.87	0.67	0.60 / 0.61	0.60	0.60
Ratio of premium paid to value of assets covered	0.134%	0.147%	0.139% / 0.161%	0.144%	0.144%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/60000.pdf

Performance Measurement Results

Workers' Compensation costs are the single greatest challenge to the County Insurance Fund. A key factor in containing costs and expediting the return to work of injured employees is prompt and adequate medical evaluation. Awareness of the County's programs in this area, coupled with efficient reporting systems, serve both employee and County interests. The Risk Management Division now averages four days reporting time. In FY 2016, the program processed 98 percent of all claims within 30 business days from the date of incident, meeting its ambitious goal of 98 percent.

Driver safety and accident prevention programs remain a priority to the County. There was a continued decrease in the rate of preventable accidents in FY 2016. Stability is anticipated in this area for FY 2017 and FY 2018 and County staff continues to maintain the goal of reducing accident rates.

The commercial insurance portfolio is a key element in protecting the assets of the County against losses in a major event. It ensures that the County is not faced with major property, Workers' Compensation, and liability losses during periods when it cannot afford the costs associated with losses. While the actual premiums tend to increase, County staff successfully continues to maintain low rates for those premiums. The ratio of premium paid to value of asset covered increased to 0.161 percent in FY 2016 due to the purchase of cyber-risk insurance and property damage insurance for high-valued vehicles.

Fund 60000
County Insurance

FUND STATEMENT

Fund 60000, County Insurance

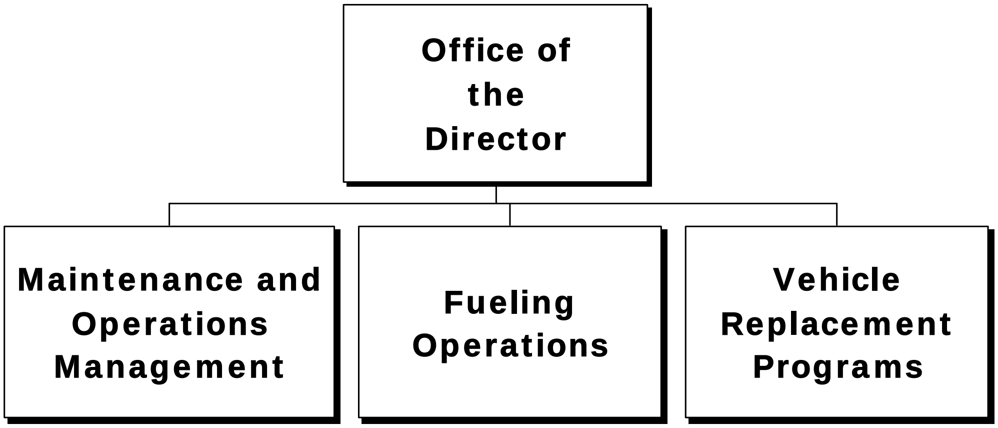
	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$115,928,812	$79,500,931	$117,793,037	$77,848,119	$78,074,271
Revenue:					
Interest	$339,876	$100,000	$100,000	$400,000	$400,000
Workers' Compensation	511,997	515,000	515,000	515,000	515,000
Other Insurance	118,833	105,859	105,859	105,859	105,859
Total Revenue	$970,706	$720,859	$720,859	$1,020,859	$1,020,859
Transfer In:					
General Fund (10001)	$25,819,826	$24,162,115	$27,888,115	$24,184,081	$24,184,081
Total Transfer In	$25,819,826	$24,162,115	$27,888,115	$24,184,081	$24,184,081
Total Available	$142,719,344	$104,383,905	$146,402,011	$103,053,059	$103,279,211
Expenditures:					
Administration[1]	$1,743,090	$1,923,932	$1,923,932	$1,974,063	$1,974,063
Workers' Compensation	15,995,598	15,291,139	15,291,139	15,449,639	15,449,639
Self Insurance Losses	2,676,261	4,176,000	4,176,000	4,176,000	4,176,000
Litigation Expenses	0	0	42,500,000	0	0
Commercial Insurance Premium	4,312,301	4,178,000	4,178,000	4,566,000	4,566,000
Automated External Defibrillator	199,057	258,669	258,669	258,669	258,669
Total Expenditures	$24,926,307	$25,827,740	$68,327,740	$26,424,371	$26,424,371
Expense for Net Change in Accrued Liability[2]	$3,726,000	$0	$0	$0	$0
Total Disbursements	$28,652,307	$25,827,740	$68,327,740	$26,424,371	$26,424,371
Ending Balance[3]	$117,793,037	$78,556,165	$78,074,271	$76,628,688	$76,854,840
Restricted Reserves:					
Accrued Liability[2]	$54,340,000	$50,614,000	$54,340,000	$50,614,000	$50,614,000
AED Replacement Reserve	798,288	623,805	683,417	0	0
Litigation Reserve	55,311,545	18,287,430	12,811,545	16,311,545	16,311,545
Reserve for Catastrophic Occurrences[2]	7,343,204	9,030,930	10,239,309	9,703,143	9,929,295

[1] In order to account for expenditures in the proper fiscal year, an audit adjustment in the amount of $151.51 has been reflected as a decrease to FY 2016 expenditures in order to record expenditures in the proper fiscal period. This adjustment has been included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the FY 2016 audit adjustments were included in the FY 2017 Third Quarter Package.

[2] FY 2016 actuals reflect an accrued liability adjustment of $3,726,000 based on an annual independent actuarial valuation. This adjustment results in a corresponding adjustment to the FY 2016 Total Disbursements, total Accrued Liability Reserve, and Reserve for Catastrophic Occurrences, but it does not affect the cash balance or the Ending Balance, which is calculated using Total Available less Total Expenditures, not Disbursements. This adjustment has been included in the FY 2016 CAFR.

[3] Fluctuations in the Ending Balance are primarily the result of variations in tax litigation expenses.

Fund 60010
Department of Vehicle Services



Mission

To establish efficient and effective delivery of fleet services by providing customer agencies with safe, reliable, economical, and environmentally-sound transportation and related support services that are responsive to the needs of customer departments, and which conserve the value of the vehicle and equipment investment.

Focus

The Department of Vehicle Services (DVS), Fund 60010, provides management and maintenance services to the County's vehicle fleet and maintenance support to the Fairfax County Public Schools (FCPS). At the end of FY 2016, there was a combined County and School fleet of 6,138 units, of which 5,926 are maintained by DVS. Of the total DVS-maintained units, 2,427 units belong to FCPS. The remaining 3,499 County units consist of approximately 1,023 vehicles more than one half ton (i.e. specialized equipment, dump trucks, wreckers); 888 police package vehicles (includes motorcycles), 986 light vehicles (one half ton or less in capacity), and 602 off-road and miscellaneous equipment (i.e., loaders, dozers, trailers, mowers, snow plow blades). Not included in the County fleet count are Fairfax Connector buses and vehicles owned by Fairfax County Water Authority. DVS maintains the largest municipal fleet in Virginia and the ninth largest school bus fleet in the nation. In April 2016, DVS was named the 36th best fleet operation in the Americas by The 100 Best Fleets in the Americas.

The department has four maintenance facilities. The Jermantown and West Ox facilities are located in the central part of the County, and the Newington and Alban facilities are located on the southeast end of the County. These facilities provide timely, responsive and efficient vehicle repairs and services for a broad range of equipment from small engines to large and complex fire apparatus. Road services are also provided at competitive prices ensuring a quick and effective response. Two body shops, located within the Newington and West Ox facilities, provide efficient and timely minor repairs, which reduce the time vehicles are out of service. In FY 2017, the West Ox, Alban and Newington facilities were awarded the Blue Seal of Excellence by meeting the standards established by the National Institute for Automotive Service Excellence (ASE).

DVS manages the County's Vehicle Replacement Fund, which accumulates funding over a vehicle's life to pay for the replacement of that vehicle when it reaches the end of its service life. The current replacement criteria includes the age, mileage, and condition of the vehicle. This fund is intended primarily for General Fund agencies. As of July 2016, 33 agencies participate in the fund, which includes approximately 2,359 units. Additionally, DVS manages funds for Helicopter, Boat, and Police Specialty Vehicle Replacement for the Police Department; an Ambulance and a Large Apparatus Replacement Fund for the Fire and Rescue Department; and a FASTRAN Bus Replacement Fund for the Department of Neighborhood and Community Services. These funds allow the Police Department, Fire and Rescue Department, and Department of Neighborhood and Community Services to make fixed annual payments to ensure the availability of future funds for an orderly replacement program.

DVS manages the County's highway vehicle fuel program, including maintenance of the County's 53 fuel sites. These sites are located at police stations, fire stations, schools, DVS maintenance facilities, Public Works facilities and Park Authority maintenance centers. DVS coordinates with Agency Directors to maintain tight controls over fuel, ensure agencies charge fuel directly to their agency vehicle codes, and minimize the use of miscellaneous fuel codes.

Other services provided by DVS include: emergency roadside repair; oversight and records maintenance, including security administration for the County's Fleet Maintenance Information System (MIS); analysis of current fleet usage; evaluation of new technologies; operation of the County's motor pool; technical support/review of vehicle and equipment specifications; and initiation of purchase requests for certain County vehicles and related equipment.

The Department of Vehicle Services supports the following County Vision Elements:

- ***Maintaining Safe and Caring Communities***
- ***Connecting People and Places***
- ***Practicing Environmental Stewardship***
- ***Exercising Corporate Stewardship***

DVS uses a commercially available Maintenance Information System known as M5. M5 tracks all parts issues, commercial charges and labor charges to vehicles and equipment, provides customer departments a regular preventive maintenance schedule, and provides for management of the motor pool. Most reports for data analysis and billing of user agencies are generated directly in M5. M5 also provides the ability to write "ad hoc" reports tailored to specific data or analysis needs. DVS provides training on all relevant modules of M5 to staff and to customer agencies.

DVS works to ensure that departments and agencies have the fleet means to support their missions while maintaining fleet levels that are appropriate to actual program and service requirements. As part of this responsibility, the Fleet Utilization Management Committee (FUMC) will continue meeting to review the vehicle and equipment fleet to ensure that fleet size, configuration, and usage are consistent with best practices and in compliance with established policy. Also, the FUMC will continue to review and approve requests for fleet additions to ensure there is a legitimate need for fleet growth.

DVS continues to strive for economically responsible environmental stewardship by working increased fuel efficiency and reduced emissions and petroleum consumption characteristics into vehicle specifications. Specifications for new, heavy duty trucks favor the cleanest diesel engines. In anticipation of the possible adoption of ethanol as a motor fuel, DVS continues to add "flex-fuel" vehicles that can use either E85, gasoline, or any combination. As plug-in hybrids and electric vehicles continue to come to market, the department plans to continue its practice to procure them when practical.

Fund 60010
Department of Vehicle Services

On an annual basis, the County reviews current usage and fuel pricing to analyze and project fuel prices. The FY 2018 budget estimates a user price of $1.54 per gallon for unleaded and $1.63 per gallon for diesel, a significant decrease from the FY 2017 budgeted levels of $1.94 per gallon for unleaded and $2.00 per gallon for diesel. As fuel prices can fluctuate, County staff will review price data on a monthly basis to ensure prices remain within a reasonable level. If prices increase significantly during FY 2018, an adjustment may be required as part of a quarterly review to ensure that user agencies have sufficient funding to cover fuel related costs.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$21,756,421	$22,826,596	$23,000,223	$23,473,914	$23,473,914
Operating Expenses	43,539,471	41,271,632	41,728,407	40,957,929	39,198,384
Capital Equipment	8,018,138	16,798,646	20,418,199	19,456,731	19,456,731
Total Expenditures	$73,314,030	$80,896,874	$85,146,829	$83,888,574	$82,129,029
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	260 / 260	260 / 260	262 / 262	263 / 263	263 / 263

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Employee Compensation** **$389,594**

An increase of $389,594 in Personnel Services includes $388,000 for performance-based and longevity increases for non-uniformed merit employees effective July 2017, and $1,594 for employee pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions.

♦ **Additional Technician Positions** **$287,724**

Funding of $287,724 and 3/3.0 FTE positions are required to support increased workload. Of this total 2/2.0 FTE are primarily associated with maintaining Fairfax County Public School (FCPS) vehicles. These positions, originally approved as part of the *FY 2016 Carryover Review*, are required to ensure that FCPS vehicles are maintained and repaired in accordance with federal and state mandated timelines and to ensure an effective and efficient business operation. The remaining 1/1.0 FTE is primarily associated with an increased number of public safety vehicles based on the addition of new positions and will ensure that the vehicle availability rate remains at 96 percent or higher and vehicles/equipment are maintained according to federal and state guidelines as well as County policies and procedures. The costs associated with these positions are anticipated to be fully offset by additional revenue associated with increased billings to FCPS and public safety agencies.

- **Operating Expenses** **($2,103,248)**
  A net decrease of $2,103,248 is due to an increase of $1,514,817 associated with higher costs for non-fuel related Operating Expenses primarily in the area of parts and commercial repairs based on increases in the number of vehicles maintained. The increase in non-fuel related expenses is offset by a decrease of $3,618,065 associated with lower fuel-related costs due primarily to lower price per gallon estimates. In FY 2017, the budget was developed using an unleaded price of $1.94 per gallon and a diesel price of $2.00 per gallon. The FY 2018 budget estimates a user price of $1.54 per gallon for unleaded and $1.63 per gallon for diesel.

- **Capital Equipment** **$19,456,731**
  Capital Equipment funding of $19,456,731 includes the following: $7,982,203 for the purchase of 11 vehicles out of the Fire Apparatus Replacement Fund; $5,559,135 for the purchase of 187 vehicles that are projected to meet age and mileage criteria for replacement in FY 2018; $1,700,000 for the replacement of two helicopter cameras; $1,478,788 for the replacement of four vehicles out of the Ambulance Replacement Fund; $692,864 for necessary facility and fuel equipment including a 15,000 gallon underground gasoline tank, Diesel Exhaust Fluid refueling equipment, two ground lifts, one tire machine, two tire balancers, two refrigerant recovery and recycling machines, one iron worker, one transmission jack and one breathing air system; $600,000 for the replacement of a helicopter engine and blade grips; $585,241 for the replacement of one command bus and three trailers out of the Police Specialty Replacement Fund; $435,000 for the replacement of one boat and trailer out of the Police Boat Replacement Fund; and, $423,500 for the replacement of seven buses out of the FASTRAN Replacement Fund.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$4,249,955**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $4,249,955 due to encumbered carryover of $3,896,328 and an appropriation of $180,000 from the Police Specialty Vehicle Replacement Fund to purchase a surveillance van which was not purchased in FY 2016 due to delays in the procurement process. In addition, the Board approved funding of $173,627 and 2/2.0 FTE positions to support increased workload associated with maintaining Fairfax County Public School (FCPS) vehicles. These positions are required to ensure that FCPS vehicles are maintained and repaired in accordance with federal and state mandated timelines and to ensure an effective and efficient business operation. Without additional staff, the maintenance backlog for buses will likely cause operational issues for both departments. The costs associated with these positions are anticipated to be fully offset by additional revenue associated with increased billings to FCPS.

Fund 60010
Department of Vehicle Services

Cost Centers

The Department of Vehicle Services provides services in support of the County's fleet in three distinct cost centers: Maintenance and Operations Management, Vehicle Replacement Programs, and Fueling Operations. The majority of the agency's positions and funding are centered in Maintenance and Operations Management.

Maintenance and Operations Management

The Maintenance and Operations Management cost center provides centralized maintenance and repair services and performs required special tasks on vehicles and equipment owned by County agencies and Fairfax County Public Schools (FCPS) through the use of County staff and contractors. DVS ensures that these vehicles and equipment are maintained in safe operational condition and are in accordance with all federal, state, and County policies, procedures and regulations, and ensure that vehicles are maintained as efficiently and cost-effectively as possible with consideration to the customer's requirements.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$42,583,152	$43,643,996	$44,066,168	$45,832,754	$45,832,754
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	258 / 258	258 / 258	260 / 260	261 / 261	261 / 261

1	Director	11	Material Mgmt. Specialists I	1	Financial Specialist II
2	Assistant Directors	1	Management Analyst III	1	Business Analyst III
3	Administrative Assistants IV	1	Management Analyst II	1	Network Telecom. Analyst II
3	Administrative Assistants III	1	Human Resource Generalist II	1	Information Technology Tech. III
7	Administrative Assistants II	103	Technicians II (1)	6	Assistant Superintendents
3	Material Mgmt. Supervisors	72	Technicians I	5	Motor Equipment Superintendents
1	Material Mgmt. Specialist III	19	Motor Mech. Supervisors	3	Auto Body Repairers II
11	Material Mgmt. Specialists II	1	Financial Specialist III	3	Auto Body Repairers I

TOTAL POSITIONS
261 Positions (1) / 261.0 FTE (1.0)

( ) Denotes New Position

Fund 60010
Department of Vehicle Services

Vehicle Replacement Programs

The Vehicle Replacement Programs cost center manages the Vehicle Replacement Reserve which accumulates funding over the life of a vehicle (or equipment) in order to pay for the replacement of the vehicle at such time as the vehicle meets replacement criteria. This reserve is intended primarily for General Fund agencies. In addition, the cost center manages six other specialty vehicle replacement funds for the Police Department, Fire and Rescue Department and the Department of Neighborhood and Community Services. These reserves ensure the systematic replacement of vehicles which have completed their cost-effective life cycles.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$14,725,398	$16,028,939	$19,931,722	$18,763,867	$18,763,867
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	1 / 1	1 / 1	1 / 1	1 / 1	1 / 1

1 Management Analyst III

TOTAL POSITIONS
1 Position / 1.0 FTE

Fueling Operations

The Fueling Operations cost center manages the County's highway vehicle fuel program by purchasing over 10.5 million gallons of fuel annually at a significant cost savings to agencies. In addition, the cost center is responsible for managing the automated fuel system and maintaining the County's 53 fuels sites while ensuring compliance with federal and state underground storage tank regulations.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$16,005,480	$21,223,939	$21,148,939	$19,291,953	$17,532,408
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	1 / 1	1 / 1	1 / 1	1 / 1	1 / 1

1 Heavy Equipment Operator

TOTAL POSITIONS
1 Position / 1.0 FTE

Key Performance Measures

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Maintenance and Operations Management					
Vehicle availability rate	96.8%	96.9%	96.0%/98.0%	96.0%	96.0%
Percent of days vehicle availability rate target was achieved	37.7%	100.0%	90.0%/100.0%	90.0%	90.0%
Vehicle Replacement Programs					
Percent of vehicles meeting criteria that are replaced	100.0%	100.0%	100.0%/100.0%	100.0%	100.0%
Fueling Operations					
Price savings between in-house and commercial stations: unleaded gasoline	$0.243	$0.203	$0.100/$0.209	$0.100	$0.100
Price savings between in-house and commercial stations: diesel	$0.320	$0.443	$0.100/$0.457	$0.100	$0.100

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/60010.pdf

Performance Measurement Results

A total of 5,926 County and School units (motorized and non-motorized) were maintained in FY 2016. It should be noted that "units maintained" in any given year may include vehicles authorized as additions in a previous year, but not received until the indicated year.

The number of vehicles in the Vehicle Replacement Reserve (VRR) increased in FY 2016 primarily due to normal fluctuations in the number of vehicles in the VRR at different points in time. DVS replaced 100 percent of VRR vehicles that met the established criteria in FY 2016.

Fueling Operations measures examine the cost savings between County contracts and private providers, as well as how satisfied County vehicle drivers are with fueling operations. In FY 2016, the average cost per gallon of $1.45 decreased significantly from the FY 2015 average cost of $2.34. Given the amount of fuel gallons used by the County, the savings associated with purchasing unleaded and diesel gasoline in-house were significant.

Fund 60010
Department of Vehicle Services

FUND STATEMENT

Fund 60010, Department of Vehicle Services

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$32,042,703	$21,994,725	$32,372,510	$26,055,528	$26,055,528
Vehicle Replacement Reserve	$5,395,281	$3,476,405	$7,962,375	$7,010,638	$7,010,638
Facility Infr./Renewal Reserve	1,021,631	1,021,631	1,021,631	1,021,631	1,021,631
Ambulance Replacement Reserve	3,277,574	2,817,978	4,191,574	2,946,014	2,946,014
Fire Apparatus Replacement Reserve	9,832,752	3,895,197	6,609,473	3,549,611	3,549,611
School Bus Replacement Reserve	17,019	0	0	0	0
FASTRAN Bus Replacement Reserve	851,818	894,030	1,074,242	759,830	759,830
Helicopter Replacement Reserve	2,123,923	2,763,923	2,763,923	3,403,923	3,403,923
Helicopter Maintenance Reserve	900,000	478,500	511,192	111,192	111,192
Boat Replacement Reserve	436,103	505,122	505,122	574,141	574,141
Police Specialty Vehicle Reserve	3,346,849	2,053,867	2,943,072	2,203,490	2,203,490
Fuel Operations Reserve	380,418	58,267	530,514	475,058	475,058
Fuel Price Stabilization Reserve	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Other	459,335	29,805	259,392	0	0
Unreserved Beginning Balance	$0	$0	$0	$0	$0
Revenue:					
Vehicle Replacement Charges	$7,901,104	$7,233,127	$7,233,127	$7,905,359	$7,905,359
Ambulance Replacement Reserve	914,000	214,000	464,000	464,000	464,000
Fire Apparatus Replacement Charges	4,549,107	4,909,000	4,659,000	4,659,000	4,659,000
FASTRAN Bus Replacement Charges	429,962	384,962	384,962	384,962	384,962
Helicopter Replacement Charges	640,000	640,000	640,000	787,143	787,143
Helicopter Maintenance Charges	350,000	350,000	350,000	350,000	350,000
Boat Replacement Charges	69,019	69,019	69,019	0	0
Police Specialty Vehicle Charges	251,860	251,860	251,860	409,423	409,423
Vehicle Fuel Charges	16,155,577	21,093,483	21,093,483	19,071,644	17,312,099
Other Charges	42,383,208	43,510,769	43,684,396	45,893,113	45,893,113
Total Revenue	$73,643,837	$78,656,220	$78,829,847	$79,924,644	$78,165,099
Total Available	$105,686,540	$100,650,945	$111,202,357	$105,980,172	$104,220,627
Expenditures:					
Vehicle Replacement	$5,351,029	$5,886,705	$8,062,485	$5,559,135	$5,559,135
Ambulance Replacement	0	1,040,706	1,709,560	1,478,788	1,478,788
Boat Replacement	0	0	0	435,000	435,000
Fire Apparatus Replacement	7,772,386	7,438,781	7,718,862	7,982,203	7,982,203
FASTRAN Bus Replacement	207,538	699,374	699,374	423,500	423,500
Helicopter Replacement	0	0	0	1,700,000	1,700,000
Helicopter Maintenance	738,808	750,000	750,000	600,000	600,000
Police Specialty Vehicle Replacement	655,637	213,373	991,442	585,241	585,241

Fund 60010
Department of Vehicle Services

FUND STATEMENT

Fund 60010, Department of Vehicle Services

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Fuel Operations:					
Fuel	$14,780,240	$19,690,000	$19,690,000	$17,740,088	$15,980,543
Other Fuel Related Expenses	1,225,241	1,533,939	1,458,939	1,551,865	1,551,865
Other:					
Personnel Services	$21,690,791	$22,753,842	$22,927,469	$23,399,807	$23,399,807
Operating Expenses	20,680,740	20,761,447	20,934,991	22,306,264	22,306,264
Capital Equipment	211,620	128,707	203,707	126,683	126,683
Total Expenditures	$73,314,030	$80,896,874	$85,146,829	$83,888,574	$82,129,029
Total Disbursements	$73,314,030	$80,896,874	$85,146,829	$83,888,574	$82,129,029
Ending Balance[1]	$32,372,510	$19,754,071	$26,055,528	$22,091,598	$22,091,598
Vehicle Replacement Reserve [2]	$7,962,375	$4,647,216	$7,010,638	$9,417,221	$9,417,221
Facility Infr./Renewal Reserve	1,021,631	1,021,631	1,021,631	1,021,631	1,021,631
Ambulance Replacement Reserve	4,191,574	1,991,272	2,946,014	1,931,226	1,931,226
Fire Apparatus Replacement Reserve	6,609,473	1,365,416	3,549,611	226,408	226,408
School Bus Replacement Reserve[2]	0	0	0	0	0
FASTRAN Bus Replacement Reserve	1,074,242	579,618	759,830	721,292	721,292
Helicopter Replacement Reserve	2,763,923	3,403,923	3,403,923	2,352,258	2,352,258
Helicopter Maintenance Reserve	511,192	78,500	111,192	0	0
Boat Replacement Reserve	505,122	574,141	574,141	139,141	139,141
Police Specialty Vehicle Reserve	2,943,072	2,092,354	2,203,490	2,027,672	2,027,672
Fuel Operations Reserve	530,514	0	475,058	254,749	254,749
Fuel Price Stabilization Reserve	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Other	259,392	0	0	0	0
Unreserved Ending Balance	$0	$0	$0	$0	$0

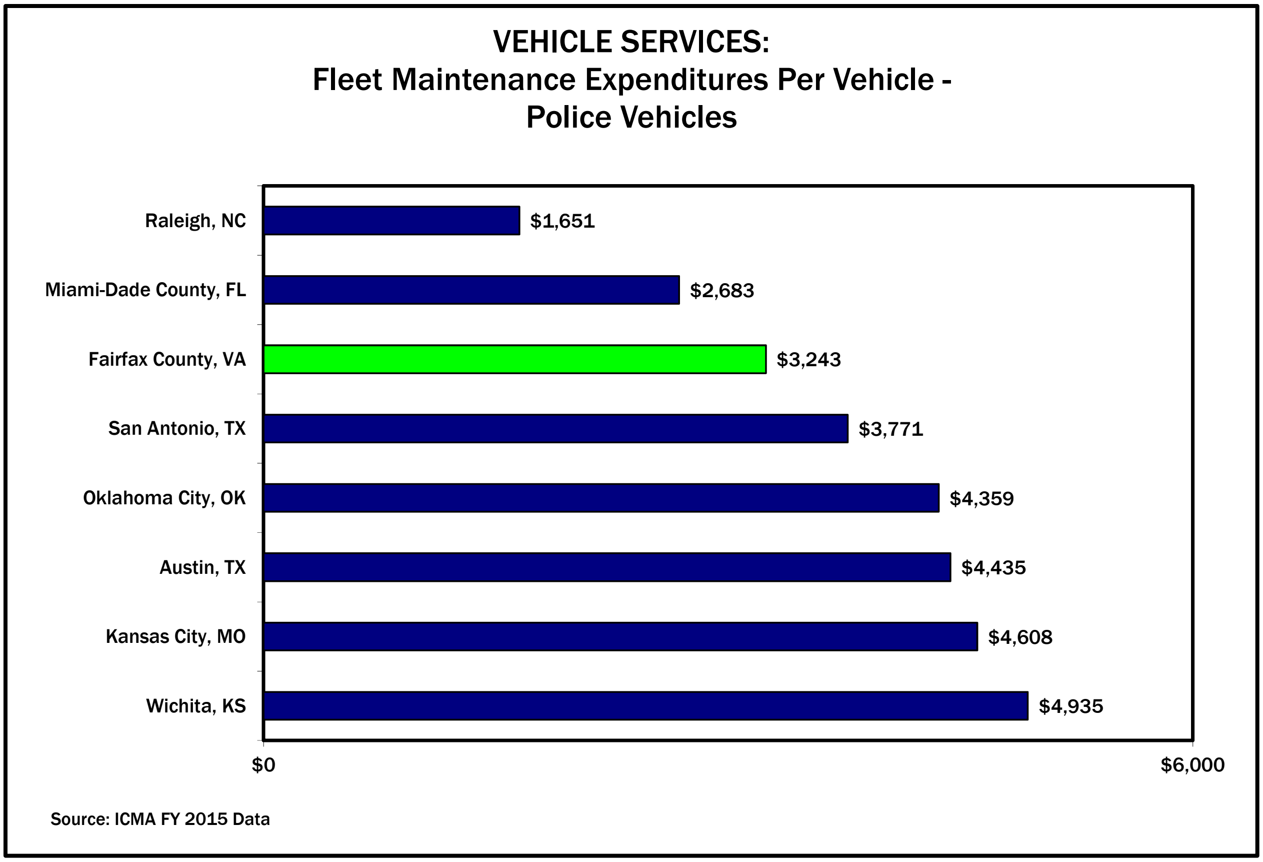
[1] The Ending Balance in Fund 60010, Department of Vehicle Services, fluctuates based on vehicle replacement requirements in a given year. Except in rare cases, vehicles are not replaced until they have met both established age and mileage criteria. In years where more vehicles meet their criteria and are replaced, the ending balance will be lower (and vice versa).

[2] As part of the FY 2016 budget, an amount of $17,019 previously shown in the School Bus Replacement Reserve is now being reflected in the Vehicle Replacement Reserve.

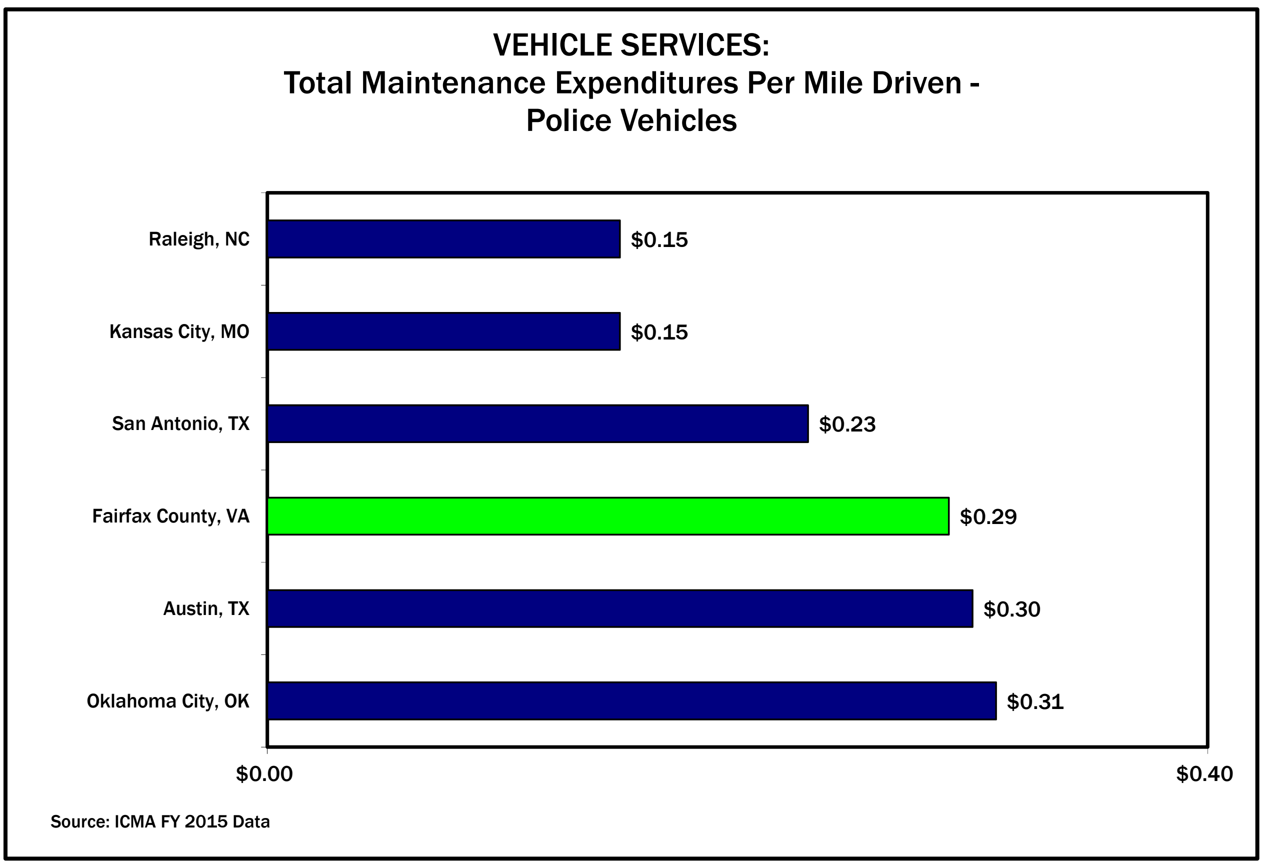
Benchmarking

As a means of enhancing accountability, benchmarking data have been included in the annual budget since FY 2005. These data are included in each of the Program Area Summaries in Volume 1 and now in Other Funds (Volume 2) as available. The majority of this benchmarking data comes from the International City/County Management Association's (ICMA) benchmarking effort in which Fairfax County has participated since 2000. Approximately 80 cities, counties and towns provide comparable data annually in 15 service areas. However, not all jurisdictions provide data for every service area. An example of which is the Roads/Highways template that Fairfax County does not complete since the Commonwealth has primary responsibility for roadways in Virginia counties.

As part of the ICMA benchmarking effort, participating local governments (cities, counties and towns) provide data on standard templates provided by ICMA in order to ensure consistency. ICMA then performs extensive checking and data cleaning to ensure the greatest accuracy and comparability of data. As a result of the time to collect the data and undergo ICMA's rigorous data cleaning processes, information is always available with a one-year delay. FY 2015 data represent the latest available information. The jurisdictions presented in the graphs on the following pages generally show how Fairfax County compares to other large jurisdictions (population over 400,000). In cases where other Virginia localities provided data, they are shown as well. Fleet Management is one of the service areas for which Fairfax County provides data. An important point to note about the ICMA comparative data effort is that since participation is voluntary, the jurisdictions that provide data have demonstrated that they are committed to becoming/remaining high performance organizations. Therefore, comparisons made through this program should be considered in the context that the participants have self-selected and are inclined to be among the higher performers than a random sample among local governments nationwide. It is also important to note that not all jurisdictions respond to all questions. In some cases, the question or process is not applicable to a particular locality or data are not available. For those reasons, the universe of jurisdictions with which Fairfax County is compared is not always the same for each benchmark.

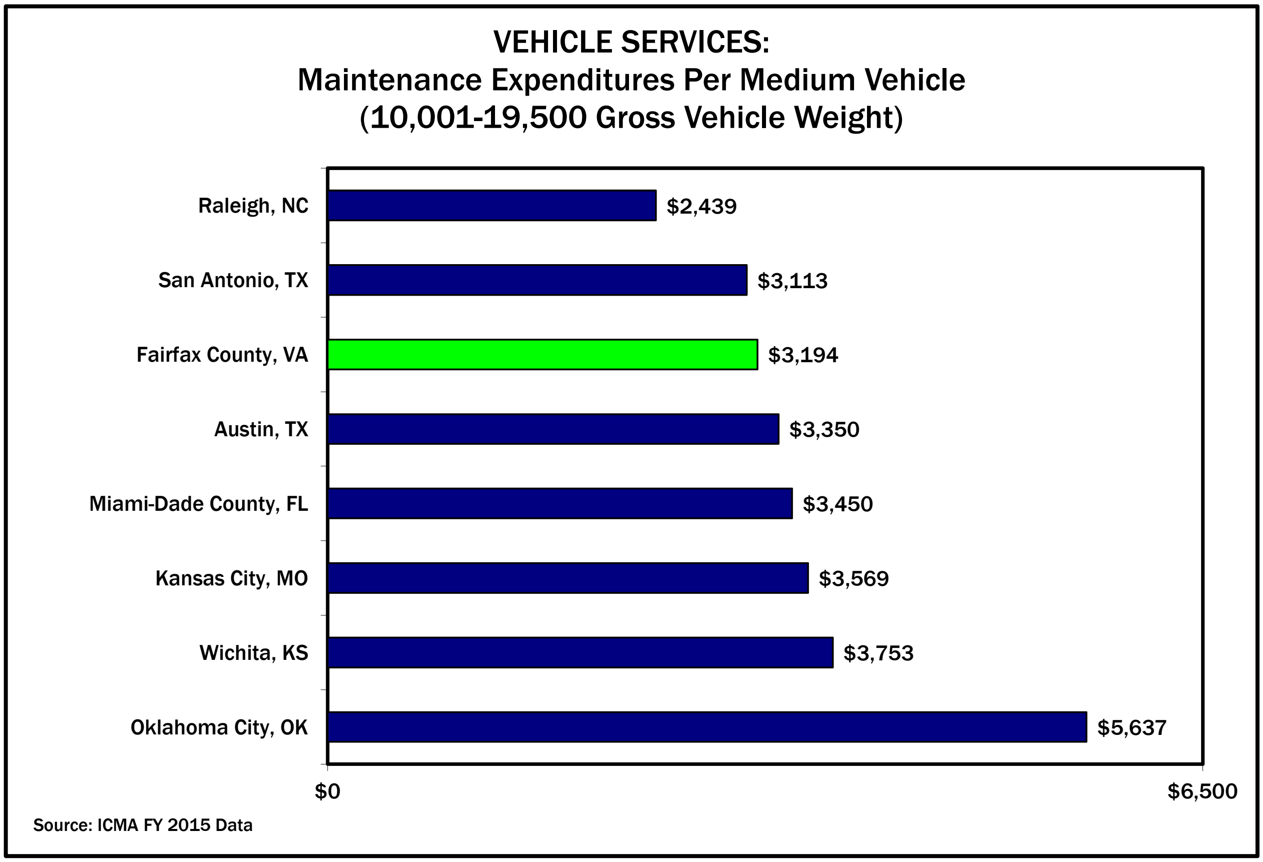


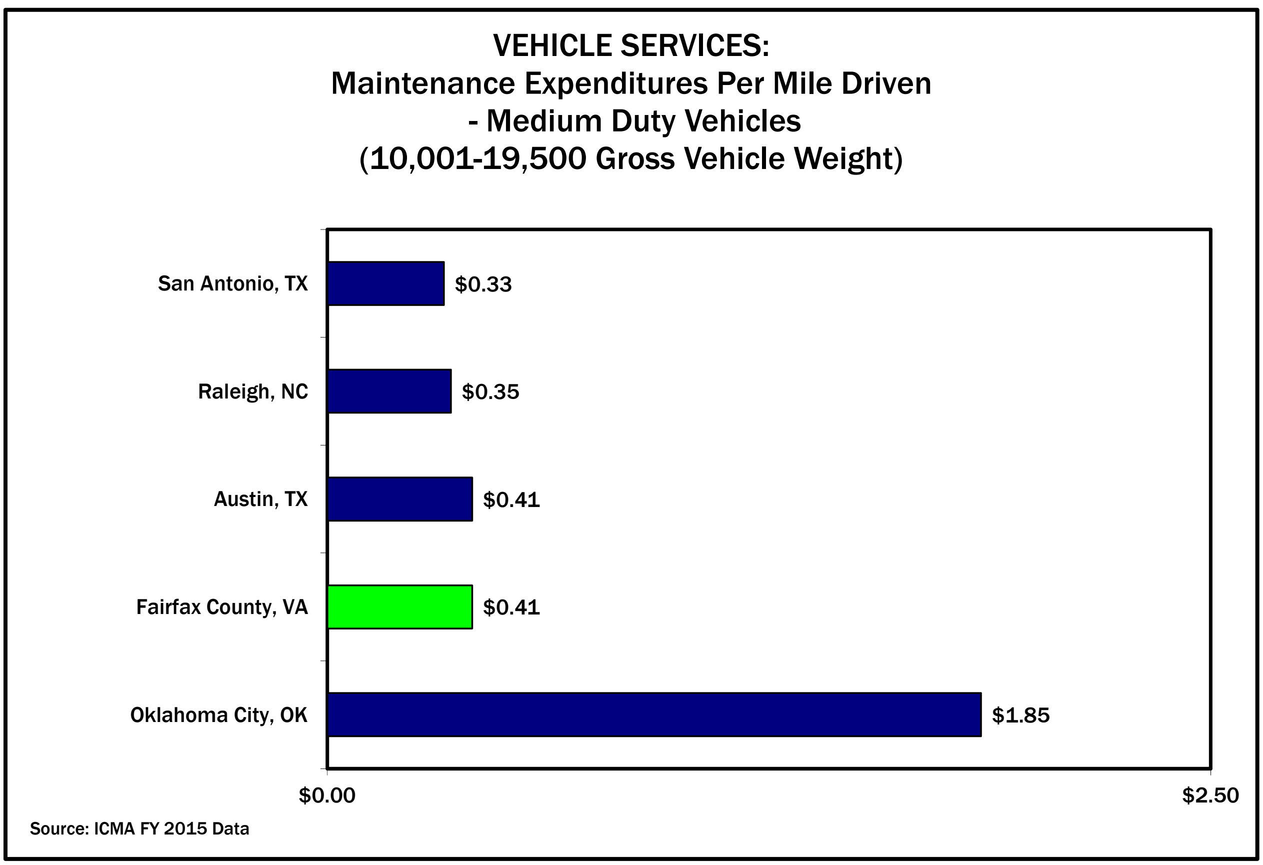
VEHICLE SERVICES:
Fleet Maintenance Expenditures Per Vehicle -
Police Vehicles
Raleigh, NC
$1,651
Miami-Dade County, FL
$2,683
Fairfax County, VA
$3,243
San Antonio, TX
$3,771
Oklahoma City, OK
$4,359
Austin, TX
$4,435
Kansas City, MO
$4,608
Wichita, KS
$4,935
$0
$6,000
Source: ICMA FY 2015 Data

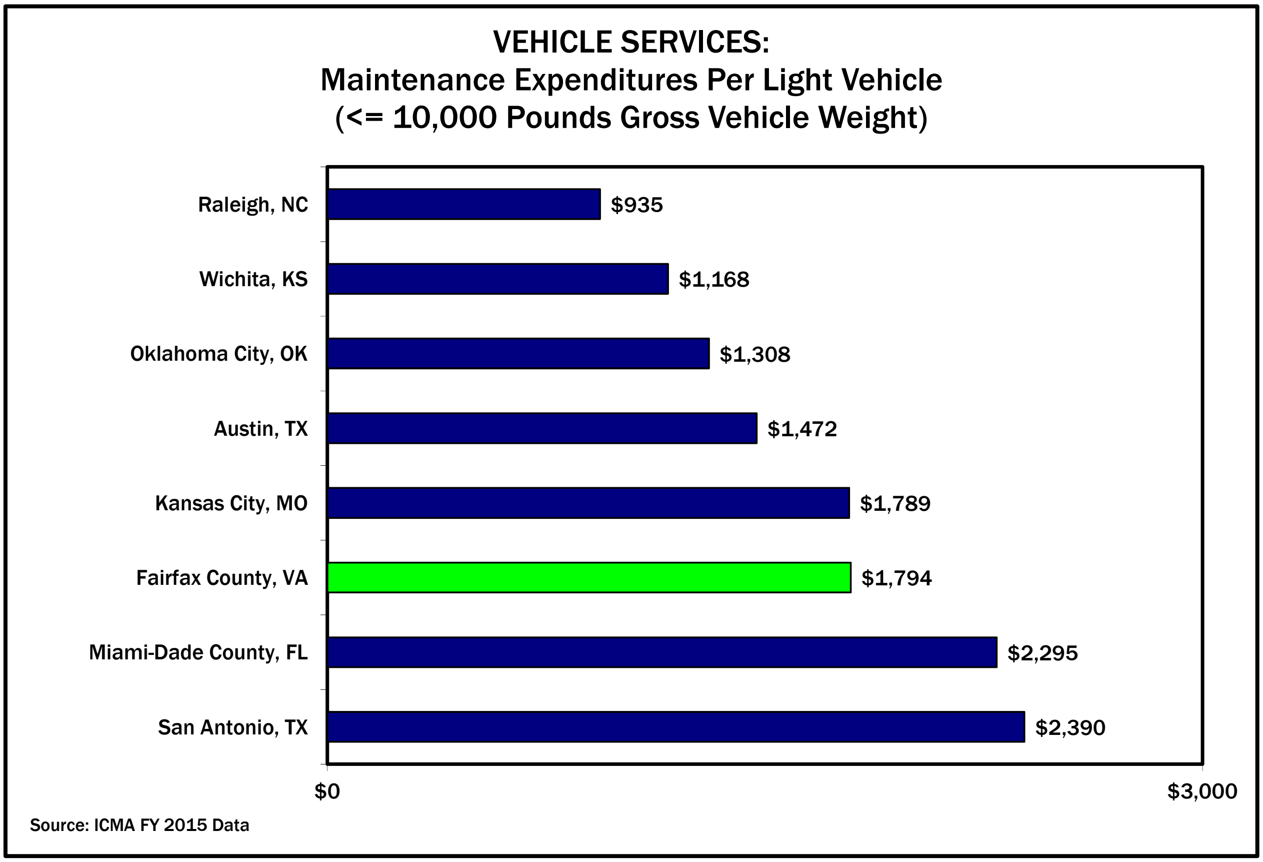


VEHICLE SERVICES:
Total Maintenance Expenditures Per Mile Driven -
Police Vehicles
Raleigh, NC
$0.15
Kansas City, MO
$0.15
San Antonio, TX
$0.23
Fairfax County, VA
$0.29
Austin, TX
$0.30
Oklahoma City, OK
$0.31
$0.00
$0.40
Source: ICMA FY 2015 Data

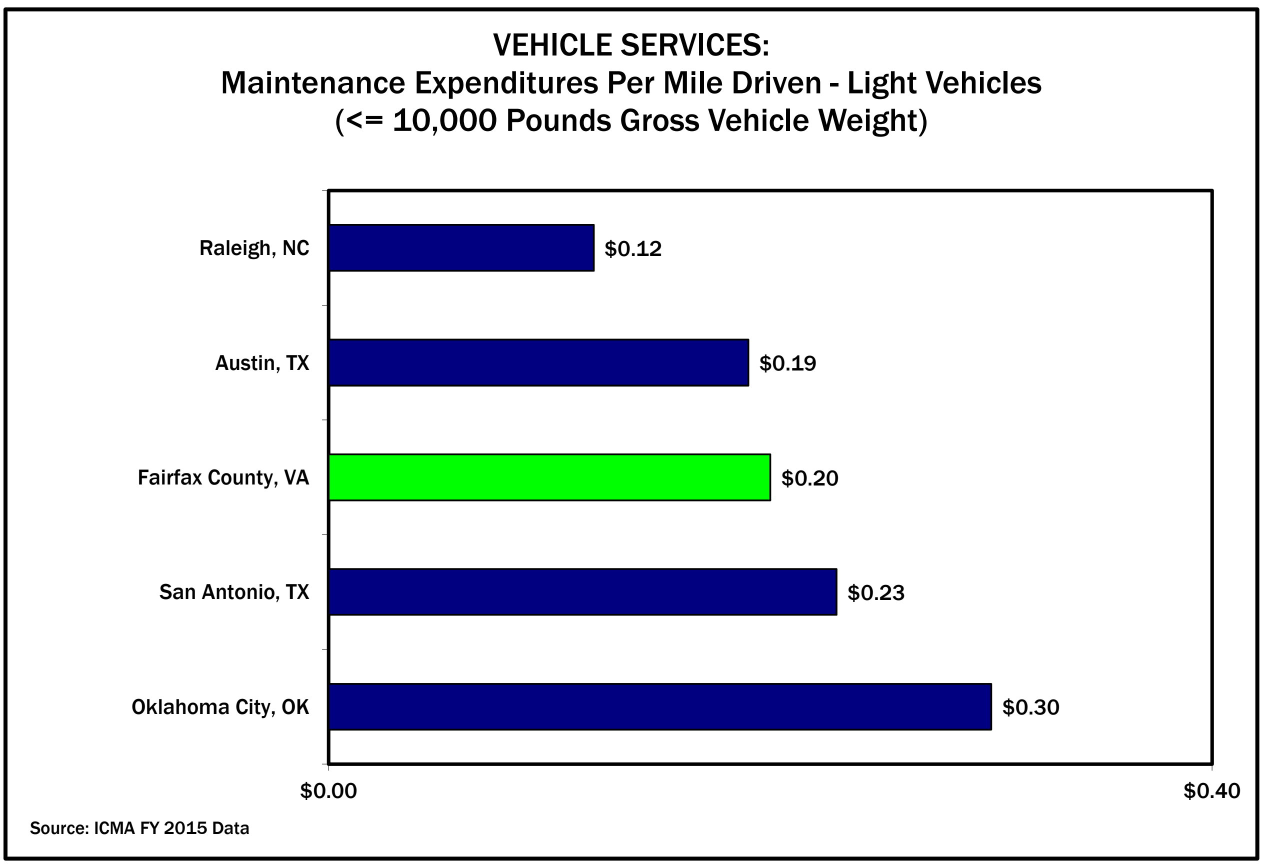
Fund 60010
Department of Vehicle Services





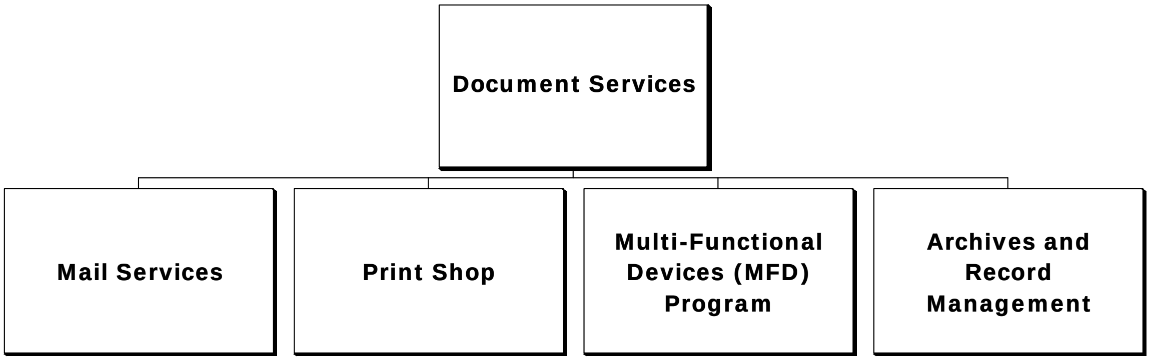


VEHICLE SERVICES:
Maintenance Expenditures Per Light Vehicle
(<= 10,000 Pounds Gross Vehicle Weight)
Raleigh, NC
$935
Wichita, KS
$1,168
Oklahoma City, OK
$1,308
Austin, TX
$1,472
Kansas City, MO
$1,789
Fairfax County, VA
$1,794
Miami-Dade County, FL
$2,295
San Antonio, TX
$2,390
$0
$3,000
Source: ICMA FY 2015 Data



VEHICLE SERVICES:
Maintenance Expenditures Per Mile Driven - Light Vehicles
(<= 10,000 Pounds Gross Vehicle Weight)
Raleigh, NC
$0.12
Austin, TX
$0.19
Fairfax County, VA
$0.20
San Antonio, TX
$0.23
Oklahoma City, OK
$0.30
$0.00
$0.40
Source: ICMA FY 2015 Data

Fund 60020
Document Services



Mission

To provide county-wide services and policy support for management, digitizing, printing, archiving and distribution of County documents and electronic records.

Focus

Document Services is an internal central support program for all County agencies in the Department of Information Technology (DIT) that includes a full set of services supporting physical and digital capabilities. Organizational units in Document Services Fund include Printing and Duplicating Services (the Print Shop), the County's networked fleet of enterprise Multi-Functional Devices (MFDs) that provide distributed print/copy/scan/fax capabilities for County agencies at various locations in government facilities, Mail Services, and the County Archives. The various units operations are managed and integrated with various divisions in the Department of Information Technology to achieve the highest degree of digital strategy innovation, symphony and efficiency of service provisioning. Fund 60020, Document Services, manages these programs.

Document Services supports the following County Vision Elements:

Exercising Corporate Stewardship

Practicing Environmental Stewardship

The Print Shop is responsible for providing high-speed digital black and white and color printing, offset printing, and bindery services, as well as facilitating outsourced commercial print services as necessary for County agencies and Fairfax County Public Schools (FCPS). The services include consultation for print output requirements and making recommendations on printed material options, document layout, and bindery options. All direct labor and material costs associated with Print Shop services as well as an equipment replacement reserve fee are recovered from customer agencies.

During FY 2015, the Print Shop implemented a Web-to-Print ordering process for County and FCPS employees to place orders directly online using County ID and password. This has improved workflow efficiency, accuracy and product delivery. Improvements to the Print Shop's offset printing capability have resulted in more work staying in-house. FY 2016 revenues increased 14 percent based primarily on these initiatives resulting in the recovery of all expenses. The Print Shop is funded through its billings based on service demand and expects to meet its revenue requirements in FY 2018.

The Print Shop works closely with the County's Data Center to coordinate the production of high volume and transactional output workloads. Much of the output traditionally produced in the Data Center is now processed by the Print Shop enabling the Data Center to reduce its output footprint and to eliminate one of the large-scale enterprise printers. In FY 2017, the production of approximately 3.4 million tax documents will begin to be migrated from the Data Center legacy equipment to the Print Shop digital equipment in a phased approach. Digital print capabilities will be adjusted in the Print Shop to support the increased volume.

DIT manages an authorized fleet of large and mid-sized multi-function document devices (MFDs) that are used throughout the County for copying, printing, faxing, and scanning. Activities include administration of the County's MFD fleet contract, day-to-day management of the service delivery which is provided by a commercial managed services provider, and integration with the County's technology infrastructure including network and enterprise-wide Microsoft applications. MFDs are installed in buildings across the County and are linked to individual workstations via the County's enterprise network. DIT job-based accounting and tracking software help to identify program costs that can be recovered from non-General Fund agency customers.

Due to the capabilities of the MFDs, agencies have a wide-range of on-demand print output options including volume on-site. The success of the centralized MFD Program hardware and software capabilities (most notably the scan function) is manifest in greater reliance by agencies on MFDs as opposed to less functional desktop printers or other group/individual networked printers purchased independently by agencies. MFDs have contributed to the County's "Green" efforts and productivity efficiency enhancement goals with an increasing number of users utilizing the Scan-to-Email, Scan-to-Folder, Scan-to-Fax and Scan-to-Workflow functionality.

The Mail Services team processes outgoing and incoming U.S. mail and UPS package deliveries, and delivers inter-office mail daily to 263 offices in 112 County facilities. By utilizing this centralized mail service Fairfax County is afforded the lowest possible postage rates via discounts obtained by presorting, barcoding, and preparing outgoing mail using techniques designed to minimize rates. Discounts are obtained by processing and presorting large bulk mailings internally, while consolidating many smaller mailings from multiple customer agencies into bundles appropriate for comingling by a specialized vendor. During FY 2017, high-speed mail insertion machinery, including components in service since 1989, will be refreshed with more capable and intelligent technologies including quality control mechanisms, conditional insert processing, and production tracking. Processing times will decrease due to the improved reliability and speed that result from this implementation. Mail Services will continue to provide prompt and accurate daily mail deliveries, take maximum advantage of available discounts, and stay current with the ever changing technology and regulations associated with the industry.

The Archives section offers expert consultations and trainings to assist agencies to maintain compliance with the numerous laws affecting the collection, retention, security, and dissemination of public records. Interactions are offered in-person, by telephone and email, and often focus on ensuring agencies' are in accordance with the Commonwealth of Virginia Records Retention guidelines, and Freedom of Information Act (FOIA). Assisting agencies in the proper management of information resources is essential to respond in an efficient and legally compliant manner. The County Archivist is the Designated

Records Officer for Fairfax County as required by the Virginia Public Records Act (VPRA) (Code of Virginia §42.1-76 ff.).

Archives actively encourages agencies to move away from paper based business processes. Likewise, Archives in conjunction with the Document Management technical staff in DIT e-Government division, will explore technology based solutions for the electronic storage of permanent and long-term public records. This will not only reduce physical storage, but will allow widened access to information resources by staff and the public. In FY 2018, Archives will implement a new process for records compliance reviews, and assist agencies in the formulation and review of agency specific records management policies to ensure compliance with applicable state and federal laws and regulations.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$837,772	$2,138,469	$2,134,667	$2,167,058	$2,167,058
Operating Expenses	4,480,560	7,603,698	7,850,454	7,633,698	7,633,698
Capital Equipment	32,500	0	0	0	0
Total Expenditures	$5,350,832	$9,742,167	$9,985,121	$9,800,756	$9,800,756
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	10 / 10	27 / 27	27 / 27	27 / 27	27 / 27

Print Shop		Archives and Record Mgmt.		Mail Services	
1	Printing Services Manager	1	County Archivist	1	Management Analyst II
2	Customer Services Specialists	1	Assistant Archivist	1	Administrative Assistant V
1	Printing Services Shift Supervisor	2	Archives Technicians	10	Administrative Assistants II
1	Digital Printing Analyst	1	Administrative Assistant III		
4	Print Shop Operators II	1	Administrative Assistant II		

TOTAL POSITIONS
27 Positions / 27.0 FTE

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Employee Compensation** **$28,589**
  An increase of $28,589 in Personnel Services is for performance-based and longevity increases for non-uniformed merit employees effective July 2017.

- **Mail Room Inserters Maintenance** **$30,000**
  An increase of $30,000 is required to cover maintenance costs primarily associated with two new inserters which are utilized to process outgoing documents in the mail room.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$242,954**

As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved encumbered funding of $242,954 primarily for supplies, printing and typesetting services, on-site network engineering services and lease costs associated with operating the Multi-Functional Digital Device (MFD) program.

Key Performance Measures

Indicator	Prior Year Actuals: FY 2014 Actual	Prior Year Actuals: FY 2015 Actual	Prior Year Actuals: FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Document Services					
Percent of offset expenses recovered	100%	100%	100%/100%	100%	100%
Percent of digital black and white expenses recovered	100%	100%	100%/100%	100%	100%
Percent of digital color expenses recovered	100%	100%	100%/100%	100%	100%
Percent change in cost per copy	0.00%	0.00%	60.00%/0.00%	0.00%	0.00%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/60020.pdf

Performance Measurement Results

In FY 2016, the Print Shop produced 11.5 million digital black and white impressions, 3.6 million digital color impressions, 20.2 million offset impressions, and brokered the equivalent of 64.3 million outsourced impressions. In FY 2016, the Print Shop continued to recover 100 percent of the cost associated with offset, black and white and color printing expenses. It’s important to note that in prior years the Print Shop reported on the number of offset printing hours billed and the cost per offset printing hour. Moving forward, the Print Shop will report on the number of offset impressions produced and the cost per offset impression as these measures more accurately reflect the work performed.

Fund 60020
Document Services

FUND STATEMENT

Fund 60020, Document Services

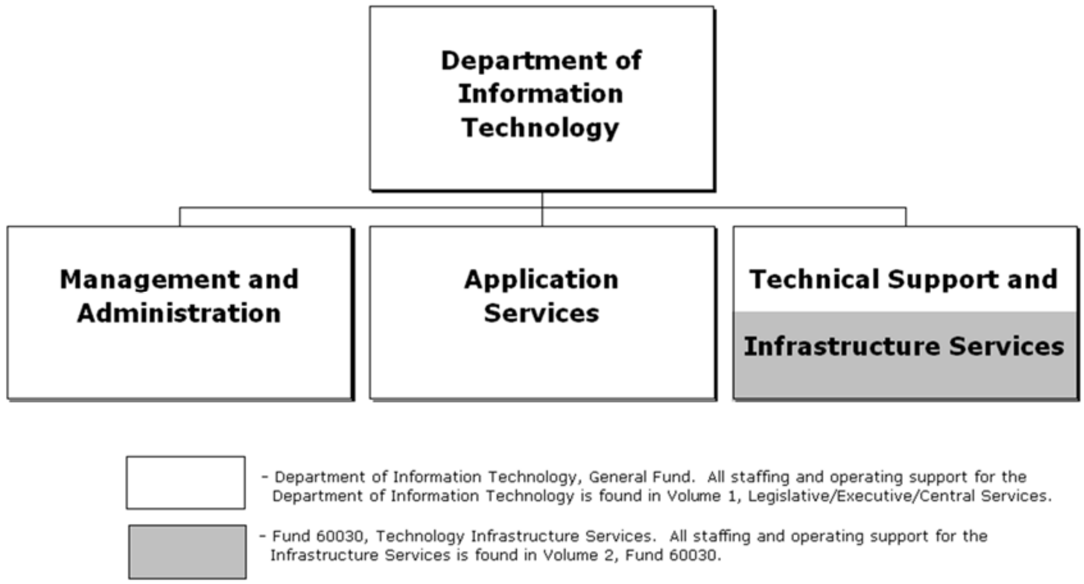
	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$1,066,335	$445,651	$1,124,160	$534,670	$534,670
Revenue:					
County Receipts	$2,124,692	$1,900,000	$1,900,000	$1,987,389	$1,987,389
School Receipts	611,321	668,800	668,800	610,000	610,000
Other Revenue	394,411	420,000	420,000	420,000	420,000
Postage Reimbursement[1]	0	2,465,000	2,465,000	2,465,000	2,465,000
Total Revenue	$3,130,424	$5,453,800	$5,453,800	$5,482,389	$5,482,389
Transfer In:					
General Fund (10001)	$2,278,233	$3,941,831	$3,941,831	$3,941,831	$3,941,831
Total Transfer In	$2,278,233	$3,941,831	$3,941,831	$3,941,831	$3,941,831
Total Available	$6,474,992	$9,841,282	$10,519,791	$9,958,890	$9,958,890
Expenditures:					
Personnel Services	$837,772	$2,138,469	$2,134,667	$2,167,058	$2,167,058
Operating Expenses	4,480,560	7,603,698	7,850,454	7,633,698	7,633,698
Capital Equipment	32,500	0	0	0	0
Total Expenditures	$5,350,832	$9,742,167	$9,985,121	$9,800,756	$9,800,756
Total Disbursements	$5,350,832	$9,742,167	$9,985,121	$9,800,756	$9,800,756
Ending Balance[2]	$1,124,160	$99,115	$534,670	$158,134	$158,134
Print Shop Replacement Equipment Reserve	$924,160	$25,000	$460,555	$98,134	$98,134
Print Shop Operating Reserve[3]	200,000	74,115	74,115	60,000	60,000
Unreserved Ending Balance	$0	$0	$0	$0	$0

[1] Reflects revenue anticipated from postage-related billings to agencies resulting from the transfer of Mail Services from the Department of Cable and Consumer Services to Fund 60020, Document Services, as part of the FY 2017 Adopted Budget Plan.

[2] The ending balance supports the agency reserves and fluctuates depending upon the needs of the fund in a given year.

[3] The Print Shop Operating Reserve is used to provide financial support to the Print Shop program as the technical and business practices in the industry evolve.

Fund 60030
Technology Infrastructure Services



Mission
To provide a reliable and secure technology infrastructure foundation required to support County business processes and systems that strengthen the public service commitment of Fairfax County.

Focus
Fund 60030, Technology Infrastructure Services, provides the underlying technology foundation supporting information technology (IT) applications, platforms, hardware, and communications systems for Fairfax County government. This consists of the enterprise portfolio of computers, data communications equipment, radio systems, data center operations, voice communication systems and other critical infrastructure. The Department of Information Technology (DIT) coordinates all aspects of IT for the County and plays an essential enabling role assisting County agencies in advancing the strategic value of technology to transform work processes and provide quality services. Technology infrastructure is managed as an enterprise asset, and this approach results in the delivery of technology infrastructure services that function 24 hours per day, seven days per week.

Fund 60030 is an internal service fund supported by revenues from County agencies and other entities such as the Fairfax County Public Schools (FCPS). Expenditures are primarily driven by the customer agencies' use of the IT infrastructure utility including software licenses, data center operations, computer equipment refresh, the PC Replacement Program, telecommunication carrier services, the Radio Center, and the staff support positions and outside services. In addition, the chargeback also includes enterprise-wide applications on the platforms in the data center, including the Fairfax County Unified System (FOCUS), which is a joint finance and procurement system for Fairfax County Government and FCPS, and a human resources system for the County. The technology backbone of FOCUS is a contemporary enterprise resource planning (ERP) application suite.

The County's centralized approach to common infrastructure systems and operations provides economies and efficiencies through consolidation and leveraging of resources. Optimum performance is achieved by automated IT support processes and enterprise-wide security tools, ensuring data integrity and system-use accountability. County IT architecture employs industry-standard products and best practices for efficient solution delivery and support. Through energy efficiency initiatives, DIT has achieved major goals in server platform consolidation, which provides significant technology infrastructure cost and operational efficiencies. New IT projects are implemented through Fund 10040, Information Technology, and some IT systems, applications, and data repositories may be implemented directly by agencies, however, all new IT systems require IT infrastructure, thus may incrementally increase supporting infrastructure service obligations that, may result in higher infrastructure costs. Growth in digitization, industrial systems automation and visual data are key contributors.

Technology Infrastructure Services supports the following County Vision Elements:

Maintaining Safe and Caring Communities

Connecting People and Places

Practicing Environmental Stewardship

Exercising Corporate Stewardship

Technology infrastructure activities in Fund 60030 support systems and operations for County agencies and include the management of County end-user computers (PCs, laptops and tablets), voice communication systems, servers, storage systems, enterprise office-productivity software, e-mail and messaging system (Microsoft Office Suite), and databases (Oracle and SQL). Fund 60030 also supports the operations of the County's primary data center, a disaster recovery capability hosted off-site, the management of the Public Safety and Public Service Radio Systems, Radio Center services, administration of authorized County software license obligations for certain applications, data repositories, the safeguarding of stored data assets, and the enterprise-wide communication networks. Protective measures such as network security and user access tools are typically incorporated into the infrastructure portfolio. In addition to the Data Center—including the associated server hardware, software, database administration, data storage systems and other operational support—the other major infrastructure activities of note are:

- The County's enterprise-wide data communications network which incorporates both commercial networks and the fiber-optic Institutional Network (I-Net) infrastructure providing bandwidth and access security connecting County agencies to the vast array of business applications available on the County's server platforms (over 16,000 end-user end-point devices and over 1,000 virtual servers and 600 production databases on consolidated virtual server farms). The I-Net provides a private and secure network infrastructure connecting over 400 County and FCPS buildings and serving data, voice and video transport.

- The PC Replacement Program provides a funding mechanism for scheduled PC, laptop, tablets, etc., device technology refreshes. The cost per PC in the program includes PC hardware, required software licenses, security requirements, protected disposal, service desk and desk-side staff support. This program has been recognized as a cost-effective and best-practice model in the governmental and commercial sectors, fully optimizing the allocation of IT assets and providing efficient and predictable desktop maintenance and support. DIT continually reviews various service options for efficiencies in the acquisition and deployment of devices, while ensuring that the program remains cost effective and competitive against other options. In FY 2015, the PC Replacement Program underwent a comprehensive review that included a review of the County PC inventory, which had expanded over the years, industry innovation and the replacement-cycle structure. The new program, which began in FY 2015, reflects a five-year replacement cycle and includes 14,000 PCs (up from 11,481), of which 11,500 are desktops and 2,500 are laptops or tablets. One of the critical points of this review was to ensure that the County updated the number of software licenses it possesses. The County previously had approximately 11,000 device-based licenses, but in the new PC Replacement Program, the County shifted to individual-based licenses (estimated at 12,500 standard and 1,500 academic/library), with each individual being able to have up to five devices per user. This approach ensures long-term compliance and provides much greater flexibility going forward. The updated program strategy takes into consideration a more fluid evolutionary process of industry innovation, as well as agencies and worker requirements, including mobility and COOP plans.

- The County's radio systems, devices and support services are used by public safety, public works, other County agencies, the Fastran and Connector bus fleets, and FCPS. Radio communications operate over dedicated critical infrastructure systems relied upon by public safety organizations worldwide, and as is the case with the County, they are managed locally. These systems have proven through many emergency events to be optimally reliable, surviving and sustaining operational integrity through extreme weather such as hurricanes and the Derecho, as well as other regional emergency and high security events while commercial telecommunications carrier networks were jammed or compromised. The Radio Center staff also work on regional interoperability initiatives and on the Department of Homeland Security national strategy to ensure effective communication between local, state and federal partners for responders. The radio communications platform is evolving, and staff is looking to the next generation of solutions as appropriate for general County agency use. To support the operational and maintenance requirements of the systems, costs are recovered from the County user agencies and FCPS.

- In FY 2017, voice telecommunications utility costs were moved from the DIT agency general fund to Fund 60030. The telecommunications architecture uses 'voice over internet protocol' (VoIP). DIT continues to evaluate shifts in marketplace technology to include convergence of voice and data, and advancement in wireless and Wi-Fi. Activities include system installations and provisioning moves, adds and changes that result from reorganizations and new hiring. DIT recovers the expense for telecommunications via annual and quarterly chargebacks to user agencies.

Fund 60030
Technology Infrastructure Services

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$6,651,561	$7,821,570	$7,821,570	$7,931,704	$7,931,704
Operating Expenses	25,180,807	31,766,438	32,480,485	30,535,138	30,535,138
Capital Equipment	4,183,375	3,231,288	3,523,912	2,592,340	2,592,340
Total Expenditures	$36,015,743	$42,819,296	$43,825,967	$41,059,182	$41,059,182
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	73 / 73	73 / 73	73 / 73	73 / 73	73 / 73

Communication/Infrastructure Program Management
1 Info. Tech. Program Director III
2 Network/Telecom. Analysts IV

Server/SAN Infrastructure
2 Network/Telecom. Analysts IV
2 Network/Telecom. Analysts I

Desktop Support/ PC Replacement
1 Network/Telecom. Analyst III
24 Enterprise IT Technicians

Data Center Services
1 Info. Tech. Program Manager II
1 IT Systems Architect
1 Systems Programmer III
5 Systems Programmers II
1 Systems Programmer I
1 Programmer Analyst III
1 Programmer Analyst II
1 IT Technician II
1 Network/Telecom. Analyst III
1 Network/Telecom. Analyst I

Radio Center Services
1 Info. Tech. Program Manager II
1 Network/Telecom. Analyst IV
3 Network/Telecom. Analysts III
4 Network/Telecom. Analysts II
2 Network/Telecom. Analysts I

Network/I-Net
1 Info. Tech. Program Director I
1 Info. Tech. Program Manager I
1 Network/Telecom. Analyst IV
8 Network/Telecom. Analysts III
4 Network/Telecom. Analysts II
1 Info. Security Analyst IV

TOTAL POSITIONS
73 Positions / 73.0 FTE

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Employee Compensation** **$110,134**
An increase of $110,134 in Personnel Services includes $110,134 for performance-based and longevity increases for non-uniformed merit employees effective July 2017.

♦ **Telecommunication Services** **($1,113,000)**
A decrease of $1,113,000 in telecommunication related costs is based on lower than anticipated billings and various initiatives implemented by staff to reduce annual costs.

- **Software Adjustments** **$281,700**
  An increase of $281,700 is associated with revised software license agreements. Of this total, an increase of $192,953 is associated with a renegotiated software license agreement with Microsoft that allows County employees to utilize Microsoft products on their PCs. The new agreement ensures that the County remains in compliance and that all County employees that utilize a PC have an appropriate license. In addition, funding of $88,747 is associated with contract rate increases for software maintenance licenses related to data storage.

- **Other Operating Adjustments** **($400,000)**
  A decrease of $400,000 is included for various operating adjustments. Of this total, a decrease of $1,100,000 is associated with a reduction in consultant services. This decrease is partially offset by increases of $400,000 to cover additional data storage requirements, $200,000 to support remote access initiatives and $100,000 to cover the maintenance and support costs associated with implementing a solution that allows agencies to accept digital signatures and to issue digitally signed documents in electronic form.

- **Capital Equipment** **$2,592,340**
  Funding of $2,592,340 is included for Capital Equipment. Of this total, $692,340 is supported by a transfer from Fund 40030, Cable Communications, and reflects financial support for the final year of a multi-year refresh plan of core elements of the I-Net in alignment with the County's approved IT principles for sustaining a secure and supportable technology infrastructure and to ensure the I-Net remains a functional IT asset for both the County and Schools. It is anticipated that a new refresh cycle will begin in FY 2019. In addition, funding of $1,100,000 is required to purchase replacement equipment, primarily servers and storage systems, to be installed within the datacenter and elsewhere; $400,000 is required for the Judicial Center and MPSTOC local area network (LAN) equipment refresh; and $400,000 is required to replace aging switching infrastructure at numerous sites, including the Government Center.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$1,006,671**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved encumbered funding of $1,006,671, primarily for data center operations, disaster recovery, computer equipment, and various maintenance requirements.

Key Performance Measures

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Business days to fulfill service requests from initial call to completion of request for non-critical requests	3	4	4/4	4	4
Business days to fulfill service requests from initial call to completion of request for critical calls	2	2	2/2	2	2
Business days to fulfill Telecommunications service requests for emergencies	1	1	1/1	1	1
Percent of calls closed within 72 hours	86%	83%	86%/82%	83%	84%
Percent of first-contact problem resolution at IT Service Desk	95%	94%	95%/94%	94%	94%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/60030.pdf

Performance Measurement Results

The Technical Support Center Help Desk (IT Service Desk) requests for service decreased slightly in FY 2016. The number of calls remained relatively high based on a significant number of service calls related to rolling out the latest generations of Microsoft Windows and Office, unified messaging, and increased deployment of mobile devices. Strengthened enterprise-wide management and image control processes have allowed resolution of end-user desktop requests quickly. Customer satisfaction generally continues to be strong due to internal quality control measures and remote resolution capabilities. Efforts in FY 2018 will focus on enhanced remote resolution, new mobile devices/apps, and IT Service desk system-workflow services to streamline routine processes.

Fund 60030
Technology Infrastructure Services

FUND STATEMENT

Fund 60030, Technology Infrastructure Services

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$6,699,099	$2,974,004	$5,306,532	$1,841,198	$1,841,198
Revenue:					
Telecommunication Charges[1]	$0	$6,113,000	$6,113,000	$5,000,000	$5,000,000
Radio Services Charges	883,994	940,000	940,000	850,000	850,000
PC Replacement Charges	6,289,648	6,255,648	6,255,648	6,276,810	6,276,810
DIT Infrastructure Charges					
County Agencies and Funds	20,914,630	21,535,711	21,535,711	22,758,845	22,758,845
Fairfax County Public Schools	1,913,479	1,970,883	1,970,883	2,030,009	2,030,009
Subtotal DIT Infrastructure Charges	$22,828,109	$23,506,594	$23,506,594	$24,788,854	$24,788,854
Total Revenue	$30,001,751	$36,815,242	$36,815,242	$36,915,664	$36,915,664
Transfers In:					
Cable Communications (40030)[2]	$4,621,425	$3,545,391	$3,545,391	$2,506,443	$2,506,443
Total Transfers In	$4,621,425	$3,545,391	$3,545,391	$2,506,443	$2,506,443
Total Available	$41,322,275	$43,334,637	$45,667,165	$41,263,305	$41,263,305
Expenditures:					
Telecommunication Services[1]	$0	$6,113,000	$6,113,000	$5,000,000	$5,000,000
Infrastructure Services	25,634,243	27,508,714	28,377,736	26,438,991	26,438,991
Radio Center Services	1,338,620	1,366,663	1,368,057	1,382,895	1,382,895
Computer Replacement Program	7,239,761	6,930,919	6,930,919	7,137,296	7,137,296
Technology Infrastructure Equipment	1,803,119	900,000	1,036,255	1,100,000	1,100,000
Total Expenditures	$36,015,743	$42,819,296	$43,825,967	$41,059,182	$41,059,182
Total Disbursements	$36,015,743	$42,819,296	$43,825,967	$41,059,182	$41,059,182
Ending Balance[3]	$5,306,532	$515,341	$1,841,198	$204,123	$204,123
Infrastructure Replacement Reserve[4]	$4,199,629	$222,682	$1,409,566	$204,123	$204,123
PC Replacement Reserve[5]	1,106,903	292,659	431,632	0	0
Unreserved Balance	$0	$0	$0	$0	$0

[1] In FY 2017, the task of performing telecommunication related billings was transferred from Agency 70, Department of Information Technology, to Fund 60030, Technology Infrastructure Services.

[2] Funding of $1,814,103 reflects a direct transfer from Fund 40030, Cable Communications, to support staff and equipment costs related to construction of the I-Net. In addition, in FY 2018 an amount of $692,340 is included reflecting the final year of a multi-year commitment to replace and refresh core elements of the I-Net. A new refresh cycle will begin in FY 2019 to ensure the I-Net continues to operate effectively.

[3] The fluctuation in ending balance is primarily due to the operation of the PC Replacement and Computer Equipment Reserve Programs. The programs collect funding each year, hold it in reserve until needed, and then expend the funds for replacement equipment. The time period for this action varies based on the needs of the programs.

[4] This reserve is designed to assist in the scheduled replacement of enterprise computer and network assets.

[5] The balance in the PC Replacement Reserve fluctuates annually based on scheduled PC replacements which permanently moved to a five-year replacement cycle in FY 2015 as part of a long-term PC replacement strategy.

Fund 60040
Health Benefits

Focus

Fund 60040, Health Benefits, is the administrative unit for the County's self-insured health plans. For the self-insured plans, the County pays only for claims and third party administrative fees. The cost to fund claims expenses is covered by premiums from active employees, the employer, retirees, and retention of interest earnings. All but one of the County's health insurance plans are self-insured. Self-insurance allows the County to more fully control all aspects of the plans, including setting premiums to smooth out the impact of increases on employees while maintaining adequate funding to cover claims expenses and reserves.

Fairfax County Government offers its employees and retirees several health insurance choices providing various coverage options and competitive premium rates:

- Self-Insured open access plan (OAP) with four levels of coverage – Features a national network of providers. One level of coverage has a co-pay structure for office visits and other services, while two levels of coverage include co-insurance and modest deductibles. A consumer-directed health plan (CDHP) with a health savings account that is partially funded by the County is offered as an additional option to employees.

- Fully-insured health maintenance organization (HMO) – Features care centers located in communities throughout the area with a co-pay structure for office visits and other services.

The design of the County's health insurance plans has shifted gradually from plans with a co-pay structure to plans with a co-insurance structure, as part of an effort to control cost growth through a stronger focus on features that encourage consumerism. Continuing this trend, the County's only remaining self-insured co-pay plan was closed to new enrollment effective January 1, 2017. All of the County's health insurance plans include self-insured vision benefits and offer eligible preventive care services on a zero-cost basis. In addition, the County offers a disease management program to detect chronic conditions early and provide assistance to those affected to help manage their diseases, resulting in healthier outcomes. The County's self-insured health insurance plans are consolidated under one network provider to control costs, improve analytical capabilities, and provide a high quality of care with an emphasis on wellness, prevention and better management of chronic conditions.

Effective calendar year (CY) 2017, the County has implemented a cost-sharing model that requires that employees pay a larger percentage of the premium if they enroll in a health insurance plan with a higher cost than the designated core plan. For premium costs up to the total premium cost of the core plan, the County continues to contribute 85 percent for employees enrolled as an individual and 75 percent for employees enrolled under either two-party or family coverage. The County contribution is reduced for premium costs in excess of the core plan. Retirees over the age of 55 currently receive a subsidy from the County toward the cost of health insurance. The current monthly subsidy commences at age 55 and varies by length of service. In FY 2018 the subsidy is increased by $10 per month over the subsidy structure that was last adjusted in FY 2006. Details on the retiree health subsidy can be found in the narrative for Fund 73030, OPEB (Other Post-Employment Benefits) Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

Fund 60040
Health Benefits

As with many employers nationwide, the County has experienced considerable fluctuations in medical costs. Prescription drugs, new medical technologies and increased utilization, as well as the cost of medical malpractice and liability insurance, continue to drive increases in medical costs. Total claims in the County's self-insured plans increased approximately 7.3 percent in FY 2016. Premium increases for January 2017 were set ranging from 0.0 percent to 6.5 percent. These rates were set with consideration of balancing the impact to employees with ensuring that the premiums for each plan would cover the associated expenses, as each plan has experienced different participation trends and claims experience. Additionally, premiums were set taking into consideration the potential impacts on the County's liability under Governmental Accounting Standards Board (GASB) Statement No. 45 (GASB 45). If premiums are not set appropriately, and increases in retiree claims outpace the growth in premiums, the County's liability under GASB 45 and, consequently, the annual required contribution for OPEB may increase. It is the County's policy to maintain a net OPEB asset, which demonstrates that the County has met its obligations to adequately fund the annual required contribution each year. For more information on GASB 45 and other post-employment benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

As a result of continuing increases in cost growth, it is projected that the County will raise premiums by 7 percent for all plans, effective January 1, 2018, for the final six months of FY 2018. These premium increases are budgetary projections only; final premium decisions will be made in the fall of 2017 based on updated experience. Premium decisions will be based on the impact to employees and retirees, the actual claims experience of each plan, the maintenance of adequate reserves, and the impact on the County's GASB 45 liability.

Fund Reserves

To help mitigate the impact of unanticipated cost increases in future years, the County created a Premium Stabilization Reserve in FY 2005. During the years of moderate cost growth, the County was able to accumulate funds within the Premium Stabilization Reserve and these funds were utilized to mitigate premium increases, especially during calendar years 2007 and 2009 when premiums were held flat for the self-insured plans. At the end of FY 2016, the balance of the Premium Stabilization Reserve was $20.2 million.

In addition to the Premium Stabilization Reserve, the fund maintains an unreserved ending balance based on a percent of claims paid of at least 10 percent. An ending balance equivalent to two months of claims paid is the targeted industry standard based on potential requirements in the event of a plan termination.

LiveWell Workforce Wellness Program

In FY 2009, the LiveWell Workforce Wellness Program began as an effort to provide increased opportunities for employees to improve their overall health and well-being, while also serving to curb rising health care costs. The program currently includes subsidized membership fees at County RECenters, weight loss support, influenza vaccinations, and other wellness programming. The LiveWell Program includes the Employee Fitness and Wellness Center (EFWC), which is located at the Government Center and provides convenient access for employees and retirees to cardiovascular and strength training equipment as well as a variety of fitness classes at a reasonable monthly rate.

Other components of the LiveWell program include:

- *Reduced membership fees at County RECenters* – In response to employee demand and to promote the importance of overall physical health, a 50 percent subsidy for 6-month and annual memberships at County RECenters is included in the program. As workplace sites for employees are spread throughout the County and, thus, all employees are not located near the EFWC, this benefit allows merit employees and retirees to use all nine County RECenters at a reduced rate.

- *Influenza vaccinations* – Providing flu shots to employees is a simple mechanism to reduce absenteeism due to flu outbreaks and protect the overall health of employees and retirees.

- *Health & Wellness Programming* – LiveWell sponsors workshops throughout the year at various employee worksites on a variety of health and wellness topics, including nutrition, stress, exercise, dementia, and weight management. LiveWell also hosts several webinars each month allowing employees from any work location or agency to attend health education sessions online.

- *Specialized Events* – LiveWell hosts numerous interactive events throughout the year including The Long Walk, Employee Field and Fitness Day, and several expos where employees can learn more about health and wellness topics and actively engage in activities.

- *Weight Management* – LiveWell subsidizes the membership costs for a weight management program available to employees at worksites, in the community, and online.

- *Partnerships* – LiveWell partners with community programs, such as farmer's markets and bike-to-work campaigns, and County initiatives, such as the promotion of volunteering and financial fitness, to encourage employees to continually seek the benefits of improved well-being.

A Wellness Incentive Points Program was added for the County's self-insured health insurance plans in CY 2014 and was expanded to include the fully-insured HMO in CY 2017. The program gives employees the opportunity to earn up to $200 in wellness rewards annually for engaging in certain wellness activities such as taking an online health assessment, completing annual preventive exams, participating in lifestyle management programs, and attending LiveWell events. Wellness rewards dollars are deposited into a flexible spending account or health savings account at the beginning of the following plan year.

A comprehensive wellness program has the potential to reduce the rate of escalation of health care costs, resulting in savings for self-insured plans through cost avoidance. As such, expenses related to the LiveWell initiative are included in Fund 60040, Health Benefits Fund.

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Health Insurance Requirements** **$6,406,264**

A net increase of $6,406,264 is attributable to an increase of $5,881,685 in benefits paid, an increase of $510,303 in administrative expenses, and an increase of $14,276 for incurred but not reported (IBNR) claims. These adjustments are based on prior year experience and projected claims.

♦ **Patient Protection and Affordable Care Act Fees** **($482,165)**

A decrease of $482,165 primarily reflects a decrease in fees for the Transitional Reinsurance Program. The Transitional Reinsurance Program is part of the Patient Protection and Affordable Care Act (PPACA) and is intended to stabilize premiums for coverage in the individual market during the first three years health insurance exchanges are available. The County has been required to participate in the Transitional Reinsurance Program since calendar year 2014. Under the program, the County is charged a fee for each covered life (including employees and their dependents) for three years, with the fee decreasing in the second and third years. Due to the staggered timing of payments, FY 2018 payments will include a portion of the third-year fees.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$22,381,456**

As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved a net increase of $22,381,456 as a result of encumbered carryover of $14,500 for the LiveWell Program and to reflect an appropriation of $22,366,956 from fund balance to increase the Premium Stabilization Reserve, which allows the fund flexibility in maintaining premium increases at manageable levels.

Fund 60040
Health Benefits

FUND STATEMENT

Fund 60040, Health Benefits

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$47,394,518	$31,686,897	$49,298,155	$29,870,929	$29,870,929
Revenue:					
Employer Share of Premiums-County Payroll	$111,534,366	$120,175,331	$120,175,331	$121,989,077	$121,989,077
Employee Share of Premiums-County Payroll	33,595,694	36,316,864	36,316,864	36,801,288	36,801,288
Retiree Premiums	32,359,594	35,060,057	35,060,057	36,556,232	36,556,232
Interest Income	172,704	136,511	136,511	301,417	301,417
Premiums	511,565	502,503	502,503	588,213	588,213
Employee Fitness Center Revenue	61,796	55,768	55,768	54,756	54,756
Total Revenue	$178,235,719	$192,247,034	$192,247,034	$196,290,983	$196,290,983
Total Available	$225,630,237	$223,933,931	$241,545,189	$226,161,912	$226,161,912
Expenditures:					
Benefits Paid	$169,454,434	$182,181,177	$182,181,177	$188,062,862	$188,062,862
Administrative Expenses	4,882,502	4,934,833	4,934,833	5,445,136	5,445,136
Premium Stabilization Reserve[1]	0	0	22,366,956	0	0
Incurred but not Reported Claims (IBNR)	678,000	816,664	816,664	830,940	830,940
Patient Protection and Affordable Care Act Fees[2]	812,967	618,130	618,130	135,965	135,965
LiveWell Program	504,179	742,000	756,500	742,000	742,000
Total Expenditures	$176,332,082	$189,292,804	$211,674,260	$195,216,903	$195,216,903
Total Disbursements	$176,332,082	$189,292,804	$211,674,260	$195,216,903	$195,216,903
Ending Balance:[3]					
Fund Equity	$60,776,155	$48,372,927	$42,165,593	$44,070,613	$44,070,613
IBNR	11,478,000	13,731,800	12,294,664	13,125,604	13,125,604
Ending Balance[4]	$49,298,155	$34,641,127	$29,870,929	$30,945,009	$30,945,009
Premium Stabilization Reserve[1]	$20,168,947	$4,099,474	$0	$0	$0
Transitional Reinsurance Program Reserve[2]	830,318	117,396	212,188	0	0
Unreserved Ending Balance	$28,298,890	$30,424,257	$29,658,741	$30,945,009	$30,945,009
Percent of Claims	16.7%	16.7%	16.3%	16.5%	16.5%

[1] Fluctuations in the Premium Stabilization Reserve are the result of reconciliations of budget to actual experience and the timing of budget adjustments. Any balances in the reserve resulting from actual experience are re-appropriated at the next budgetary quarterly review.

[2] Fees under the Patient Protection and Affordable Care Act include the Patient-Centered Outcomes Research Trust Fund Fee and the Transitional Reinsurance Program fee. The Transitional Reinsurance Program Reserve was established to accumulate funding for Transitional Reinsurance Program fees, which are anticipated to end in FY 2018.

[3] The Fund 60040 ending balance does not include funding set aside in reserve for IBNR expenses. To account for all funds associated with the County's self-insured plans, the Fund Equity amount is provided, which includes the Fund 60040 ending balance as well as the IBNR reserve.

[4] Fluctuations in the ending balance are due primarily to the appropriation of the Premium Stabilization Reserve and changes in claims expenditures.

Fund S60000
Public School Insurance Fund

Focus

Fund S60000, Public School Insurance Fund, provides administration for workers' compensation insurance, self-insurance funds for automobile and general liability, and the purchase of commercial insurance for other liabilities. FY 2018 expenditures are estimated at $21.5 million.

Fund S60000
Public School Insurance Fund

FUND STATEMENT

Fund S60000, Public School Insurance Fund

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan[1]	FY 2018 Superintendent's Proposed	FY 2018 Adopted Budget Plan[2]
Beginning Balance	$51,296,268	$47,024,875	$52,162,035	$47,873,297	$47,873,297
Revenue:					
Workers' Compensation:					
School Operating Fund (S10000)	$8,238,928	$8,238,928	$8,238,928	$8,238,928	$8,238,928
School Food & Nutrition Services Fund (S40000)	324,284	324,284	324,284	324,284	324,284
Other Insurance					
School Operating Fund (S10000)	4,468,127	4,468,127	4,468,127	4,468,127	4,468,127
Insurance Proceeds	489,803	50,000	50,000	50,000	50,000
Total Revenue	$13,521,142	$13,081,339	$13,081,339	$13,081,339	$13,081,339
Total Available	$64,817,410	$60,106,214	$65,243,374	$60,954,636	$60,954,636
Expenditures:					
Workers' Compensation					
Administration	$433,007	$694,375	$694,375	$715,665	$715,665
Claims Paid	6,733,981	9,171,000	9,171,000	9,171,000	9,171,000
Claims Management	988,468	1,000,000	1,000,000	1,000,000	1,000,000
Other Insurance	4,499,919	6,483,702	6,504,702	6,511,344	6,511,344
Allocated Reserve[3]	0	5,226,277	8,382,322	4,065,652	4,065,652
Subtotal Expenditures	$12,655,375	$22,575,354	$25,752,399	$21,463,661	$21,463,661
Net Change in Accrued Liabilities					
Workers' Compensation	$1,406,104	$0	$0	$0	$0
Other Insurance	554,011	0	0	0	0
Net Change in Accrued Liabilities	$1,960,115	$0	$0	$0	$0
Total Expenditures	$14,615,490	$22,575,354	$25,752,399	$21,463,661	$21,463,661
Total Disbursements	$14,615,490	$22,575,354	$25,752,399	$21,463,661	$21,463,661
Ending Balance	$52,162,035	$37,530,860	$39,490,975	$39,490,975	$39,490,975
Outstanding Encumbered Obligations	$21,000	$0	$0	$0	$0
Restricted Reserves:					
Workers' Comp Accrued Liability	34,229,315	32,823,211	34,229,315	34,229,315	$34,229,315
Other Insurance Accrued Liability	5,261,660	4,707,649	5,261,660	5,261,660	5,261,660
Reserve for Catastrophic Occurrences	12,650,060	0	0	0	0
Unreserved Balance	$0	$0	$0	$0	$0

[1] The *FY 2017 Revised Budget Plan* reflects adjustments adopted by the Fairfax County School Board on March 23, 2017 during its *FY 2017 Third Quarter Review*.

[2] Fairfax County School Board action on the FY 2018 budget was taken on May 25, 2017 and will be included for approval by the Board of Supervisors as part of the *FY 2017 Carryover Review*.

[3] Any unused portion of the allocated reserve is carried forward into the subsequent budget year. Accordingly, the FY 2018 beginning balance is the projected ending balance for FY 2017 plus the estimated balance for the Allocated Reserve, for a total of $47,873,297.

Fund S62000
Public School Health and Flexible Benefits

Focus

Fund S62000, Health and Flexible Benefits, provides for the administration of health and dental care benefit plans for employees and retirees. In addition, the Health and Flexible Benefits Fund administers two Flexible Spending Accounts, which enable employees to realize savings by setting aside pre-tax dollars, through Fairfax County Public Schools (FCPS) payroll deductions, for eligible health care and dependent care costs. FY 2018 expenditures are estimated at $401.8 million.

Fund S62000
Public School Health and Flexible Benefits

FUND STATEMENT

Fund S62000, Public School Health and Flexible Benefits

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan[1]	FY 2018 Superintendent's Proposed	FY 2018 Adopted Budget Plan[2]
Beginning Balance	$39,401,484	$38,576,888	$38,752,031	$39,871,404	$39,871,404
Revenue:					
Employer/Employee Premiums	$288,063,524	$310,993,829	$299,599,473	$315,366,743	$315,366,743
Retiree/Other Health Premiums	52,233,630	59,234,637	57,865,524	62,403,215	62,403,215
Interest Income and Rebates	20,548,329	12,913,000	13,465,550	18,075,000	18,075,000
Flexible Spending Account Withholdings	8,520,677	8,040,000	9,000,000	9,000,000	9,000,000
Total Revenue	$369,366,160	$391,181,466	$379,930,547	$404,844,958	$404,844,958
Total Available	$408,767,644	$429,758,354	$418,682,578	$444,716,362	$444,716,362
Expenditures:					
Health Benefits Paid	$295,408,994	$312,878,904	$302,384,148	$324,315,590	$324,315,590
Premiums Paid	53,150,829	56,997,026	53,763,743	54,698,425	54,698,425
Health Administrative Expenses	13,461,516	16,709,865	13,957,283	14,108,340	14,108,340
Flexible Spending Accounts Reimbursements	8,147,735	7,900,000	8,859,000	8,859,000	8,859,000
FSA Administrative Expenses	140,539	140,000	141,000	141,000	141,000
Claims Incurred but not Reported (IBNR)	22,414,000	21,476,000	22,120,000	21,826,000	21,826,000
IBNR Prior Year Credit	(22,708,000)	(22,092,000)	(22,414,000)	(22,120,000)	(22,120,000)
Total Expenditures	$370,015,613	$394,009,795	$378,811,174	$401,828,355	$401,828,355
Premium Stabilization Reserve[3]	$0	$35,748,559	$39,871,404	$42,888,007	$42,888,007
Total Disbursements	$370,015,613	$429,758,354	$418,682,578	$444,716,362	$444,716,362
Ending Balance	$38,752,031	$0	$0	$0	$0
Undelivered Orders	$7,630	$0	$0	$0	$0
Premium Stabilization Reserve	38,744,401	0	0	0	0
Unreserved Balance	$0	$0	$0	$0	$0

[1] The *FY 2017 Revised Budget Plan* reflects adjustments adopted by the Fairfax County School Board on March 23, 2017 during its *FY 2017 Third Quarter Review*.

[2] Fairfax County School Board action on the FY 2018 budget was taken on May 25, 2017 and will be included for approval by the Board of Supervisors as part of the *FY 2017 Carryover Review*.

[3] The Premium Stabilization Reserve is appropriated for budgeting purposes to offset fluctuations in health insurance costs during the fiscal year. This reserve is to be carried forward as beginning balance for FY 2018.

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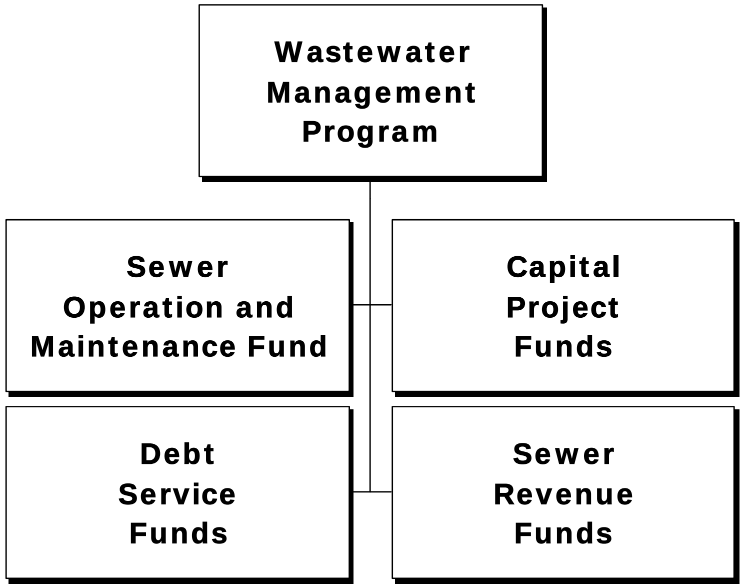
Wastewater Management Program Overview



Focus

The Wastewater Management Program (WWM) is operated, maintained and managed within the Department of Public Works and Environmental Services (DPWES). The program currently includes the County-owned Noman M. Cole, Jr. Pollution Control Plant (67 million gallons per day (mgd) capacity), nearly 3,430 miles of sewer lines, 63 pump stations, 57 flow-metering stations, and covers approximately 234 square miles of the County's 407 square-mile area. Capacity entitlement at the other regional facilities totals 90 mgd. A total of 372,208 households and businesses in Fairfax County are connected to public sewer as of June 30, 2016.

In addition to providing County residents and businesses with sewer service, Fairfax County provides sewer service to other nearby entities through "Sales of Service" agreements with Arlington and Loudoun Counties, the cities of Falls Church and Fairfax, the towns of Herndon and Vienna, and Fort Belvoir. These entities share the capital and operating costs of WWM based on actual wastewater flow and reserved treatment capacity.

Strategic planning and overall business monitoring is the responsibility of the Wastewater Management Leadership Team, whose responsibilities focus on long range planning, strategic thinking, continuous improvement processing, wastewater capacity, and financial management. This team is composed of employees from three divisions within WWM - Collections, Treatment, and Planning and Monitoring.

The Wastewater Collection Division (WCD) is responsible for the County's wastewater collection and conveyance system consisting of sewers, force mains, pumping stations, and metering stations. The WCD has a proactive sewer system maintenance program that facilitates a safe and effective wastewater collection system. In FY 2016, approximately 230 miles of sewer lines were inspected by Closed Circuit Television (CCTV) crews and approximately 450 miles of sewer lines were cleaned to ensure maximum flow carrying capacity and reduce sewer backups and overflows. Over the last six years, WCD has rehabilitated approximately 125 miles of sewer lines to protect the environment and residents of Fairfax County.

Wastewater Management Program Overview

The Wastewater Treatment Division (WTD) is responsible for operating and maintaining the County's wastewater treatment facility, the Noman M. Cole, Jr. Pollution Control Plant (NCPCP). The WTD continues to produce a quality effluent to meet regulatory and permit requirements, despite major construction occurring throughout the plant site. The NCPCP has started the rehabilitation of the plant's bio-solids facilities, which includes additional air pollution control systems, and complete rehabilitation of all four incinerators, which will include energy recovery.

The Wastewater Planning and Monitoring Division (WPMD) is responsible for the agency's fiscal planning, engineering planning, and wastewater monitoring. The WPMD continues to effectively monitor the long-term needs for the Wastewater Management Program in terms of infrastructure upgrades, maintenance, and expansions. The WPMD ensures that all financial requirements are fulfilled by maintaining a rate structure to adequately recover all operating and maintenance costs, capital improvements and debt service obligations. The WPMD also plans for system capacity, both in the conveyance system and treatment facilities, by initiating expansion and improvement projects to keep pace with increased wastewater flows. The WPMD safeguards the environment by ensuring compliance with water quality standards and prevention of toxic discharges into the collection system.

WPMD is currently monitoring the Chesapeake Bay water quality program, which requires reductions in the amount of nutrient pollutants discharged from wastewater treatment facilities. In December 2004, the state notified the County that the renewal of the County's Virginia Pollutant Discharge Elimination System (VPDES) permit includes a requirement that nutrient removal be performed using "State of the Art" technology and meet a waste load allocation (cap) for the nitrogen and phosphorous nutrients. A phased approach was used to renovate and upgrade current plant facilities to accommodate these more stringent nutrient discharge requirements. These renovations and upgrades were completed in FY 2015. Other regional plants serving the County are at various stages of upgrade for compliance with the new requirements.

The Wastewater Management Program is primarily supported by Sewer Service Charges received from existing customers, which are used to fully recover program operation and maintenance costs, debt service payments and capital project requirements attributable to improving wastewater treatment effluent quality as mandated by state and federal agencies. The five-year sewer rate plan approved by the Board of Supervisors as part of the FY 2017 Adopted Budget Plan proposed to increase the sewer charges by 2.9 percent in FY 2018. After a careful review, the Wastewater Management staff recommended no change from the FY 2018 rate, which will result in an annual increase of $16.80 to the typical household. The Sewer Service Charge will increase from $6.68 to $6.75 per 1,000 gallons of water consumed, based on Fairfax County's winter quarter average consumption of 18,000 gallons.

The Base Charge will increase from $24.68 per quarter to $27.62 per quarter. The Base Charge provides for a more equitable rate structure by recovering a portion of the program's fixed costs. The industry practice for a fix charge revenue rate is 25 percent of operating revenues. In order to strive towards this level of recovery, a phased-in approach has been proposed with a fixed charge revenue rate in FY 2018 of 19.1 percent. The current system, including sewer lines, facilities, purchased capacity and equipment, is valued at approximately $2.0 billion. Based on the age and required maintenance of the system, it is imperative that reinvestment continues to be addressed. The implementation of the increases to the Base Charge will help ensure that all users of the system share in the fixed costs associated with reinvestment and operations.

Increases to both the Sewer Service Charge and Base Charge will change the annual average customer bill from $579.68 in FY 2017 to $596.48 in FY 2018, a cost increase of $16.80 or 2.9 percent. The FY 2018 average bill in Fairfax County is one of the lowest compared to the average bill in other regional jurisdictions even with the approved increases. The increases in the Sewer Service Charge and Base Charge will partially offset the increased costs associated with capital project construction, system operation and maintenance, debt service and upgrades to meet new, more stringent nitrogen discharge limitations from wastewater treatment plants.

Year	Sewer Service Charge Per 1,000 gallons water	Base Charge Per Quarterly Bill	Sewer Charges Percentage Increase	Percent Fixed Charge Revenue
2017	$6.68	$24.68	NA	17.2%
2018	$6.75	$27.62	2.9%	19.1%
2019	$7.00	$30.38	4.9%	20.1%
2020	$7.34	$33.42	5.9%	21.1%
2021	$7.70	$36.76	5.9%	22.0%
2022	$8.08	$40.44	6.0%	22.8%

The Wastewater Management Program is also supported by the Availability Charge, which is a one-time charge to new customers for initial connection to the system. The revenue from the Availability Charge is used to offset the costs of expanding treatment facilities. In FY 2018, the Availability Charge will increase to $8,100 for single-family homes based on current projections of capital requirements. Rates are based on requirements associated with treatment plant upgrades and interjurisdictional payments that result from population growth, more stringent treatment requirements and inflation. The FY 2018 rate is consistent with the recommendations of the Department of Public Works and Environmental Services and the analysis included in the Wastewater Revenue Sufficiency and Rate Study Forecasted Period Fiscal Year 2017 though Fiscal Year 2022. Rates are expected to remain at the FY 2018 level through FY 2022. The following table displays the rates by category:

Category	FY 2017 Availability Charge	FY 2018 Availability Charge
Single Family	$7,750	$8,100
Townhouses and Apartments	$6,200	$6,480
Hotels/Motels	$1,938	$2,025
Nonresidential	$401/fixture unit	$405/fixture unit

This level of revenue in FY 2018 will allow the system to meet permit conditions, meet and maintain all of the required financial targets through FY 2022, maintain competitive rates with neighboring utilities, continue to preserve its AAA bond rating, and require less debt to support capital projects.

The table on the following page reflects the Wastewater Management Program's projected fiscal health in FY 2018 and FY 2019. The financial planning process incorporates the following indicators that are interrelated and structured to identify the adequacy of rates from a cash flow, business, and compliance standpoint. These indicators are used by the rating agencies to determine the Program's credit rating.

Calculated Financial Indicators

Financial Indicator	Target	Achieved	FY 2018	FY 2019
Net Revenue Margin	37.0% to 50.0%	Yes	49.5%	50.1%
Days Working Capital[1]	150 to 200 days	Yes	157	155
Debt Coverage Senior	Min. 3.00x	Yes	3.99x	3.88x
Debt Coverage All-in	1.80x to 2.20x	Yes	1.97x	1.81x
Affordability (% of median income spent on sewer bill)	Less than 1.2%	Yes	0.5%	0.5%
Debt to Net Plant in Service	Below 40.0% Never above 50.0%	Yes	36.2%	37.9%
Outstanding Debt per Connection	Max $3,000	Yes	$1,705	$1,900
Anticipated Sewer Bond Sales Through FY 2018				$110.0 M

(1) The Days Working Capital financial indicator is exclusive of Availability Charges in Fund 69000, Sewer Revenue, and Fund 69300, Sewer Construction Improvements. It is calculated based on Operating Expenses and 360 days.

It is anticipated that the rates in FY 2018 will support the County's ability to maintain high bond ratings (AAA by Fitch Investor Service and Standard and Poor's Corporation and Aaa by Moody's Investors Service, Inc.) from the rating agencies. These high credit ratings have enabled the County to sell bonds on behalf of the Program at interest rates lower than those obtained by most sewer authorities, thereby achieving savings throughout the life of the bonds. The Wastewater Management Program has issued debt to fund major expansion and upgrade projects for both its own plant and its portion at the "Treatment by Contract" facilities.

In FY 2018, the County is projected to provide for the treatment of 103.9 million gallons of wastewater per day. Approximately 38 percent of this flow is treated at the NCPCP. The flow is distributed between the NCPCP and the interjurisdictional facilities as detailed in the table below. The table also includes the capacity utilization percentage and the available (unused) capacity for each plant.

Treatment Plant	Capacity (MGD)	FY 2018 Projected Daily Average (MGD)	Capacity Utilization (%)	Available Capacity (MGD)
DCWASA Blue Plains	31.0	26.5	85.5%	4.5
Noman M. Cole, Jr.	67.0	39.0	58.2%	28.0
Alexandria Renew Enterprises	32.4	23.2	71.6%	9.2
Arlington County	3.0	2.0	66.7%	1.0
Upper Occoquan Service Authority	22.6	13.2	58.4%	9.4
Loudoun Water	1.0	0.0	0.0%	1.0
Total	**157.0**	**103.9**	**66.2%**	**53.1**

To ensure that WWM remains competitive and provides a high performance operation including improvements to the technical and managerial capacities that will continue to enhance service quality, customer service and financial planning, WWM closely monitors the following areas:

	FY 2016 (Actual)	FY 2017 (Adopted)	FY 2018 (Adopted)
Sewer Service Charge, $/1,000 gallons	$6.65	$6.68	$6.75
Treatment Costs, $/MGD	$1,538	$1,542	$1,550
Number of Sewer System Overflows (5-year rolling average)	23	15	15
Odor Complaints per year	10	15	15

The WWM comprises seven separate funds under a self-supporting fund structure (Enterprise Funds) consistent with the Sewer Bond Resolution adopted by the Board of Supervisors in July 1985. For more detailed information of the operational aspects of the various programs, refer to the narrative of Fund 69010, Sewer Operation and Maintenance, which immediately follows this Overview. The following is a brief description of the seven active funds:

- **Fund 69000** - Sewer Revenue is used to credit all operating revenues of the system, as well as most of the interest on invested fund balances. Revenues recorded in this fund are transferred to the various funds to meet their operational requirements. The remaining fund balances are used to set aside funds for various reserves and future system requirements.

- **Fund 69010** - Sewer Operation and Maintenance provides funding for the three divisions responsible for the management and operation of the program, supported by a transfer from Fund 69000.

- **Fund 69020** - Sewer Bond Parity Debt Service is used to record principal, interest, and fiscal agent fees for the 2009, 2012, 2014 and the planned 2017 Sewer Revenue Bonds in accordance with the current Sewer Bond Resolution, supported by a transfer from Fund 69000.

- **Fund 69030** - Sewer Bond Debt Reserve provides debt reserve funds for the 2009, 2012, 2014 and the planned 2017 Sewer Revenue Bonds in accordance with the current Sewer Bond Resolution, which are funded from the issuance of sewer revenue bonds and/or program revenues.

- **Fund 69040** - Sewer Bond Subordinate Debt Service records all debt service payments on the Upper Occoquan Service Authority (UOSA) revenue bonds and Virginia Resources Authority (VRA) loans. All future issues or refinancing of debt arising from interjurisdictional capacity rights may be treated as subordinate obligations of the system as provided by the General Bond Resolution for Sewer Revenue Bonds. Funding is supported by a transfer from Fund 69000.

- **Fund 69300** - Sewer Construction Improvements provides funding for the repair, rehabilitation and improvement requirements of the entire program's infrastructure, supported by a transfer from Fund 69000.

- **Fund 69310** - Sewer Bond Construction provides for major program construction projects, which are funded from the issuance of sewer revenue bonds and/or program revenues.

Fund 69000
Sewer Revenue

Focus

All Availability Charges and Sewer Service Charges associated with the Wastewater Management Program are credited to this fund as system revenues. The total receipts from all revenue sources are used to finance the following: Operation and Maintenance (Fund 69010); Construction Improvement Projects (Fund 69300); Debt Service (Fund 69020); Subordinate Debt Service (Fund 69040); and Sewer Bond Construction (Fund 69310). Any remaining balance in Fund 69000, Sewer Revenue, is used for future year requirements and required reserves.

The Program's Availability Charge and Sewer Service Charge are based on staff analysis and consultant recommendations included in the January 2017 Wastewater Revenue Sufficiency and Rate Analysis.

Availability Charges

The Availability Charge is a one-time charge to new customers for initial connection to the system. The revenue from the Availability Charge is used to offset the costs of expanding treatment facilities. In FY 2018, the Availability Charge will increase to $8,100 for single-family homes based on current projections of capital requirements. Rates are based on requirements associated with treatment plant upgrades and interjurisdictional payments that result from population growth, more stringent treatment requirements and inflation. The FY 2018 rate is consistent with the recommendations of the Department of Public Works and Environmental Services and the analysis included in the Wastewater Revenue Sufficiency and Rate Study Forecasted Period Fiscal Year 2017 though Fiscal Year 2022. Rates are expected to remain at the FY 2018 level through FY 2022. The following table displays the rates by category:

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Sewer Service and Base Charges

Sewer Service and Base Charges are revenues received from existing customers and are used to fully recover program operation and maintenance costs, debt service payments and capital project requirements attributable to improving wastewater treatment effluent quality as mandated by state and federal agencies. The five-year sewer rate plan approved by the Board of Supervisors as part of the FY 2017 Adopted Budget Plan proposed to increase the sewer charges by 2.9 percent in FY 2018. After a careful review, the Wastewater Management staff recommended no change from the FY 2018 rate, which will result in an annual increase of $16.80 to the typical household. The Sewer Service Charge will increase from $6.68 to $6.75 per 1,000 gallons of water consumed based on Fairfax County's winter quarter average consumption of 18,000 gallons.

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2020	$7.34	$33.42	5.9%	21.1%
2021	$7.70	$36.76	5.9%	22.0%
2022	$8.08	$40.44	6.0%	22.8%

This level of revenue in FY 2018 will allow the system to meet permit conditions, meet and maintain all of the required financial targets through FY 2022, maintain competitive rates with neighboring utilities, continue to preserve its AAA bond rating, and require less debt to support capital projects.

The table below reflects the Wastewater Management Program's projected fiscal health in FY 2018 and FY 2019. The financial planning process incorporates the following indicators that are interrelated and structured to identify the adequacy of rates from a cash flow, business, and compliance standpoint. These indicators are used by the rating agencies to determine the Program's credit rating.

Calculated Financial Indicators

Financial Indicator	Target	Achieved	FY 2018	FY 2019
Net Revenue Margin	37.0% to 50.0%	Yes	49.5%	50.1%
Days Working Capital[1]	150 to 200 days	Yes	157	155
Debt Coverage Senior	Min. 3.00x	Yes	3.99x	3.88x
Debt Coverage All-in	1.80x to 2.20x	Yes	1.97x	1.81x
Affordability (% of median income spent on sewer bill)	Less than 1.2%	Yes	0.5%	0.5%
Debt to Net Plant in Service	Below 40.0% Never above 50.0%	Yes	36.2%	37.9%
Outstanding Debt per Connection	Max $3,000	Yes	$1,705	$1,900
Anticipated Sewer Bond Sales Through FY 2018				$110.0 M

(1) The Days Working Capital financial indicator is exclusive of Availability Charges in Fund 69000, Sewer Revenue, and Fund 69300, Sewer Construction Improvements. It is calculated based on Operating Expenses and 360 days.

It is anticipated that the rates in FY 2018 will support the County's ability to maintain high bond ratings (AAA by Fitch Investor Service and Standard and Poor's Corporation and Aaa by Moody's Investors Service, Inc.) from the rating agencies. These high credit ratings have enabled the County to sell bonds on behalf of the Program at interest rates lower than those obtained by most sewer authorities, thereby achieving savings throughout the life of the bonds.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$0**

As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved a decrease of $8,550,000 to the FY 2017 Transfers Out. This decrease was necessary based on a projected decline in revenue for FY 2017 and could be accommodated based on actual operational expenditures in FY 2016 and projected expenditures for FY 2017.

Fund 69000
Sewer Revenue

FUND STATEMENT

Fund 69000, Sewer Revenue

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$113,352,458	$93,167,998	$77,112,069	$75,762,523	$75,761,614
Revenue:					
Lateral Spur Fees	$10,800	$16,800	$16,800	$16,800	$16,800
Water Reuse Charges	164,606	0	0	164,606	164,606
Sales of Service	8,982,274	10,363,067	10,363,067	7,851,209	7,851,209
Availability Charges	14,681,449	18,457,701	18,457,701	12,595,035	12,595,035
Connection Charges	460,273	34,200	34,200	34,200	34,200
Sewer Service Charges	180,554,126	194,471,344	185,198,777	193,605,508	193,605,508
Miscellaneous Revenue	261,719	250,000	250,000	250,000	250,000
Sale Surplus Property	54,777	100,000	100,000	100,000	100,000
Interest on Investments[1]	1,106,949	779,000	779,000	779,000	779,000
Total Revenue	$206,276,973	$224,472,112	$215,199,545	$215,396,358	$215,396,358
Total Available	$319,629,431	$317,640,110	$292,311,614	$291,158,881	$291,157,972
Transfers Out:					
Sewer Operation and Maintenance (69010)	$89,200,000	$101,550,000	$93,000,000	$101,440,000	$101,440,000
Sewer Bond Parity Debt Service (69020)	19,000,000	22,900,000	22,900,000	22,930,000	22,930,000
Sewer Bond Subordinate Debt Service (69040)	23,500,000	26,000,000	26,000,000	25,725,000	25,725,000
Sewer Construction Improvements (69300)	86,389,000	74,650,000	74,650,000	69,339,663	69,339,663
Sewer Bond Construction (69310)	24,428,362	0	0	0	0
Total Transfers Out	$242,517,362	$225,100,000	$216,550,000	$219,434,663	$219,434,663
Total Disbursements	$242,517,362	$225,100,000	$216,550,000	$219,434,663	$219,434,663
Ending Balance[2]	$77,112,069	$92,540,110	$75,761,614	$71,724,218	$71,723,309
Management Reserves:					
Operating and Maintenance Reserve[3]	$26,918,136	$39,841,791	$26,919,045	$26,919,045	$26,919,045
New Customer Reserve[4]	30,724,000	33,000,000	30,000,000	30,000,000	30,000,000
Virginia Resource Authority Reserve[5]	5,974,892	6,203,278	5,974,892	5,974,892	5,974,892
Capital Reinvestment Reserve[6]	13,495,041	13,495,041	12,867,677	8,830,281	8,829,372
Total Reserves	$77,112,069	$92,540,110	$75,761,614	$71,724,218	$71,723,309
Unreserved Balance	$0	$0	$0	$0	$0

[1] In order to account for revenues in the proper fiscal year, an audit adjustment in the amount of $908.91 has been reflected as a decrease to FY 2016 Interest on Investments. The audit adjustment was included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustment were included in the FY 2017 Third Quarter package.

[2] The Wastewater Management Program maintains fund balances at adequate levels relative to projected debt service requirements, operation and maintenance expenses and capital improvements.

[3] The Operating and Maintenance Reserve provides for unforeseen expenses associated with sewer system emergencies. This reserve is targeted to be maintained at a level between $25 and $45 million. This level of reserve is based on industry practice to maintain existing customer reserves at a level which can support 30 and 180 days of working capital and approximately 50 percent of one year's requirements for rehabilitation and replacement of the current system's assets.

[4] The New Customer Reserve provides for debt service and administrative expenses associated with new customer debt, until such time as adjustments to availability charges can be accommodated. This reserve is based on payment expenses associated with one year of debt service and administrative expenses associated with new customer debt.

[5] The Virginia Resource Authority Reserve was established in anticipation of debt service reserve requirements for Virginia Resource Authority loans related to future treatment plant issues.

[6] The Capital Reinvestment Reserve is intended to address both anticipated and unanticipated increases within the Capital Improvement Program. This reserve will provide for significant rehabilitation and replacement of emergency infrastructure repairs. A reserve of 3.0 percent of the five year capital plan is consistent with other utilities and is recommended by rating agencies. Based on the total five year capital plan, an amount of $30 million would be required to reach 3.0 percent.

Fund 69010
Sewer Operation and Maintenance

Mission

To safely collect and treat wastewater in compliance with all regulatory requirements using state-of-the-art technology in the most cost-effective manner in order to improve the environment and enhance the quality of life in Fairfax County.

Focus

The Wastewater Management Program includes wastewater collection and conveyance, wastewater treatment, and planning and monitoring program areas. The primary functions are to strategically plan, and efficiently operate and maintain the wastewater system in the best interest of the County and its customers. Funding for Fund 69010, Sewer Operation and Maintenance, is financed by a transfer from Fund 69000, Sewer Revenue, which is used to credit all system revenues collected, including availability fees and sewer service charges associated with the program.

Photo of the Noman M. Cole, Jr. Pollution Control Plant

This program operates and maintains nearly 3,430 miles of sewer, 63 pump stations and 57 flow-metering stations. Treatment of wastewater generated is provided primarily through six regional wastewater collection and treatment plants. The regional treatment approach takes advantage of economies of scale in wastewater treatment and ensures the economical and efficient operation and management of the program.

One of the six regional plants is the County owned and operated Noman M. Cole, Jr. Pollution Control Plant (NCPCP), which is currently permitted to treat 67 million gallons per day (mgd) of flow. Other regional facilities where the County has purchased treatment capacity include the District of Columbia Water's Blue Plains Treatment Plant with 31 mgd capacity; Alexandria Renew Enterprises Treatment Plant with 32.4 mgd capacity; Upper Occoquan Service Authority's Treatment Plant with 22.6 mgd capacity; Arlington County's Treatment Plant with 3 mgd capacity; and Loudoun Water's Broad Run Plant with 1 mgd capacity. Fairfax County utilizes all of these facilities to accommodate a total capacity of 157 mgd.

Fund 69010
Sewer Operation and Maintenance

The Wastewater Management Program is funded by revenues generated by the customers of the sanitary sewer system and recorded in Fund 69000, Sewer Revenue. Sewer Service Charges support system operation and maintenance costs, debt service payments, and capital projects attributable to supporting and improving wastewater treatment services for existing customers. Availability Charges support a proportional share of system costs and capital projects attributable to growth of the system required to support new customers. Existing customers are defined as those who have paid an Availability Charge for access to the system and receive wastewater treatment services. New customers are those who have not paid the Availability Charge. Upon payment of the Availability Charge and connection to the system, a new customer becomes an existing customer. The County allocates expenses, interest income, bond proceeds, debt service payments, capital improvement project costs, and operating costs between existing and new users of the system. In accordance with the County's "Growth Pays for Growth Policy," both existing and new customers must pay for their share of the system's total annual revenue requirements.

A number of trends that may influence the operation and maintenance of the sanitary sewer system over the next two to five years include the following:

Chesapeake Bay Water Quality Program Requirements - The Chesapeake Bay water quality program requires reductions in the amount of nutrient pollutants discharged from wastewater treatment facilities. In December 2004, the state notified the County that the renewal of the County's Virginia Pollutant Discharge Elimination System (VPDES) permit includes a requirement that nutrient removal be performed using "State of the Art" technology and meet a waste load allocation (cap) for the nitrogen and phosphorous nutrients. A phased approach was used to renovate and upgrade current plant facilities to accommodate these more stringent nutrient discharge requirements. These renovations and upgrades were completed in FY 2015. Other regional plants serving the County are at various stages of upgrade for compliance with the new requirements.

Capacity, Management, Operation, and Maintenance (CMOM) - The United States Environmental Protection Agency (USEPA) has proposed sanitary sewer overflow (SSO) regulations, which require municipalities to develop and implement a Capacity, Management, Operation and Maintenance (CMOM) program to eliminate any sewer overflows and back-ups from the wastewater collection systems. The County has implemented the CMOM program that is featured on the USEPA's website at the following link - https://www3.epa.gov/npdes/pubs/sso_casestudy_fairfax.pdf.

Capital Improvements - Reinvestment in the sewer system infrastructure ensures optimum operation of all wastewater facilities. This initiative, closely related to CMOM endeavors for a quality sewer system, emphasizes capital improvements to wastewater collection and treatment facilities to meet the requirements of the sanitary sewer overflow regulations. The program continues to take a proactive stance toward infrastructure rehabilitation; however, CMOM regulations could greatly affect operations.

Integration of Information Technology - The Geographic Information System (GIS), the Supervisory Control and Data Acquisition (SCADA) system and the Infrastructure Computerized Maintenance Management System (ICMMS) require integration for optimal use. Computing and information technology are an integral part of every aspect of the Wastewater Management Program operations. Today's high customer expectations and increasing reliance on consistent 24-hour services lead to an increasing dependence on stable and reliable integrated information technologies that infuse the business process. Presently, the Enterprise Asset Management system (EAM) has successfully integrated with GIS and ICMMS to provide reports for the SCADA system. The EAM system and SCADA system are not yet integrated. Future customer service needs will require a full enterprise integration of the critical information technology systems to reduce the total cost of ownership, increase availability of critical business data in the right format, and improve the quality and delivery of services to sewer customers.

Sewer Operation and Maintenance supports the following County Vision Elements:

- *Maintaining Safe and Caring Communities*
- *Building Livable Spaces*
- *Maintaining Healthy Economies*
- *Practicing Environmental Stewardship*
- *Exercising Corporate Stewardship*

<u>Asset Management Program</u> - As a result of evaluating the program's financial management strategies, an Asset Management Program was developed. The first phase aligned the program's capital asset policies and procedures with the County's fixed asset policies and developed a process in which to evaluate the program's infrastructure. The second phase developed criteria to identify the program's critical assets. After the criteria were tested and accepted, they were applied to all program assets. Phase three will be the condition assessment of all assets beginning with the most critical assets. In FY 2018, the condition assessment continues on the large diameter pipes, 15-inches and larger, sewer lines that were sliplined in the 1990s and sewer lines with sags.

<u>Wastewater Collection Division (WCD)</u> - operates and maintains approximately 3,430 miles of collection system, 63 pumping stations, and 57 flow meter stations throughout the service area. The agency continues to take a very proactive approach toward maintenance and strives for continuous improvement in its daily functions. WCD maintains facilities at a high competence level.

<u>Wastewater Treatment Division (WTD)</u> - operates and maintains the Noman M. Cole Jr., Pollution Control Plant. The agency has an exemplary record of producing high-quality clean water which surpasses regulatory requirements at a low unit cost relative to other advanced wastewater treatment plants in the region. Construction of facilities for the Enhanced Nutrient Removal upgrades at the plant are complete.

<u>Wastewater Planning and Monitoring Division (WPMD)</u> - establishes and manages the future requirements for the Wastewater Management Program in regards to expansion needs of facilities by reviewing and monitoring new and potential developments in the County. WPMD also analyzes the financial position of the Program in order to maintain competitive rates and high bond rating, and achieve financial targets. WPMD and Fairfax County Department of Finance work together annually to create award winning Comprehensive Annual Financial Reports (CAFR) for the Integrated Sewer System. In addition, WPMD documents the high quality of the County's treated wastewater by analyzing an extensive number of water samples. While actively promoting outreach throughout the County, WPMD passes audits, confirms discharge quality, and runs a successful Industrial Pretreatment program to prevent damage to the collection system and the treatment processes, and to protect the health and safety of the employees and the public.

Fund 69010
Sewer Operation and Maintenance

The table below reflects the Wastewater Management Program's projected fiscal health in FY 2018 and FY 2019. The financial planning process incorporates the following indicators that are interrelated and structured to identify the adequacy of rates from a cash flow, business, and compliance standpoint. These indicators are used by the bond rating agencies to determine the Program's credit rating.

Calculated Financial Indicators

Financial Indicator	Target	Achieved	FY 2018	FY 2019
Net Revenue Margin	37.0% to 50.0%	Yes	49.5%	50.1%
Days Working Capital[1]	150 to 200 days	Yes	157	155
Debt Coverage Senior	Min. 3.00x	Yes	3.99x	3.88x
Debt Coverage All-in	1.80x to 2.20x	Yes	1.97x	1.81x
Affordability (% of median income spent on sewer bill)	Less than 1.2%	Yes	0.5%	0.5%
Debt to Net Plant in Service	Below 40.0% Never above 50.0%	Yes	36.2%	37.9%
Outstanding Debt per Connection	Max $3,000	Yes	$1,705	$1,900
Anticipated Sewer Bond Sales Through FY 2018				$110.0 M

(1) The Days Working Capital financial indicator is exclusive of Availability Charges in Fund 69000, Sewer Revenue, and Fund 69300, Sewer Construction Improvement. It is calculated based on Operating Expenses and 360 days.

The billing rates for both Sewer Service Charges and Base Charges are revised in FY 2018. The Base Charge increases from $24.68 per quarter to $27.62 per quarter. The Sewer Service Charge increases from $6.68 to $6.75 per 1,000 gallons of water consumed. Based on Fairfax County's winter quarter average consumption of 18,000 gallons, the average customer will see an annual cost increase of $16.80 or 2.9 percent. It is anticipated that these billing charges will support the County's ability to maintain high bond ratings (AAA by Fitch Investor Service and Standard and Poor's Corporation and Aaa by Moody's Investors Service, Inc.) from the rating agencies. These high credit ratings have enabled the County to sell bonds on behalf of the Program at interest rates lower than those obtained by most sewer authorities, thereby achieving savings throughout the life of the bonds.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$27,847,008	$29,735,586	$28,442,514	$29,739,658	$29,739,658
Operating Expenses	63,484,940	68,783,063	66,683,063	68,773,063	68,773,063
Capital Equipment	949,312	528,792	1,368,589	901,042	901,042
Subtotal	$92,281,260	$99,047,441	$96,494,166	$99,413,763	$99,413,763
Less:					
Recovered Costs	($803,306)	($349,795)	($349,795)	($737,576)	($737,576)
Total Expenditures	$91,477,954	$98,697,646	$96,144,371	$98,676,187	$98,676,187
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	316 / 316	319 / 319	315 / 315	321 / 321	317 / 317

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Employee Compensation** **$483,253**
  An increase of $483,253 in Personnel Services includes an amount of $444,621 for performance-based and longevity increases for non-uniformed merit employees effective July 2017, as well as an amount of $38,632 for employee pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions.

- **Other Post-Employment Benefits** **$20,819**
  An increase of $20,819 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

- **Personnel Services** **($500,000)**
  A decrease of $500,000 in Personnel Services is primarily associated with vacancies and lower than projected Fringe Benefits expenses.

- **New Positions** **$0**
  No funding increase is necessary to support the creation of 2/2.0 FTE positions in FY 2018, including an Administrative Assistant III and a Plant Operator I. The Administrative Assistant III position will support the administrative operations and goals of the Gravity Sewers Branch and the 24-hour Trouble Response Center. This position will also assist with the new DriveCam program, which is intended to protect the safety of all employees, the community, and the County's capital assets by preventing and improving risky behaviors through driver coaching. The goal of the program is to proactively identify improper methods and unsafe driving behaviors. In addition, the Administrative Assistant III will participate in the development and coordination of a more comprehensive and effective agency-wide operational and technical training program. The Plant Operator I position will support the monitoring of equipment and treatment process to ensure the proper treatment of wastewater at the Noman M. Cole Jr. Pollution Control Plant. This position will also assist higher level Plant Operators in monitoring operations via computer, visual, and audio inspections. The Plant Operator I will collect samples of wastewater and sludge at prescribed stages and time intervals during the treatment cycle and will perform basic tests. This position will monitor alarms and report emergencies and unsafe conditions. In addition, the Plant Operator I will support the supplementary workload associated with the new requirements of the Clean Act Sewage Sludge Incinerator Maximum Achievable Control Technology (SSI MACT) that was approved in March 2016. The new regulations necessitate new pollution control equipment that requires frequent adjustments and mandate additional monitoring of the existing equipment.

- **Fuel Savings** **($10,000)**
  A decrease of $10,000 in Operating Expenses is included for Department of Vehicle Services charges based on anticipated billings for fuel.

- **Recovered Costs** **($387,781)**
  An increase of $387,781 in Recovered Costs is based on actual experience.

- **Capital Equipment** **$901,042**
  Capital Equipment funding of $901,042 includes $859,042 for replacement vehicles and equipment that have outlived their useful life and are not cost effective to repair, and $42,000 for a new vehicle. The replacement vehicles and equipment include: $213,792 for one utility truck, four pickup trucks and one cargo van to provide transportation for crews and their equipment; $453,000 for a flusher truck that has a cold weather recirculation system, a liquid debris pump-off system, hydraulic booms, aluminum water tanks, hose reels, a positive displacement technology, a multi-stage blower filtration system, and safety warning equipment, all extremely critical to the proper maintenance of sewers and the prevention of back-ups and overflows; $63,250 for the replacement of critical laboratory equipment including a fluorometer, a mercury analyzer, an automatic sampler, and a compact sterilizer that provides a fast, safe and convenient way to sterilize both solids and liquids before performing any test procedures; and $129,000 for other replacement technical support equipment used for maintenance requirements. The new Capital Equipment includes $42,000 for a utility vehicle with a lift gate that will support the mechanical maintenance work associated with the pumping stations operations.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **($2,553,275)**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved a net decrease of $2,553,275, including a decrease in Personnel Services in the amount of $1,077,972 and a decrease in Operating Expenses in the amount of $2,100,000. These decreases were based on actual expenditure experience in the last several years. These decreases were partially offset by an increase in the amount of $624,697 in Capital Equipment due to encumbrances.

- **Position Adjustments** **$0**
  In order to better support the Department of Public Works and Environmental Services' (DPWES) four core business areas and enhance department-wide initiatives, 19/19.0 FTE positions were transferred to Agency 25, Business Planning and Support, from other divisions within DPWES: 4/4.0 FTE positions were transferred from Fund 69010, Sewer Operations and Maintenance; 2/2.0 FTE positions were transferred from Agency 26, Capital Facilities; 7/7.0 FTE positions were transferred from Fund 40100, Stormwater Services; 5/5.0 FTE positions were transferred from Fund 40150, Refuse Disposal; and 1/1.0 FTE position was transferred from Fund 40170, I-95 Refuse Disposal.

Cost Centers

Wastewater Collection

The Wastewater Collection Division is responsible for the operation and maintenance of the collection system which includes the physical inspection of sewer lines, the rehabilitation of aging and deteriorated sewer lines, and pumping stations; raising manholes, sewer line location and marking for the Miss Utility Program. The division also responds to emergency repair of sewer lines and provides 24-hour hotline and service response to homeowners in the County.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$14,703,071	$15,850,673	$15,549,296	$16,128,967	$16,128,967
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	132 / 132	134 / 134	132 / 132	135 / 135	133 / 133

Collection Program
- 1 Director
- 1 Human Resources Generalist III
- 1 Safety Analyst
- 3 Administrative Assistants IV
- 1 Administrative Assistant III
- 1 Administrative Assistant II

Projects and Assets
- 2 Public Works Env. Tech. Specs.
- 1 Engineer V
- 1 Engineer IV
- 1 Senior Engineer III
- 2 Engineers III
- 1 Engineering Technician III
- 4 Engineering Technicians II
- 9 Engineering Technicians I
- 2 Environmental Services Sups.
- 7 Instrumentation Technicians II
- 5 Instrumentation Technicians I

Gravity Sewers
- 1 Public Works Env. Svcs. Mgr.
- 7 Senior Maintenance Sups.
- 11 Heavy Equipment Operators
- 2 Maintenance Crew Chiefs
- 12 Motor Equipment Operators
- 3 Truck Drivers
- 7 Senior Maintenance Workers
- 7 Maintenance Workers
- 3 Environmental Services Sups.
- 1 Engineer III
- 1 Engineering Technician II
- 1 Engineering Technician I
- 1 Industrial Electrician III
- 1 Administrative Assistant III (1)

Pumping Stations
- 1 Public Works Env. Svcs. Mgr.
- 1 Industrial Electrician Supervisor
- 1 Instrumentation Supervisor
- 1 Plant Maintenance Supervisor
- 1 Industrial Electrician III
- 4 Industrial Electricians II
- 7 Plant Mechanics III
- 8 Plant Mechanics II
- 3 Instrumentation Technicians III
- 2 Instrumentation Technicians II
- 3 Instrumentation Technicians I

TOTAL POSITIONS
133 Positions (1) / 133.0 FTE (1.0)

( ) Denotes New Position

Wastewater Treatment

The Wastewater Treatment Division includes a variety of activities to support the advanced treatment of wastewater, which includes regulatory requirements associated with the Chesapeake Bay, Clean Water Act and other environmental standards. The plant also provides enhanced odor control services, water and energy management, and water reuse.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$20,395,354	$22,175,764	$22,287,641	$24,098,453	$24,098,453
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	131 / 131	132 / 132	131 / 131	132 / 132	132 / 132

Noman M. Cole, Jr. Pollution Control Plant
1 Director
2 Senior Engineers III
1 Safety Analyst
1 Heavy Equipment Supervisor
2 Heavy Equipment Operators
1 Administrative Assistant IV

IT Services
1 Info. Tech. Prog. Manager I
1 Network/Telecomm. Analyst III
4 Network/Telecomm. Analysts II
2 Network/Telecomm. Analysts I
1 Programmer Analyst III
1 Data Analyst I

Operations
1 Public Works Env. Svcs. Mgr.
1 Plant Operations Superintendent
6 Plant Operations Supervisors
8 Plant Operators III
22 Plant Operators II
16 Plant Operators I (1)
1 Instrumentation Technician II

Engineering Support
1 Engineer V
2 Engineers III
1 Engineering Technician III
1 Engineering Technician II
1 Assistant Project Manager

Maintenance
1 Public Works Env. Svcs. Mgr.
1 Industrial Electrician Supervisor
1 Instrumentation Supervisor
2 Plant Maintenance Supervisors
1 Chief Building Maintenance
5 Industrial Electricians III
3 Industrial Electricians II
1 Industrial Electrician I
2 Welders II
3 Instrumentation Technicians III
5 Instrumentation Technicians II
5 Senior Maintenance Workers
6 Plant Mechanics III
8 Plant Mechanics II
1 Painter II
2 Painters I
2 HVACs II
1 General Building Maint. Worker I
1 Plant Operator II
1 Senior Environmental Specialist
1 Engineering Technician II

TOTAL POSITIONS
132 Positions (1) / 132.0 FTE (1.0)

( ) Denotes New Position

Wastewater Planning and Monitoring

The Wastewater Planning and Monitoring Division assesses and monitors long-term planning needs for the Wastewater Management Program and conducts environmental monitoring for regulatory compliance and for protection of the wastewater system and the environment. The staff also determines and plans for infrastructure expansion requirements and financial demands for the entire wastewater system.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$56,379,529	$60,671,209	$58,307,434	$58,448,767	$58,448,767
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	53 / 53	53 / 53	52 / 52	54 / 54	52 / 52

	Financial Management and Planning		Engineering Planning and Analysis
1	Deputy Director, Wastewater/Stormwater	1	Engineer V
1	Director, Planning/Monitoring Division	1	Engineer IV
1	Finance Manager, Wastewater/Stormwater	3	Engineers III
1	Management Analyst IV		
1	Management Analyst I		Environmental Monitoring
1	Financial Specialist IV	1	Chief, Environmental Monitoring
1	Financial Specialist III	1	Pretreatment Manager
1	Financial Specialist II	1	Env. Laboratory Manager
1	Administrative Assistant V	1	Code Specialist III
1	Administrative Assistant IV	3	Code Specialists II
4	Administrative Assistants III	2	Environmental Technologists III
2	Inventory Managers	1	Environmental Technologist II
1	Material Mgmt. Specialist III	8	Environmental Technologists I
4	Material Mgmt. Specialists II	2	Management Analysts II
1	Material Mgmt. Assistant	1	Management Analyst I
1	Engineering Technician III	1	Administrative Assistant III
2	Engineering Technicians II		

TOTAL POSITIONS
52 Positions / 52.0 FTE

Key Performance Measures

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Wastewater Management Program					
Compliance with Title V air permit and State water quality permit	100%	100%	100%/100%	100%	100%
Blockages causing sewer back-ups per year (FY 2014, 5-yr. avg. = 15)	15	16	15/14	15	15
Average household sewer bill compared to other providers in the area	2nd lowest out of 7	2nd lowest out of 7	Below regional average/2nd lowest out of 7	Below regional average	Below regional average
Debt Coverage Ratio: (Revenue - Operating Cost/Debt)	2.03	2.05	2.00/2.10	2.00	2.00

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/69010.pdf

Performance Measurement Results

The Wastewater Management Program continues to maintain 100 percent compliance with Title V air permit and State water quality permit requirements.

When comparing average annual sewer service billings for the regional jurisdictions, Fairfax County has a below regional average annual sewer service billing at $580. Other regional jurisdictions range from $430 to $715 (as of January 1, 2017). The average sewer service billings for the other regional jurisdictions have been developed by applying each jurisdiction's sewer service rate to appropriate Single Family Residence Equivalent's (SFRE) water usage determined from an analysis of Fairfax Water's historical average water usage records for SFREs. Based on the latest rate comparison, Fairfax County has the second lowest annual sewer service charge out of the seven jurisdictions. The program is able to maintain its competitive rates while providing quality service to its customers, protecting the environment, and maintaining sufficient financial resources to fully fund the program's initiatives.

Fund 69010
Sewer Operation and Maintenance

FUND STATEMENT

Fund 69010, Sewer Operation and Maintenance

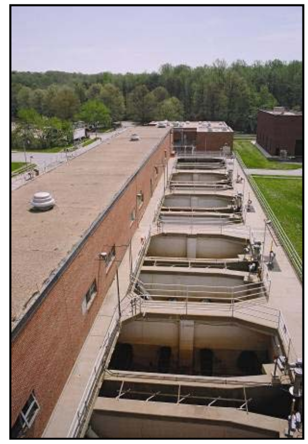
	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$11,210,730	$0	$6,082,776	$88,405	$88,405
Transfer In:					
Sewer Revenue (69000)	$89,200,000	$101,550,000	$93,000,000	$101,440,000	$101,440,000
Total Transfer In	$89,200,000	$101,550,000	$93,000,000	$101,440,000	$101,440,000
Total Available	$100,410,730	$101,550,000	$99,082,776	$101,528,405	$101,528,405
Expenditures:					
Personnel Services	$27,847,008	$29,735,586	$28,442,514	$29,739,658	$29,739,658
Operating Expenses	63,484,940	68,783,063	66,683,063	68,773,063	68,773,063
Recovered Costs	(803,306)	(349,795)	(349,795)	(737,576)	(737,576)
Capital Equipment	949,312	528,792	1,368,589	901,042	901,042
Total Expenditures	$91,477,954	$98,697,646	$96,144,371	$98,676,187	$98,676,187
Transfer Out:					
General Fund (10001)[1]	$2,850,000	$2,850,000	$2,850,000	$2,850,000	$2,850,000
Total Transfer Out	$2,850,000	$2,850,000	$2,850,000	$2,850,000	$2,850,000
Total Disbursements	$94,327,954	$101,547,646	$98,994,371	$101,526,187	$101,526,187
Ending Balance[2]	$6,082,776	$2,354	$88,405	$2,218	$2,218

[1] Funding in the amount of $2,850,000 is transferred to the General Fund to partially offset central support services supported by the General Fund which benefit Fund 69010, Sewer Operation and Maintenance. These indirect costs include support services such as Human Resources, Purchasing, Budget and other administrative services.

[2] The Wastewater Management Program maintains fund balances at adequate levels relative to projected operation and maintenance expenses. These costs change annually; therefore, funding for sewer operations and maintenance is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

Fund 69020
Sewer Bond Parity Debt Service

Focus



Fund 69020, Sewer Bond Parity Debt Service, records debt service obligations incurred from bonds issued in accordance with the 1986 Sewer Bond Resolution. Bond proceeds are used to fund capital improvement requirements in the Wastewater Management Program including upgrades to the treatment facilities serving the County and construction of nutrient removal facilities as required by the State Water Control Board. The removal of nitrogen will improve the quality of the effluent produced at all of the treatment plants.

An amount of $25,550,727 is required for this fund in FY 2018, including $10,018,537 in principal payments and $15,522,190 in interest payments associated with outstanding 2009, 2012, 2014, 2016, and anticipated 2017 Sewer Revenue Bonds, as well as $10,000 in fiscal agent fees. Fiscal agent fees are included for the management of all sewer bond accounts. All debt service payments are supported by Sewer System Revenues.

	Principal	Interest	Fees	Total
Sewer Revenue Bonds:				
2009	$3,260,000	$433,250		$3,693,250
2012	1,680,000	1,712,125		3,392,125
2014	3,425,000	2,297,625		5,722,625
2016	0	6,697,181		6,697,181
2017	1,653,537	4,382,009		6,035,546
Subtotal-Debt Service	**$10,018,537**	**$15,522,190**		**$25,540,727**
Fiscal Agent Fees			**$10,000**	**$10,000**
Total	**$10,018,537**	**$15,522,190**	**$10,000**	**$25,550,727**

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ There have been no adjustments to this fund since approval of the FY 2017 Adopted Budget Plan.

Fund 69020
Sewer Bond Parity Debt Service

FUND STATEMENT

Fund 69020, Sewer Bond Parity Debt Service

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$1,948,521	$17,171	$3,260,603	$2,625,103	$2,625,103
Transfer In:					
Sewer Revenue (69000)[1]	$19,000,000	$22,900,000	$22,900,000	$22,930,000	$22,930,000
Total Transfer In	$19,000,000	$22,900,000	$22,900,000	$22,930,000	$22,930,000
Total Available	$20,948,521	$22,917,171	$26,160,603	$25,555,103	$25,555,103
Expenditures:					
Principal Payment[2]	$7,655,000	$7,980,000	$7,980,000	$10,018,537	$10,018,537
Interest Payments[2]	9,394,300	15,120,500	15,120,500	15,522,190	15,522,190
Bond Issuance Costs	605,018	400,000	400,000	0	0
Fiscal Agent Fees	8,600	10,000	10,000	10,000	10,000
Total Expenditures	$17,662,918	$23,510,500	$23,510,500	$25,550,727	$25,550,727
Non Appropriated:					
Amortization Expense[3]	$25,000	$25,000	$25,000	$0	$0
Total Disbursements	$17,687,918	$23,535,500	$23,535,500	$25,550,727	$25,550,727
Ending Balance[4,5]	$3,260,603	($618,329)	$2,625,103	$4,376	$4,376

[1] This fund is supported by a Transfer In from Fund 69000, Sewer Revenue.

[2] The bond principal and interest payments are shown as expenditures. However, for accounting purposes, the Comprehensive Annual Financial Report (CAFR) will show these disbursements as "Construction in Progress" to be capitalized.

[3] In order to capitalize bond costs, this category was designated as an annual non-appropriated amortization expense. An amount of $25,000 included the 2009, 2012, 2014 and the planned 2017 sewer revenue bond sales. Starting in FY 2018, this category is no longer required based on the approval of the Governmental Accounting Standards Board Statement No. 65 that changed the way debt issuance costs are reported. These costs should be recognized as assets and reported in the year in which they were incurred. These costs should not be amortized.

[4] The Wastewater Management Program maintains fund balances at adequate levels relative to projected debt service requirements. Fund balances fluctuate from year to year based on actual debt requirements.

[5] The negative FY 2017 Adopted Budget Plan Ending Balance was due to an FY 2015 audit adjustment.

Fund 69030
Sewer Bond Debt Reserve

Focus

Fund 69030, Sewer Bond Debt Reserve, fulfills the County's requirement to maintain a Reserve Fund for existing and planned sewer bonds. As outlined in the 1986 Bond Resolution, this reserve is required to be the lesser of the maximum principal and interest requirements for any bond year or 125 percent of the average annual principal and interest requirements for the bonds.

No funding is required for Fund 69030 in FY 2018. The current balance of $26,734,714 is at a sufficient level to satisfy the legal reserve requirements for the 2009 Sewer Revenue Bonds, the 2012 Sewer Revenue Bonds, the 2014 Sewer Refunding Bonds, the 2016 Sewer Refunding Bonds, and the anticipated 2017 Sewer Revenue Bonds.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ There have been no adjustments to this fund since approval of the FY 2017 Adopted Budget Plan.

Fund 69030
Sewer Bond Debt Reserve

FUND STATEMENT

Fund 69030, Sewer Bond Debt Reserve

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$21,728,541	$21,728,541	$21,728,541	$26,734,714	$26,734,714
Revenue:					
Bond Proceeds	$0	$5,006,173	$5,006,173	$0	$0
Total Revenue	$0	$5,006,173	$5,006,173	$0	$0
Total Available	$21,728,541	$26,734,714	$26,734,714	$26,734,714	$26,734,714
Total Expenditures	$0	$0	$0	$0	$0
Total Disbursements	$0	$0	$0	$0	$0
Ending Balance[1]	$21,728,541	$26,734,714	$26,734,714	$26,734,714	$26,734,714

[1] The fund balance provides a sufficient level to satisfy the legal reserve requirement of $19,138,059 for the 2009 Sewer Revenue Bonds, 2012 Sewer Revenue Bonds, 2014 Sewer Refunding Bonds and 2016 Sewer Refunding Bonds. In addition, an amount of $7,596,655 is available for the legal reserve requirement for the anticipated 2017 Sewer Revenue Bonds. These reserves provide for one year of principal and interest as required by the Sewer System's General Bond Resolution.

Fund 69040
Sewer Bond Subordinate Debt Service

Focus

Fund 69040, Sewer Bond Subordinate Debt Service, provides debt service funding for the Upper Occoquan Service Authority (UOSA) Bond Series and the Virginia Resources Authority (VRA) loans. The UOSA Bond Series is based on the County's portion of the UOSA plant expansion from 27.0 million gallons per day (mgd) to 54.0 mgd. Two low-interest VRA loans from the State Revolving Fund Program were used to fund the County's share of construction costs for the Alexandria Renew Enterprises Treatment Plant upgrade for ammonia removal as required by the State Water Control Board.

All debt service payments are supported by Sewer System Revenues through a transfer from Fund 69000, Sewer Revenue. Pursuant to the Sewer Bond resolution and respective agreements, these debt obligations are subordinate to the County's Sewer Revenue Bonds and therefore, the payments are made from this fund.

Funding in the amount of $25,784,734 will provide for the FY 2018 principal and interest requirements, including an amount of $19,809,842 for the UOSA plant requirements and $5,974,892 for the VRA debt requirements. It should be noted that UOSA debt for bond series 2014 and 2016B is structured so that no principal payments are made during the construction phase of the project. Interest is capitalized and principal payments begin once construction is substantially complete. This helps level the debt service payments for all jurisdictions involved.

The following table identifies the payments required in FY 2018:

	Principal	Interest	Total
UOSA PLANT EXPANSION:			
1995A	$6,077,188	$987,932	$7,065,120
2010B	780,953	1,120,311	1,901,264
2011A	100,691	56,210	156,901
2011B	239,231	110,464	349,695
2013A	690,296	1,559,739	2,250,035
2013B	2,911,730	264,866	3,176,596
2014	0	4,219,919	4,219,919
2016B	0	690,312	690,312
Subtotal – UOSA	**$10,800,089**	**$9,009,753**	**$19,809,842**
VRA DEBT PAYMENTS:			
FY 2001 VRA Loan	$2,604,074	$94,207	$2,698,281
FY 2002 VRA Loan	3,132,384	144,227	3,276,611
Subtotal – VRA	**$5,736,458**	**$238,434**	**$5,974,892**
Total	**$16,536,547**	**$9,248,187**	**$25,784,734**

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ There have been no adjustments to this fund since approval of the FY 2017 Adopted Budget Plan.

Fund 69040
Sewer Bond Subordinate Debt Service

FUND STATEMENT

Fund 69040, Sewer Bond Subordinate Debt Service

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$2,874,166	$55,346	$286,882	$68,735	$68,735
Transfer In:					
Sewer Revenue (69000)	$23,500,000	$26,000,000	$26,000,000	$25,725,000	$25,725,000
Total Transfer In	$23,500,000	$26,000,000	$26,000,000	$25,725,000	$25,725,000
Total Available	$26,374,166	$26,055,346	$26,286,882	$25,793,735	$25,793,735
Expenditures:					
Principal Payment[1]	$15,415,090	$15,924,358	$15,924,358	$16,536,547	$16,536,547
Interest Payment[1,2]	10,672,194	10,293,789	10,293,789	9,248,187	9,248,187
Total Expenditures	$26,087,284	$26,218,147	$26,218,147	$25,784,734	$25,784,734
Total Disbursements	$26,087,284	$26,218,147	$26,218,147	$25,784,734	$25,784,734
Ending Balance[3,4]	$286,882	($162,801)	$68,735	$9,001	$9,001

[1] The bond principal and interest payments are shown here as expenditures. However, for accounting purposes, the Comprehensive Annual Financial Report (CAFR) will show these disbursements as "Construction in Progress" to be capitalized.

[2] The Wastewater Management Program makes principal and interest payments to the Upper Occoquan Service Authority (UOSA) in advance of the principal and interest due dates based on the original agreement with UOSA. UOSA credits the Wastewater Management Program any interest earning from the advanced payments; therefore, the interest payment actuals are normally lower than anticipated.

[3] The Wastewater Management Program maintains fund balances at adequate levels relative to projected debt service requirements. These costs change annually and therefore, fund balances fluctuate from year to year based on actual debt service requirements.

[4] The negative FY 2017 Adopted Budget Plan Ending Balance was due to an FY 2015 audit adjustment.

Fund 69300
Sewer Construction Improvements

Focus

Photo of the Noman M. Cole Jr. Pollution Control Plant

Fund 69300, Sewer Construction Improvements, provides for wastewater management construction projects through a transfer of funds from Fund 69000, Sewer Revenue. All projects in Fund 69300 are fully supported by sewer system revenues.

Funding in the amount of $69,339,663 is included in Fund 69300, Sewer Construction Improvements, in FY 2018. FY 2018 funding will provide for the following projects:

<u>Pumping Stations</u>
This project provides for the planned replacement of pumping stations throughout the County. FY 2018 funding of $5,673,694 is included for the regularly scheduled repair, renovation, and replacement of pumping station equipment and facilities. There will be four pump stations in the design phase and three pump stations in the construction phase in FY 2018.

<u>Robert P. McMath Facility Rehabilitation</u>
This project will provide funding in the amount of $112,000 for the maintenance of the Robert P. McMath Facility that is the headquarters for the Wastewater Collection Division in Burke, Virginia.

<u>Integrated Sewer Metering</u>
This project will provide for the planned replacement of sewer meters throughout the County. FY 2018 funding in the amount of $750,000 is provided for the continuation of replacing sewer meters used for measuring wastewater flow to and from other jurisdictions for billing and monitoring purposes as well as portable meters used in infiltration and inflow studies to measure wet weather flows.

<u>Extension and Improvement Projects</u>
Funding in the amount of $3,000,000 is included to satisfy the annual appropriation requirement for the County's Extension and Improvement (E&I) Program as approved by the Board of Supervisors on April 12, 2011. This policy adjusts the Connection Charges such that the future cost of the E&I Program is shared equally between the County's Sewer Fund and the property owners seeking public sewer service, when the Health Department determines the properties' septic systems have failed.

<u>Collection System Replacement and Rehabilitation</u>
This is a continuing project established to implement systematic rehabilitation of the County's nearly 3,430 miles of sanitary sewer lines. Rehabilitation includes, among other things, the use of trenchless technology to rehabilitate approximately 20 miles of sewer per year. FY 2018 funding in the amount of $5,616,773 is included to continue the systematic rehabilitation of the County's sewer lines.

<u>Force Main Rehabilitation</u>
This program began in FY 2014 and provides for the rehabilitation of the County's force mains. FY 2018 funding in the amount of $4,487,642 is included to complete the rehabilitation of the Barcroft I, Barcroft II,

Langley School, Mt. Vernon Terrance, Wellington I, Ravenwood, Springfield, Wayne Wood I, and Wayne Wood II force mains.

Noman Cole Treatment Plant Renewal
This project provides for the continuation of systematic rehabilitation of structures and equipment at the Noman M. Cole, Jr. Pollution Control Plant (NMCPCP). FY 2018 funding in the amount of $14,680,739 is included for the rehabilitation and replacement of pumps, gates, and valves; stormwater runoff improvements, and continuation of the rehabilitation of the motor control centers/distribution centers (MCC/DC) and raw wastewater pump station facility.

Arlington Wastewater Treatment Plant Rehabilitation
This project will provide funding for Fairfax County's share of the plant upgrades at the Arlington Wastewater Treatment Plant. FY 2018 funding in the amount of $1,164,000 is included for annual repair and rehabilitation work for various facilities as scheduled in Arlington County's Capital Improvement Program. The County is responsible for 3.0 mgd of the 40 mgd or 7.5 percent of the capacity at the Arlington Wastewater Treatment Plant.

Alexandria Renew Enterprises Upgrade, Replacement and Renewal
This project funds the County's share of the upgrades to the Alexandria Renew Enterprises (AREnew) Treatment Plant. Funding supports the design and construction of a State of the Art Nitrogen Upgrade Program (SANUP) for nitrogen removal. The SANUP will be completed in 6 phases to allow the spread of design and construction costs over an 8-year period. The long range plan was completed in 2008, and 2 of the 6 phases were completed in 2011; the remaining phases will be completed by 2018. FY 2018 funding in the amount of $18,034,000 is included for engineering design, construction management, landscape architecture and engineering services during construction to comply with the nutrient discharge limits. The County is responsible for 32.4 mgd of the 54 mgd or 60 percent of the capacity at the Alexandria Renew Enterprises' Treatment Plant.

Blue Plains Upgrade Replacement and Rehabilitation
This project funds the County's share of upgrades to the DC Water's Blue Plains Treatment Plant. FY 2018 funding in the amount of $12,424,000 is included for facility improvements to comply with nutrient discharge limits. Projects supporting the Enhanced Nitrogen Removal Program include providing an additional 40 million gallons of new anoxic reactor capacity for nitrogen removal, a new post aeration facility, pump station, and other new facilities to store and feed methanol and alternative sources of carbon. Construction continues on this project and is scheduled to be completed in 2018. In addition, funding will also provide for the Clean Rivers Project to prevent combined storm and sanitary overflows during major storm events by storing the overflow in tunnels until the plant has capacity to fully treat the water. This project is currently under construction and is scheduled to be completed by the summer of 2018. The County is responsible for 31 mgd of the 370 mgd or 8.38 percent of the capacity at the Blue Plains Treatment Plant.

Sewer Sag Program
This project funds the condition assessment of 166 segments of 8 to 15 inch gravity sewer lines and provides recommendations for the rehabilitation and/or replacement alternatives. FY 2018 funding in the amount of $1,256,000 will provide for the next phase of this program, which includes construction work.

<u>Large Diameter Pipe Rehabilitation and Replacement</u>
This project supports the condition assessment of 49 miles of sewer lines with a diameter of 15 inches or larger and provides recommendations for the rehabilitation and/or replacement alternatives. FY 2018 funding in the amount of $2,140,815 will provide for the next phase of this program, which includes construction work.

Changes to <u>FY 2017 Adopted Budget Plan</u>

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the <u>FY 2017 Adopted Budget Plan</u>. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$48,297,676**

As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $48,297,676 due to the carryover of unexpended project balances.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

FUND STATEMENT

Fund 69300, Sewer Construction Improvements

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$47,663,309	$0	$47,780,222	$0	$0
Transfer In:					
Sewer Revenue (69000)	$86,389,000	$74,650,000	$74,650,000	$69,339,663	$69,339,663
Total Transfers In	$86,389,000	$74,650,000	$74,650,000	$69,339,663	$69,339,663
Total Available	$134,052,309	$74,650,000	$122,430,222	$69,339,663	$69,339,663
Total Expenditures[1]	$86,272,087	$74,650,000	$122,430,222	$69,339,663	$69,339,663
Total Disbursements	$86,272,087	$74,650,000	$122,430,222	$69,339,663	$69,339,663
Ending Balance[2]	$47,780,222	$0	$0	$0	$0

[1] In order to account for expenditures in the proper fiscal year, an audit adjustment in the amount of $517,454.18 has been reflected as an increase to FY 2016 Total Expenditures. This impacts the amount carried forward and results in a decrease of $517,454.18 to the *FY 2017 Revised Budget Plan*. The project affected by this adjustment is WW-000006, Extension and Improvement Projects. The audit adjustment was included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustment were included in the FY 2017 Third Quarter package.

[2] The capital projects in this sewer fund are budgeted based on the total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

FY 2018 Summary of Capital Projects

Fund 69300, Sewer Construction Improvements

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Alexandria WWTP Upgrades and Rehab (WW-000021)	$112,693,906	$24,599,831.23	$16,213,370.18	$18,034,000	$18,034,000
Arlington WWTP Upgrades and Rehab (WW-000020)	8,209,000	10,108.00	2,737,041.00	1,164,000	1,164,000
Blue Plains WWTP Upgrades and Rehab (WW-000022)	110,816,385	19,099,341.57	14,589,875.46	12,424,000	12,424,000
Collection System Replacement and Rehab (WW-000007)	92,976,730	10,935,559.84	22,044,226.91	5,616,773	5,616,773
Dogue Creek Rehabilitation and Replacement (WW-000002)	22,838,600	27,218.24	3,773.63	0	0
Extension and Improvement Projects (WW-000006)	15,888,114	648,189.29	1,398,472.92	3,000,000	3,000,000
Force Main Rehabilitation (WW-000008)	16,747,642	1,398,995.26	10,045,358.08	4,487,642	4,487,642
Integrated Sewer Metering (WW-000005)	2,082,906	273,570.07	326,449.33	750,000	750,000
Large Diameter Pipe Rehabilitation and Replacement (WW-000026)	11,140,815	364,815.11	8,635,184.89	2,140,815	2,140,815
Laurel Hill Adaptive Reuse (WW-000023)	650,000	85,348.87	564,651.13	0	0
Noman Cole Treatment Plant Renewal (WW-000009)	65,279,293	6,818,223.93	25,858,261.31	14,680,739	14,680,739
Pumping Station Rehabilitation (WW-000001)	45,382,189	7,411,726.20	17,240,306.09	5,673,694	5,673,694
Robert P. McMath Facility Improvements (WW-000004)	1,957,000	23,634.92	388,094.57	112,000	112,000
Sewer Sag Program (WW-000024)	3,756,000	15,958.19	2,385,156.55	1,256,000	1,256,000
UOSA Treatment Plant Upgrades (WW-000025)	14,559,567	14,559,566.72	0.00	0	0
Total	$524,978,147	$86,272,087.44	$122,430,222.05	$69,339,663	$69,339,663

Fund 69310
Sewer Bond Construction

Focus

Fund 69310, Sewer Bond Construction, provides for major sewer system construction projects including upgrades and expansions of sewage treatment plants utilized by Fairfax County residents that are funded primarily from the sale of sewer revenue bonds. Funding to continue to meet state regulatory requirements for nitrogen removal and plant upgrades for the County's Noman M. Cole, Jr. Pollution Control Plant is supported by revenue bonds from Fund 69310, Sewer Bond Construction, or by cash from Fund 69300, Sewer Construction Improvements.

The Chesapeake Bay water quality program requires reductions in the amount of nutrient pollutants. The County's Virginia Pollutant Discharge Elimination System (VPDES) permit includes a requirement that nutrient removal be performed at the "State of the Art." The County has a nitrogen discharge annual mass limit of 612,158 pounds per year, which is achievable at capacity flow if the County's effluent has an average nitrogen concentration of 3.0 milligrams per liter. A phased approach has been under way to renovate and upgrade current plant facilities to accommodate these new more stringent nutrient discharge requirements.

Based on the current schedule of identified and active projects, the bond proceeds from the FY 2017 bond sale will support the capital projects through FY 2019. This funding supports the reinvestment in the Noman M. Cole, Jr. Pollution Control Plant in order to maintain regulatory compliance requirements as they pertain to the Clean Water Act, Chesapeake Bay Preservation Program and Title V of the Clean Air Act as enforced by the Virginia Department of Environmental Quality. The renovation program follows the plant's Master Plan to evaluate and prioritize projects.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$34,754,541**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $34,754,541 due to the carryover of unexpended project balances in the amount of $12,593,511 and an adjustment of $22,161,030, including $64,358 to appropriate interest earnings received in FY 2016, $1,958,258 in Virginia Water Quality Improvement grant revenue received in FY 2016, and $20,138,414 in Virginia Water Quality Improvement grant revenue anticipated to be received in FY 2017 and beyond as approved by the Board of Supervisors on September 22, 2015.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 69310
Sewer Bond Construction

FUND STATEMENT

Fund 69310, Sewer Bond Construction

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$3,220,340	$0	$13,640,724	$0	$0
Revenue:					
Bond Proceeds[1]	$0	$104,993,827	$104,993,827	$0	$0
Interest on Investments	64,358	0	0	0	0
Virginia Water Quality Improvement Grant[2]	1,958,258	0	20,138,414	0	0
Total Revenue	$2,022,616	$104,993,827	$125,132,241	$0	$0
Transfer In:					
Sewer Revenue (69000)[3]	$24,428,362	$0	$0	$0	$0
Total Transfers In	$24,428,362	$0	$0	$0	$0
Total Available	$29,671,318	$104,993,827	$138,772,965	$0	$0
Total Expenditures[4]	$16,030,594	$104,993,827	$138,772,965	$0	$0
Total Disbursements	$16,030,594	$104,993,827	$138,772,965	$0	$0
Ending Balance[5]	$13,640,724	$0	$0	$0	$0

[1] In FY 2017, an amount of $110 million in Sewer Revenue Bonds is anticipated to be issued to support the upgrade and improvement projects at the Noman M. Cole, Jr. Pollution Control Plant including $104.99 million in this fund and $5.01 million to be reserved in Fund 69030, Sewer Bond Debt Reserve, for legal requirements.

[2] Reflects Virginia Water Quality Improvement Fund Point Source grant approved by the Board of Supervisors on September 22, 2015, for upgrading and building facilities to support nitrogen removal requirements associated with the Chesapeake Bay Program. In FY 2016, an amount of $1,958,258 was received and $20,138,414 is anticipated in FY 2017 and beyond.

[3] The FY 2016 Transfer In from Fund 69000, Sewer Revenue, funded the rehabilitation of the Noman Cole Pollution Control Plant, including the replacement of valves, pipes, gates, electrical parts and filters in order to extend their useful life. In addition, this amount supported electrical upgrades at the plant.

[4] In order to account for expenditures in the proper fiscal year, an audit adjustment in the amount of $975,403.47 has been reflected as an increase to FY 2016 Total Expenditures. This impacts the amount carried forward and results in a decrease of $975,403.47 to the *FY 2017 Revised Budget Plan*. The project affected by this adjustment is WW-000017, Noman Cole Treatment Plant Renovations. The audit adjustment was included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustment were included in the FY 2017 Third Quarter package.

[5] The capital projects in this sewer fund are budgeted based on the total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

Fund 69310
Sewer Bond Construction

FY 2018 Summary of Capital Projects

Fund 69310, Sewer Bond Construction

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Noman Cole Treatment Plant Renovations (WW-000017)	$164,002,014	$14,413,625.74	$78,004,056.03	$0	$0
Noman Cole Treatment Plant Upgrades (WW-000016)	118,806,252	1,616,968.47	60,768,908.71	0	0
Total	$282,808,266	$16,030,594.21	$138,772,964.74	$0	$0

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Overview

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. Agency Funds include two holding funds for revenue collected for the Route 28 Tax District and the Mosaic District Community Development Authority. Trust Funds account for assets held by the County in a trustee capacity and include four retirement trust funds and two trust funds to pre-fund other post-employment benefits.

Route 28 Tax District

- Fairfax County, in partnership with Loudoun County, formed the Route 28 Highway Transportation Improvement District in 1987. The District was formed to accelerate planned highway improvements to State Route 28 that relied on slower pay-as-you-go financing. The owners of industrial and commercial property within the District are subject to an additional tax assessment of $0.18 per $100 of assessed value.

    - **Fund 70000 - Route 28 Tax District**

Mosaic District Community Development Authority

- The Board of Supervisors approved the Mosaic District Community Development Authority (CDA) on April 27, 2010. The District consists of a land area of approximately 31 acres within Fairfax County on a site located in the southwest quadrant of the intersection of Lee Highway and Gallows Road in the Merrifield area, approximately 12 miles west of Washington D.C. The District is part of a mixed-use development that is being developed by Eskridge (E&A), LLC, a South Carolina limited liability company, to include residential, retail, hotel and office components. The CDA funded a $30.0 million dollar portion of the public facilities constructed on the site through a 30-year bond, the debt service for which is paid by a self-assessment. The CDA also funded a $42.0 million dollar portion of the public facilities on the site (road improvements, parks, and a small portion of the parking garage) through a 22-year bond, the debt service for which is paid through incremental real estate tax revenues. Liability for the debt service is secured by the CDA, not the County.

    - **Fund 70040 - Mosaic District Community Development Authority**

Retirement Trust Funds

- Each of the four retirement funds derives income from employer contributions, employee contributions, and returns on investments. Payments are made from these funds to eligible retirees based on established benefit formulas. Three retirement trust funds compose the Fairfax County Employee Retirement Systems and are administered by the Fairfax County Retirement Administration Agency. The fourth retirement fund is for educational employees and is administered by Fairfax County Public Schools.

    - **Fund 73000 - Fairfax County Employees' Retirement System**
    - **Fund 73010 - Uniformed Retirement System**
    - **Fund 73020 - Police Officers Retirement System**
    - **Fund S71000 - Educational Employees' Supplementary Retirement**

Other Post-Employment Benefits (OPEB) Trust Funds

- Beginning in FY 2008, Fairfax County and Fairfax County Public Schools were required to implement Governmental Accounting Standards Board (GASB) Statement No. 45 for other post-employment benefits (OPEBs). GASB 45 requires that the County and Schools accrue the cost of the retiree health subsidy and other post-employment benefits during the period of employees' active employment, while the benefits are being earned, and disclose the unfunded actuarial accrued liability in order to accurately account for the total future cost of post-employment benefits and the financial impact on the County. This funding methodology mirrors the funding approach used for pension benefits. Fund 73030, OPEB Trust, and Fund S71100, Public School OPEB Trust, allow the County and Schools to capture long-term investment returns, make progress towards reducing the unfunded liability, and pre-fund the cost of post-employment health care and other non-pension benefits.

  - **Fund 73030 - OPEB Trust**
  - **Fund S71100 - Public School OPEB Trust**

Fund 70000
Route 28 Tax District

Focus

Fairfax County, in partnership with Loudoun County, formed the Route 28 Highway Transportation Improvement District (District) on December 21, 1987. Under Virginia law, such a district may be formed only upon the joint petition of owners of at least 51 percent of the land area in each county which is within the boundaries of the proposed district and which has been zoned or is used for commercial or industrial purposes. Fund 70000, Route 28 Tax District, was formed to provide improvements to State Route 28 (Route 28) which connects State Route 7 in eastern Loudoun County to U.S. Route 50 and Interstate 66 in western Fairfax County, running approximately parallel to the County's western border. Route 28 provides access to Dulles International Airport, along with the Dulles Access Road, which connects the Capital Beltway to Dulles International Airport. This District was formed upon landowner petition to accelerate planned highway improvements proposed by the state which relied primarily on slower pay-as-you-go financing from the Northern Virginia region's share of the State Primary Road Fund allocation. Under the terms of the agreement with the state, the District will fund 75 percent of defined Phase I and Phase II improvements and the state will fund 25 percent.

The District, administered by a Commission appointed by the Board of Supervisors of both counties, may subject the owners of industrial and commercial property within the District to a maximum additional tax assessment of $0.20 per $100 of assessed value. The FY 2018 tax rate for this district is $0.18 per $100 of assessed value. These funds, in addition to funds received through the State Primary Road Fund allocation formula, are to be used for the road improvements and debt service on bonds issued by the state. Improvements completed for Phase I of the Route 28 project included widening the existing road from two to six lanes and upgrading three major intersections. Legislation authorizing the issuance of Commonwealth Transportation Board (CTB) revenue bonds up to $160.7 million plus issuance expenses to finance the Phase I improvements to Route 28 was enacted during the 1988 Virginia General Assembly and became effective July 1, 1988. This legislation stipulated that the additional tax assessment in the District and funds allocated to the highway construction district, in which Route 28 lies, would reimburse the state for its debt service payments on the bonds. The Commonwealth issued $138.5 million in revenue bonds for the District in September 1988.

Fairfax County and Loudoun County entered into a contract with the District and agreed to levy an additional tax assessment, as requested by the District, collect the tax, and pay all tax revenues to a fiscal agent for distribution. The contract specifies that the counties shall pay all revenues collected on behalf of the District to trustees jointly designated by the CTB and the counties, and the District in turn shall notify the County of the required payment and request a rate sufficient to collect that amount, up to a maximum of $0.20 per $100 of assessed value. The tax rate is currently set at $0.18 per $100 dollars of assessed value. In FY 2018, an amount of $11.4 million has been included for Fairfax County collections based on estimated tax collections and an allowance for potential property buy outs, late payments, and penalties.

In August 2002 Fairfax County, Loudoun County, the CTB and the Fairfax County Economic Development Authority (EDA) entered into contractual agreements to provide for construction of a portion of additional improvements on Route 28 (Phase II improvements). Specifically, six separated grade interchanges would be constructed to ease traffic congestion. Funding totaling $201.7 million was made available from a joint financing plan providing $75.4 million from CTB funds allocated from the state six-year primary and secondary road plan, approximately $36.3 million of remaining CTB Route 28 bond authorization, and approximately $90.0 million of bond funds issued by the EDA in 2003 and 2004 and supported by the two counties. Construction of the first six interchanges was completed in FY 2008.

Fund 70000
Route 28 Tax District

In October 2006, the CTB, the counties and EDA approved the financing plan for the construction of the final four interchanges at Willard Road, Frying Pan Park Road, CIT/Innovation Drive and Nokes Boulevard. The plan included acceptance of a $5.0 million grant and a $20.0 million loan from the State Transportation Partnership Opportunity Fund (TPOF); issuance of Route 28 District revenue bonds; and use of surplus District tax revenues to fund the $119.2 million project estimate. EDA Revenue bonds were planned to be issued in two series. A total of $41.505 million were issued on February 27, 2007 and $51.505 million were issued on July 9, 2008. On July 24, 2007, the CTB notified the District Commission that an additional $23.9 million was approved in the CTB's FY 2008-2013 Six-Year Improvement Plan as payment toward the state obligation under the District contract. This additional funding fully replaced the $20.0 million originally planned for the TPOF loan.

All bond issues are fully supported by District tax revenue. In order to maximize revenues available for new debt service, the CTB refunded its outstanding 1992 bonds in October 2002. At the same time, the CTB issued $36.3 million of new bonds for construction, representing the balance of bond authorization remaining from the 1988 acts of the General Assembly. The EDA issued Transportation Contract Revenue bonds in the amount of $33.375 million in October 2003, $57.4 million in August 2004, $41.505 million in February 2007 and $51.505 million in July 2008. In the event that District revenues are not sufficient to make debt service payments, the state bonds are backed by the appropriated state allocations to the Northern Virginia Transportation District. The EDA bonds are supported by a Revenue Stabilization Fund (RSF) that is equal to the maximum annual EDA debt service and is created from surplus revenue collections. As a further credit enhancement for the proposed EDA bonds, both Fairfax and Loudoun Counties pledged a joint moral obligation in the event that tax revenues and the RSF are not sufficient to support EDA debt service. On March 18, 2009, the Route 28 District Advisory Board recommended a two cent decrease in the tax rate from $0.20 to $0.18 per $100 of assessed value, due to the strong financial status of the fund. This decrease was subsequently adopted by the Board of Supervisors on April 27, 2009.

In March 2011, the Route 28 District Advisory Board recommended to approve $6.0 million in Project Completion Funds for final design plans for four priority sections of Route 28 widening from six to eight lanes (Hot Spot Improvements). These design areas included the following: Priority 1 – Route 28 southbound between Sterling Boulevard and the Dulles Toll Road; Priority 2 – the Route 28 southbound bridge over the Dulles Toll Road; Priority 3 – Route 28 northbound between McLearen Road and the Dulles Toll Road; and Priority 4 – Route 28 southbound between the Dulles Toll Road and Route 50.

Favorable market conditions in the spring of 2012 allowed for a refunding opportunity of outstanding District debt obligations. The District Commission approved a resolution to proceed with refunding the Series 2003 and Series 2004 EDA revenue bonds at their March 2012 annual meeting. Concurrent with the EDA refunding, the CTB agreed to a refunding of the Transportation Contract Revenue Refunding Bonds Series 2002 from its original Capital Appreciation Bonds (CABs) to Current Interest Bonds (CIBs). On May 9, 2012, two separate competitive bond sales occurred that resulted in combined savings of $22.48 million.

In October 2012, the Commission considered the next steps for completion of Hot Spot Improvements. Staff recommended the Commission delay additional debt until the District's debt service coverage was stronger, and to apply for a series of TPOF grants or loans to construct the improvements. County staff recommended the use of a portion of the Route 28 District Project Completion Fund (PCF) to construct the Route 28 southbound bridge over the Dulles Toll Road, which been designed. The estimated cost of this project is $4.3 million.

Additionally, the Commission discussed the importance of constructing the northbound bridge over the Dulles Toll Road. This project was not originally included in the four spot widening projects that had recently been designed. However, discussions between the Route 28 Corridor Improvements contractor and the Metropolitan Washington Airports Authority (MWAA) highlighted the importance of construction of the bridges over the Dulles Toll Road in a timely manner. MWAA would begin construction of Phase 2 of the Dulles Corridor Metrorail Project in late-2014, which involves construction of facilities in the vicinity of the Route 28/Dulles Toll Road Intersection. MWAA noted that completion of any construction activities in this location is recommended prior to the mobilization of its contractor, to avoid any conflicts between the two contractors and allow their respective activities to be properly scheduled and coordinated. MWAA cautioned that construction of these bridge projects would be severely restricted during the Silver Line construction and its completion. Route 28 contractors estimated that substantial additional costs to the District would be incurred as a result of the delay and the restrictions.

Due to the timing of both projects, the Commission considered the need to move forward with the design for the northbound bridge. The Commission members then voted to recommend approval to fund the construction of the southbound bridge and design of the northbound bridge from the Route 28 PCF, in an amount no more than $5.0 million. The Commission also voted to authorize Fairfax and Loudoun County staffs to apply immediately for TPOF grant funding in the amount of $5.0 million (the maximum allowed under TPOF guidelines) for the northbound bridge in FY 2013 and to apply for further funding in FY 2014 to continue the remaining Hot Spot Improvements. The TPOF application was submitted in November 2012 and was awarded in February 2013.

As a result of the state transportation funding plan approved during the 2013 Session by the General Assembly (HB 2313), additional revenues became available to Northern Virginia jurisdictions pending annual review and approval from the Northern Virginia Transportation Authority (NVTA) for regional transportation projects and transit needs. In July 2013, NVTA approved the FY 2014 total project list of $209.793 million that consisted of funding via Pay-As-You-Go ($116.058 million) and bond financing ($93.735 million). The balance of the District's Hot Spot Improvements (excluding the bridge widening over the Dulles Toll Road) were included to receive NVTA funds for construction as follows: $6.4 million for Southbound between Sterling Boulevard and the Dulles Toll Road (NVTA bond financing); $20 million for southbound between the Dulles Toll Toad to Route 50 (NVTA Paygo); $11.1 million for northbound between McLearen Road and the Dulles Toll Road (NVTA Paygo). In January 2014, NVTA approved an additional $6 million as part of FY 2014 Paygo funds to allocate for the balance of funds needed to complete the Hot Spot Improvements for southbound between Sterling Boulevard and the Dulles Toll Road.

To facilitate the implementation of the hot spot widening projects, NVTA and jurisdictional staff developed an agreement to govern the terms and conditions associated with the funding NVTA has agreed to provide to these regional projects and to ensure that the requirements of HB 2313 are met. The Standard Project Agreement (SPA) was approved by NVTA on March 13, 2014 to execute each project approval. Following the approval of the SPA, the Authority worked with the Virginia Department of Transportation (VDOT) on an agreement that could be used for projects that will be implemented directly by VDOT, which applies in this case to the Hot Spot Improvement projects for Route 28. Use of this agreement requires that VDOT will ultimately maintain the asset that is being constructed and/or it will be located in the VDOT right-of-way. NVTA approved the NVTA/VDOT SPA on October 6, 2014. The CTB authorized the Virginia Commissioner of Highways to execute these SPAs on November 12, 2014. On December 11, 2014, NVTA approved the project agreements for all Hot Spot Improvement projects for

Route 28. A notice to proceed was issued in January 2015 and construction is anticipated to be compete in summer 2017.

At the March 2016 annual meeting, the Route 28 Commission approved the use of $4.26 million in project completion funds to cover the cost of design for the widening portion of northbound from the Dulles Toll Road to Sterling Boulevard, and northbound from Route 50 to McLearen Road.

In August 2016, a refunding bond sale for the Series 2016A and 2016B was conducted in the amount of $88.8 million. This provided net present value debt service savings of approximately $12.94 million over the life of the bonds. This bond sale refunded outstanding debt on the originally issued Series 2007 and 2008 District Bonds. The following table displays the current financing structure following the Series 2016A and Series 2016B refunding bond sale:

Bond Year	CTB Debt 2002 & 2012 Ref (State Issued)	EDA Debt Service – Unrefunded Series 2008, Series 2012, and Series 2016	Total
2018	$7,212,269	$10,095,632	$17,307,901
2019	8,639,519	9,685,482	18,325,001
2020	8,639,519	9,683,382	18,322,901
2021	8,644,519	9,679,082	18,323,601
2022	8,644,519	9,682,932	18,327,451
2023	8,644,519	9,679,332	18,323,851
2024	8,644,519	9,673,957	18,318,476
2025	8,644,519	9,679,907	18,324,426
2026	8,644,519	9,675,457	18,319,976
2027	8,644,519	9,675,907	18,320,426
2028	3,484,519	9,675,807	13,160,326
2029	3,481,169	9,680,057	13,161,226
2030	3,485,269	9,679,644	13,164,913
2031	3,480,269	9,680,044	13,160,313
2032	3,480,469	9,680,244	13,160,713
2033	-	18,225,369	18,225,369
2034	-	18,805,244	18,805,244
2035	-	18,798,825	18,798,825
2036	-	18,878,750	18,878,750
2037	-	18,879,900	18,879,900
TOTAL	**$102,414,635**	**$239,194,950**	**$341,609,585**

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Fiscal Agent Payments** **$38,483**

  An increase of $38,483 or 0.34 percent over the FY 2017 Adopted Budget Plan amount of $11,402,824 for estimated payments to the fiscal agent is primarily due to assessed value adjustments anticipated for FY 2018.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$126,211**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an appropriation of $126,211 remaining in the fund balance. All taxes collected, as well as tax district buy-out funds, are remitted to the fiscal agent on a monthly basis as collected.

Fund 70000
Route 28 Tax District

FUND STATEMENT

Fund 70000, Route 28 Tax District

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$1,636	$0	$126,211	$0	$0
Revenue:					
Real Estate Taxes-Current[1]	$10,309,719	$10,402,824	$10,402,824	$10,441,307	$10,441,307
Revenue from Buy Outs	0	1,000,000	1,000,000	1,000,000	1,000,000
Interest on Investments	1,695	0	0	0	0
Total Revenue	$10,311,414	$11,402,824	$11,402,824	$11,441,307	$11,441,307
Total Available	$10,313,050	$11,402,824	$11,529,035	$11,441,307	$11,441,307
Expenditures:					
Payments to the Fiscal Agent	$10,186,839	$11,402,824	$11,529,035	$11,441,307	$11,441,307
Total Expenditures	$10,186,839	$11,402,824	$11,529,035	$11,441,307	$11,441,307
Total Disbursements	$10,186,839	$11,402,824	$11,529,035	$11,441,307	$11,441,307
Ending Balance[2]	$126,211	$0	$0	$0	$0
Tax rate per $100 Assessed Value	$0.18	$0.18	$0.18	$0.18	$0.18

[1] Estimate based on January 1, 2017 assessed values and adopted tax rate ot $0.18 per $100 of assessed value. All monies collected are required to be remitted to the Fiscal Agent monthly as collected.

[2] As all monies collected are required to be remitted to the Fiscal Agent monthly as collected, the ending balance should be zero unless as of the closing period there were pending remittances to the Fiscal Agent.

Fund 70040
Mosaic District Community Development Authority

Focus

The purpose of Fund 70040, Mosaic District Community Development Authority (CDA), is to provide the necessary accounting structure for revenue collections and anticipated bond proceeds from the sale of Mosaic District CDA bonds for this project. The District was created in order to provide a vehicle for financing certain public improvements that are needed to develop the District in accordance with existing zoning. The County agreed to create the District to promote economic development and development of an especially desirable nature (i.e., mixed-use urban) in particular. The public improvements to be financed through the District include all or a portion of the following infrastructure, facilities, and services: sanitary sewers mains and lines; water mains and lines, pump stations, and water storage facilities; storm sewer mains and lines; landscaping and related site improvements; parking facilities; sidewalks and walkway paths; stormwater management and retention systems; lighting; street and directional signage; wetlands mitigation; roads, curbs, and gutters; public park and plaza facilities; open space areas; public school improvements; and any and all facilities and services related to the above including the acquisition of land.

On October 15, 2007, the Board of Supervisors approved a rezoning of properties subsequently included in the District in RZ 2005-PR-041, a request by the private developer to rezone 31.31 acres of land to the Planned Development Commercial (PDC) and Planned Residential Mix (PRM) Districts in order to develop the portion of Merrifield designated as the town center in the Comprehensive Plan. The site is located south of Lee Highway/Rt. 29, west of Yates Way, east of Eskridge Road and north of the Luther Jackson Middle School. The project was approved for approximately 1,000 dwelling units, a multi-plex theatre, 125,000 square feet of office space, 500,000 square feet of other non-residential uses and a 150 room hotel. Among the public improvements are two parks, the realignment and widening of Eskridge Road, the widening of Lee Highway, improvements to the Lee Highway/Gallows Road intersection and construction of a grid of streets. Virtually all parking will be provided in structures. Two Proffered Conditions Amendments have subsequently been approved which modified certain uses and layout of the site.

On July 21, 2008, the Board of Supervisors adopted 16 Principles for Public Investment in Support of Commercial Redevelopment ("Principles") in order to provide policy guidance related to requests for public investment in designated redevelopment, revitalization and other strategic areas of the County and endorsed a process whereby such requests would be evaluated.

The County has various funding methods available that can be used to assist commercial investment. One mechanism by which public investment may be requested is through the establishment of a CDA, which can be established to provide a broad range of public infrastructure and services. A CDA is established by petition to the Board from a majority (51 percent) of land owners within a proposed area, and is governed by appointees of the Board of Supervisors. The 51 percent can be based on either land area or assessed value. A CDA is a flexible tool that can be funded by ad valorem special taxes or special assessments, as negotiated with petitioners. It typically covers a relatively small area, such as a single shopping mall, a downtown redevelopment area, a mixed use development, and usually involves a single or small group of owners. No General Fund or debt impact is intended, unless the CDA is coupled with tax increment financing.

Fund 70040
Mosaic District Community Development Authority

Pursuant to Article 6 of Title 15.2 of the Code of Virginia, prior to accepting any petitions for the creation of a CDA, the Board must act to assume the power to consider such request. The Board held a public hearing on September 8, 2008, after which the Board adopted an ordinance by which the County assumed the power to consider petitions for the establishment of CDAs.

The Board of Supervisors adopted an Ordinance that established the Mosaic District CDA on April 27, 2009, on the land that is encompassed by RZ 2005-PR-041. The Ordinance establishing the Mosaic District CDA was amended on April 27, 2010, and again on April 26, 2011. The last amendment included the imposition of a special assessment to be levied on the properties within the District. On April 26, 2011, the Board also approved the bond resolution and amendments to the Board's by-laws, and endorsed the special assessment report that provided the basis for the allocation of the special assessment among the various parcels within the District.

County staff and the County's financial and bond consultants negotiated terms and conditions for the Memorandum of Understanding (MOU) among the County, the CDA and the developer. In summary, the MOU proposed the following:

- Fund a $30.0 million dollar portion of the public facilities to be constructed on the site through a 30 year bond to be issued by the District whose debt service will be paid by a self-assessment

- Fund a $42.0 million dollar portion of the public facilities to be constructed on the site (road improvements, parks, and a small portion of the parking garage) through a 25 year bond (includes capitalized interest) also issued through the District whose debt service will be paid through incremental real estate tax revenues. Liability for the debt service will be secured by the District, not the County.

In June, 2011, the CDA issued $46,980,000 of revenue bonds, Series 2011A, and an additional $18,670,000, Taxable Series 2011A-T, in July 2011. Proceeds from the CDA Bonds are to be used to finance certain public infrastructure improvements within the Mosaic District to support mixed-use development within the District. The CDA bonds are payable primarily from certain incremental real estate tax revenues collected by the County in the District and certain special assessments imposed and collected by the County within the District. The payment of incremental real estate tax revenues and special assessments, as applicable, by the County to the CDA for debt service payments on the CDA Bonds are subject to appropriation by the County. For FY 2018, projected tax increment financing (TIF) revenues are $5,867,626 million based on January 1, 2017 assessed values and the current tax rate of $1.13 per $100 of assessed value. Per the bond documents, the County is to transfer to the Community Development Authority (CDA) only those tax increment revenues required for debt service payments, which equates to $5,218,739 in FY 2018. The difference of $648,887 will be retained in the general fund as noted in the Adjustments to the FY 2018 Advertised Budget Plan (Add on Package) to the Board of Supervisors on April 6, 2017.

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Fiscal Agent Payments** **($312,805)**

  The January 2017 assessments are projected to generate $5,867,626 million in TIF revenues per the Department of Tax Administration assessed value of parcels within the district at the FY 2018 Adopted Budget Plan real estate tax rate of $1.13 per $100 of Assessed Value. Per the bond documents, the County is to transfer to the Community Development Authority (CDA) only those tax increment revenues required for debt service payments, which equates to $5,218,739 in FY 2018. This is a decrease of $312,805 or 5.65 percent under the FY 2017 Adopted Budget Plan amount of $5,531,544 for estimated payments to the fiscal agent.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- There have been no adjustments to this agency since approval of the FY 2017 Adopted Budget Plan.

Fund 70040
Mosaic District Community Development Authority

FUND STATEMENT

Fund 70040, Mosaic District Community Development Authority

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$0	$0	$0	$0	$0
Revenue:					
TIF Revenue - Series A[1]	$4,529,965	$5,531,544	$5,531,544	$5,867,626	$5,218,739
Total Revenue	$4,529,965	$5,531,544	$5,531,544	$5,867,626	$5,218,739
Total Available	$4,529,965	$5,531,544	$5,531,544	$5,867,626	$5,218,739
Expenditures:					
TIF Revenue - Series A to Trustee	$4,529,965	$5,531,544	$5,531,544	$5,867,626	$5,218,739
Total Expenditures	$4,529,965	$5,531,544	$5,531,544	$5,867,626	$5,218,739
Total Disbursements	$4,529,965	$5,531,544	$5,531,544	$5,867,626	$5,218,739
Ending Balance	$0	$0	$0	$0	$0

[1] The January 2017 assessments are projected to generate $5.87 million in TIF revenues per the Department of Tax Administration assessed value of parcels within the district at the FY 2018 Adopted Budget Plan real estate tax rate of $1.13 per $100 of Assessed Value. Per the bond documents, the County is to transfer to the Community Development Authority (CDA) only those tax increment revenues required for debt service payments, which equates to $5,218,739 in FY 2018. The difference of $648,887 will be retained in the general fund as noted in the Adjustments to the FY 2018 Advertised Budget Plan (Add on Package) to the Board of Supervisors on April 6, 2017. The CDA while related to the County, is a legally separate Authority and is not considered a component unit of the County.

Employee Retirement Systems Overview

Fairfax County employee retirement systems include the Fairfax County Employees' Retirement System (Fund 73000), the Uniformed Retirement System (Fund 73010), and the Police Officers Retirement System (Fund 73020). Each of these systems is funded from employees' contributions based on a fixed percentage of pay, County contributions based on a variable percentage of employee pay as determined by actuarial analysis, and return on investments. County contributions are paid from multiple sources, including the General Fund, General Fund-Supported and Other Funds, and Fairfax County Public Schools.

In order to assure the continued soundness of each fund, an actuarial valuation is conducted annually and, if appropriate, an adjustment is made to the employer contribution rate. In addition, an experience study – which compares actual experience to actuarial assumptions, both economic and demographic – is conducted once every five years to ensure that the plan is being valued appropriately. Experience studies of each system were conducted in FY 2016. The assumption changes adopted by the Boards of Trustees as a result of those studies were incorporated in the actuarial valuations for FY 2016 and their impacts are included in the employer contribution rates beginning in FY 2018. The next experience study will take place in FY 2021 and any impact to the employer contribution rates as a result of assumption changes will be included in FY 2023.

Funding Policy

At the end of FY 2001, the funding ratios for the County's three retirement systems ranged from 97 percent to 102 percent. In FY 2002, the Board of Supervisors adopted a corridor approach to employer contributions, which was designed by the County's actuaries to set annual contributions at the level necessary to maintain strong funding ratios in each of the plans while reducing the volatility in the employer contribution rates that is typical for plans that are near fully-funded. 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 the pre-selected corridor of 90-120 percent or if benefit enhancements are approved. If the funding ratio falls below 90 percent, the unfunded actuarial accrued liability below 90 percent is amortized over a conservative 15-year period, and this amount is included in the annual employer contribution for each fund.

The corridor approach cushioned the County from dramatic rate adjustments for several years. However, the global financial crisis during FY 2009 resulted in significant losses in the value of the invested assets of all three retirement systems. Because only 90 percent of the unfunded liability is amortized and included in the employer contribution under the corridor approach, the funding ratios have improved, but at a slower pace than desired. As a result, the County has taken multiple steps to improve the financial position of the retirement systems. These steps include increasing contribution levels and limiting increases in liabilities:

- In FY 2010, the requirements regarding the award of ad-hoc Cost-of-Living Adjustments (COLAs) were tightened. Retirees are eligible to receive an annual base COLA which is the lesser of the Consumer Price Index (CPI) for the 12 months ending on the previous year's March 31, or 4.0 percent. If certain conditions are met, an additional 1.0 percent ad-hoc COLA can be awarded at the discretion of each retirement system's Board of Trustees. This additional ad-hoc COLA is considered a benefit enhancement and results in an increase in the employer contribution rate. Staff reviewed the ad-hoc COLA policy at the Board of Supervisors' direction in FY 2010, and it was determined that the financial conditions that must be met in order for a Board of Trustees to consider granting an ad-hoc COLA should be strengthened, especially since the granting of such a COLA impacts the employer contribution rates and, thus, requires County funding. As a result, the Fairfax County Code was changed to require that the retirement system must have an actuarial surplus, demonstrated by having a funding ratio exceeding 100 percent, before an ad-hoc COLA can be considered.

- In FY 2011, the employer contribution rates were increased by adjusting the amortization level of the unfunded liability from 90 percent to 91 percent.

- In FY 2012, the Department of Human Resources, as directed by the Board of Supervisors, contracted with a benefits consultant to conduct a comprehensive review of the retirement plans. The consultant's report was presented in February and March 2012. Based on the results of this study, the Board of Supervisors adopted several modifications to the retirement systems, which apply only to new employees who are hired on or after January 1, 2013. These changes include increasing the minimum retirement age for normal service retirement from 50 to 55 in the Employees' system; increasing the rule of 80 (age plus years of service) to the rule of 85 in the Employees' system; placing a cap on the use of sick leave for purposes of determining retirement eligibility and benefits at 2,080 hours for all three retirement systems; and, for the Deferred Retirement Option Plan (DROP), removing the pre-Social Security supplement from balances accumulated during the DROP period in the Employees' and Uniformed systems. No changes were made to benefits for current employees. The savings resulting from these changes have been incorporated in the employer contribution rates. Although initial savings are minimal, savings are expected to grow as more employees are hired under these new plan provisions.

- In FY 2015, the employer contribution rates were increased by adjusting the amortization level of the unfunded liability from 91 percent to 93 percent.

- In FY 2016, the employer contribution rates were increased by adjusting the amortization level of the unfunded liability from 93 percent to 95 percent.

- In FY 2017, the employer contribution rates were increased by adjusting the amortization level of the unfunded liability from 95 percent to 97 percent.

Despite the changes made both to the retirement systems and the employer funding levels, mixed investment returns in recent years have resulted in the funding ratios for each of the retirement systems decreasing slightly, and currently range from 70 percent to 82 percent. The County is committed to further strengthening the financial position of the systems, and has established a goal to reach a 90 percent funded status for all plans by FY 2025. In order to meet this goal, the Board of Supervisors approved, as part of the adoption of the FY 2016 Adopted Budget Plan, the following multi-year strategy:

- Increases in the employer contribution rates will continue so that the County will include amortization of 100 percent of the unfunded liability in the actuarially determined contributions for all systems by FY 2020 at the latest. The County will continue to use a conservative 15-year amortization period.

- Until each system reaches 100 percent funded status, employer contributions to that system will not be reduced. Various factors, such as the historical trend of the County's investment returns exceeding the assumed rate of return, could allow employer contribution rates to be reduced from current levels. However, the County is committed to maintaining the rates and redirecting any potential savings into further improvement in the systems' funded positions.

- Any additional unfunded liability created as a result of approved benefit enhancements, such as ad-hoc COLAs, will be fully funded. It is the intent that no adjustments to benefit levels will reduce the funded status of any of the systems.

In keeping with this strategy, the employer contribution rates in the FY 2018 Adopted Budget Plan include increases to adjust the amortization level of the unfunded liability from 97 percent to 98 percent. Additional increased funding required as a result of this multi-year approach will be included in the County's financial forecasts.

Funding Status

All three systems failed to reach the 7.5 percent assumed rate of investment return in FY 2016. The Employees' system was down 0.4 percent, the Uniformed system was down 0.8 percent, and the Police Officers system returned 1.0 percent. In addition, an actuarial experience study was conducted in FY 2016 to review the actuarial assumptions compared to actual experience over the preceding five years. As a result of the study, a number of assumptions were revised, including a reduction to the assumed long-term rate of return of the systems from 7.5 percent to 7.25 percent, a corresponding reduction to the projected rate of inflation, and adjustments to the mortality table. The FY 2016 investment results, contribution levels, and liability experience, as well as the assumption changes resulting from the five-year experience study, affected the funding ratios as demonstrated in the table below. The table below displays the market value of each system's assets as a percentage of the total plan liability as published in the County's Comprehensive Annual Financial Report (CAFR) and as required under new GASB requirements. It should be noted that since these calculations utilize asset figures as of a point in time (not smoothed as under previous methodologies), the funding ratios calculated are subject to volatility based on market returns.

	June 30, 2015	June 30, 2016*
Employees'	74.2%	70.2%
Uniformed	81.0%	77.2%
Police Officers	84.8%	81.4%

* The June 30, 2016 funding ratios will be included in the FY 2017 County CAFR

Employer Contribution Rates

As a result of the County's policy to increase the employer contribution rates to include amortization of 100 percent of the unfunded liability in the actuarially determined contributions for each of the systems by FY 2020, the employer contribution rates for all three systems include the impact of a change to the amortization schedule to increase the amortization of the unfunded actuarial accrued liability from 97 percent to 98 percent. This change results in an increase in the employer contribution rate for the Employee's system. However, savings resulting from FY 2016 experience and assumption changes fully offset the required increase from this change in the Uniformed and Police Officers systems, resulting in no net increase in the employer contribution rates for those systems.

In addition, this is the second year of a Board-directed 3-year plan to enhance benefits for service-connected disability retirees by eliminating the Social Security offset in the Employees' and Uniformed systems. A reduction to the offset from 10 percent to 5 percent in FY 2018 will not impact the FY 2018 employer contribution rates, though a nominal increase in the rates may be required for the final step in the elimination of the offset. However, following Board of Supervisors policy to fully fund any increase in liability that results from a benefit enhancement in the year that the enhancement is approved, an increase of $1.4 million was included as part of the *FY 2017 Third Quarter Review* to fund the increased liability resulting from this decrease in the Social Security offset for service-connected disability retirees.

The final FY 2018 employer contribution rates for each of the three retirement systems, as well as the cost impact to the General Fund as a result of adjustments, are as follows:

	FY 2017 Rates (%)	FY 2018 Rates (%)	Percentage Point Change (%)	Net General Fund Impact
Employees'	22.91	25.29	2.38	$8,567,325
Uniformed	38.84	38.84	0.00	$0
Police Officers	38.98	38.98	0.00	$0
Total				**$8,567,325***

* The General Fund impact reflected in the table is based solely on rate changes and does not include other adjustments, including the impact of new positions, employee pay increases, or year-to-date experience.

- The employer contribution rate for the Employees' system is required to increase by 2.38 percentage points due to an increase in the amortization schedule from 97 percent to 98 percent (0.66) and due to valuation results based on FY 2016 experience and the five-year experience study (1.72).

- There is no change in the employer contribution rate for the Uniformed system. The required increase in the contribution rate based on an increase in the amortization schedule from 97 percent to 98 percent (1.04) is more than offset by a decrease due to valuation results based on FY 2016 experience and the five-year experience study (-1.19). However, the employer contribution rate is maintained at the FY 2017 level as a result of the County's commitment to not reduce the contribution rate until the system reaches 100 percent funded status.

- There is no change in the employer contribution rate for the Police Officers system. The required increase in the contribution rate based on an increase in the amortization schedule from 97 percent to 98 percent (1.29) is more than offset by a decrease due to valuation results based on FY 2016 experience and the five-year experience study (-2.31). However, the employer contribution rate is maintained at the FY 2017 level as a result of the County's commitment to not reduce the contribution rate until the system reaches 100 percent funded status.

For more information on the General Fund impact of these employer contribution rate changes, please refer to the Agency 89, Employee Benefits, narrative in the Nondepartmental program area section of Volume 1.

Employee Retirement Systems Overview

The following table displays relevant information about each retirement system:

EMPLOYEES COVERED

Uniformed Retirement	Employees' Retirement	Police Officers Retirement
Fire and Rescue Personnel; Uniformed Sheriff's Office employees; Animal Control Officers; Helicopter Pilots; Non-administrative staff in the Department of Public Safety Communications.	County employees not covered under Uniformed or Police Officers system; certain FCPS employees including food service, custodial, bus drivers, part-time and substitute teachers, maintenance staff.	Fairfax County Police Officers.

CONDITIONS OF COVERAGE

Uniformed Retirement	Employees' Retirement	Police Officers Retirement
At age 55 with 6 years of service or after 25 years of service.	At age 65 with 5 years of service or earlier when age and years of service combined equal 80 if hired before 1/1/13; or 85 if hired on or after 1/1/13. Not before age 50 if hired before 1/1/13; or age 55 if hired on or after 1/1/13. For reduced "early retirement" benefits, when age and years of service combined equal 75.	At age 55 or after 20 years of police service if hired before 7/1/81; or 25 years of service if hired on or after 7/1/81.

EMPLOYEE CONTRIBUTIONS[1]
(% of Pay)

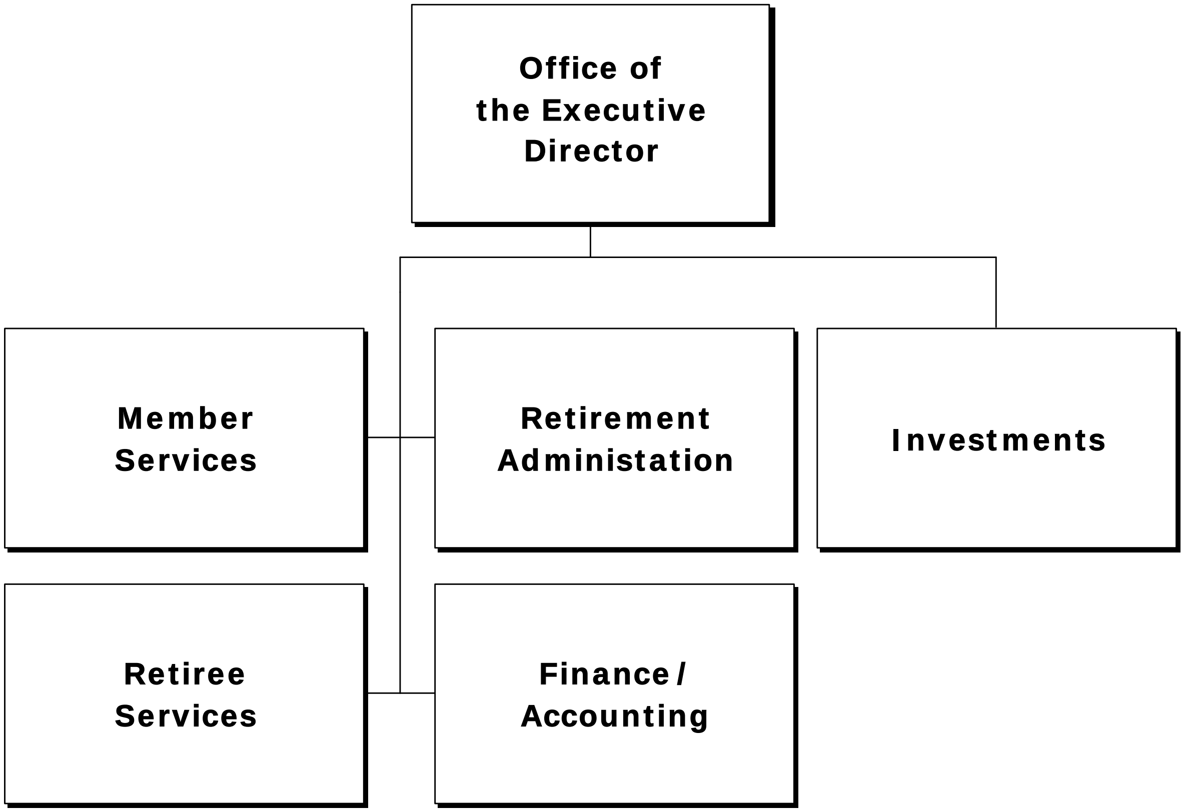
	Uniformed Retirement					Employees' Retirement				Police Officers Retirement	
	Plan A	Plan B	Plan C	Plan D	Plan E	Plan A	Plan B	Plan C	Plan D	Plan A	Plan B
Up to Wage Base	4.00%	7.08%	4.00%	7.08%	7.08%	4.00%	5.33%	4.00%	5.33%	8.65%	8.65%
Above Wage Base	5.75%	8.83%				5.33%		5.33%			

FY 2018 EMPLOYER CONTRIBUTIONS
(% of Pay)

Uniformed Retirement	Employees' Retirement	Police Officers Retirement
38.84%	25.29%	38.98%

[1] As of January 1, 2013, new hires in the Uniformed Retirement System are automatically enrolled in Plan E, new hires in the Fairfax County Employees' Retirement System are automatically enrolled in Plan C with the option to switch to Plan D within their first thirty days of employment, and new hires in the Police Officers Retirement System are automatically enrolled in Plan B. Additional plans listed above are earlier plan designs that apply to employees hired prior to January 1, 2013. For additional information regarding the County's retirement plans, please refer to the Retirement Administration Agency website at http://www.fairfaxcounty.gov/retirement/.

INVESTMENT MANAGERS AS OF JUNE 30, 2016		
Uniformed Retirement	**Employees' Retirement**	**Police Officers Retirement**
Acadian Asset Management	Aberdeen Asset Management	Acadian Asset Management
Anchorage Capital Group	AQR Capital Management	AQR Capital Management
AQR Capital Management	Axiom International Small Cap	BlackRock, Inc.
Ashmore Investment Management	BlackRock, Inc.	Bluecrest Capital
Brandywine Global Investment Management	Brandywine Global Investment Management	Bridgewater Associates
Bridgewater Associates	Bridgewater Associates	The Clifton Group
Cohen & Steers Capital Management	Cohen & Steers Capital Management	Cohen & Steers Capital Management
Criterion Capital Management	Columbia Wanger Asset Management	Czech Asset Management
Czech Asset Management	Czech Asset Management	DoubleLine Capital
Davidson Kempner Institutional Partners, LP	DePrince, Race & Zollo	Emerging Sovereign Group
DoubleLine Capital	DoubleLine Capital	First Eagle Investment Management
Garcia Hamilton	Eagle Trading Systems	King Street Capital
Gresham Investment Management	Emerging Sovereign Group	Loomis Sayles & Company
Harbourvest Partners	First Eagle Investment Management	Oaktree Capital Management
JP Morgan Investment Management	Hoisington Management	Pacific Investment Management Company
King Street Capital Management	JP Morgan Investment Management	Sands Capital Management
Marathon Asset Management	Lazard Asset Management	Standish Mellon Asset Management
Manulife Asset Management	LSV Asset Management	Starboard Value, LP
Orbimed Healthcare Fund Management	MacKay Shields	Systematica Investment Services
Pacific Investment Management Co.	Marathon Asset Management, LLP	Vanguard Group
Pantheon Ventures	Millennium Management, LLC	WCM Asset Management
Parametric	Nicholas Company	
Siguler Guff & Company, LP	Neuberger Berman Group, LLC	
Standish Mellon Asset Management	Pacific Investment Management Company	
Systematica Investments Limited	Parametric Portfolio Advisors	
Starboard Value, LP	Post Advisory Group	
UBS Realty	Pzena Investment Management	
Wellington Management, LLP	Quantitative Management Associates	
	QMS Capital Management Inc.	
	Research Affiliates	
	Sands Capital Management	
	Standish Mellon Asset Management	
	Stark Investments	
	WCM Asset Management	



Mission

As an agent of the Boards of Trustees of the Employees', Uniformed, and Police Officers Retirement Systems, the mission of the Retirement Administration Agency is to administer the systems according to the terms established by the County of Fairfax and to do so in a manner that:

- Safeguards and invests the assets of the systems;
- Maximizes cost effectiveness of the retirement programs by optimizing long-term investment returns within an acceptable level of variation in required funding and by maintaining efficient administrative operations;
- Maximizes the value of retirement plans in retaining County personnel through communications, education, and counseling programs and by providing quality service;
- Fulfills the obligations of the systems to retirees by providing timely and accurate payments and by providing quality service; and
- Provides technical support and advice to County management and the Board of Supervisors regarding retirement benefits.

Focus

The Retirement Administration Agency contributes to the County's corporate stewardship through sound management of County resources and assets. To accomplish its specific mission, the Retirement Administration Agency will focus on:

- Support for the Boards of Trustees;
- Services to active employees and retirees;
- Accurate accounting and control of plan assets;
- Accuracy of data;
- Cost efficiency of processes; and
- Investment return and risk control.

Under the direction of the Boards of Trustees for the Fairfax County Employees', Police Officers, and Uniformed Retirement Systems, the Retirement Administration Agency processes benefit payments to eligible Fairfax County retirees and beneficiaries. The agency also processes payments for the retiree health benefit subsidy and provides counseling and comprehensive information pertaining to benefits to active and retired County employees.

The Retirement Administration Agency supports the following County Vision Element:

Exercising Corporate Stewardship

The agency receives revenues from various sources, including employee and employer contributions to the various retirement systems, employee payback, and return on investments, to finance the three employee retirement systems. Employee contributions are based on a fixed percentage of pay. For the Employees' Retirement System, employer contributions come from Agency 89, Employee Benefits, for County employees in General Fund agencies, the employee's agency for County employees in non-General Fund agencies, and Fairfax County Public Schools (FCPS) for school employees. For the Uniformed Retirement System, employer contributions come from two sources: Agency 89, Employee Benefits, for uniformed public safety employees in General Fund agencies and Fund 40090, E-911, for the non-administrative staff in the Department of Public Safety Communications. Employer contributions for the Police Officers Retirement System come solely from Agency 89, Employee Benefits, in the County's General Fund.

Some revenues are also generated through employee payback, a process by which employees who have left the County can make a "payback" contribution and return to their previous standing in the retirement system upon their return to County employment. Additionally, significant revenues are achieved through returns on fund investments. Revenue projections are based on an assumed actuarial rate of return of 7.25 percent.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$3,245,770	$3,692,131	$3,692,131	$3,813,072	$3,813,072
Operating Expenses	458,141,717	504,263,516	504,219,516	536,602,754	536,602,754
Capital Equipment	0	0	44,000	0	0
Total Expenditures	$461,387,487	$507,955,647	$507,955,647	$540,415,826	$540,415,826
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	25 / 25	25 / 25	26 / 26	25 / 25	26 / 26

OFFICE OF THE DIRECTOR
1 Executive Director
1 Administrative Assistant IV

RETIREMENT ADMINISTRATION
1 Communications Specialist II
1 Programmer Analyst III
1 Programmer Analyst II
1 Administrative Assistant V
2 Administrative Assistants II

Retiree Services
1 Financial Specialist IV
1 Management Analyst II
4 Administrative Assistants V

Membership Services
1 Management Analyst III
1 Financial Specialist II
4 Retirement Counselors

FINANCE/ACCOUNTING
1 Accountant I

INVESTMENTS
3 Senior Investment Officers
1 Investment Operations Manager
1 Investment Analyst

TOTAL POSITIONS[1]
26 Positions / 26.0 FTE

[1] It should be noted that 1/1.0 FTE Accountant III position resides in the Retirement Administration Agency, but is accounted for and financed by Fund 73030, OPEB Trust Fund. The 26/26.0 FTE positions shown above are financed jointly by the three retirement trust funds (Fund 73000, Fund 73010, and Fund 73020).

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Employee Compensation** **$61,852**

An increase of $61,852 in Personnel Services includes $53,167 for performance-based and longevity increases for non-uniformed merit employees effective July 2017, as well as $8,685 for employee pay increases for specific job classes identified in the County's Benchmark class survey of comparator jurisdictions.

♦ **Personnel Services** **$29,261**

A net increase of $29,261 in Personnel Services reflects adjustments necessary to align the Personnel Services budget with actual expenditure levels.

♦ **Fringe Benefits** **$28,526**

A net increase of $28,526 in Personnel Services is primarily attributable to increases in employer retirement contribution rates and health insurance expenses, based on actual enrollment and premium increases.

- **Other Post-Employment Benefits** **$1,302**
  An increase of $1,302 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

- **Benefit Payments** **$32,844,627**
  An increase of $32,844,627 in Operating Expenses reflects increased payments of $31,301,269 to retirees due to a higher number of retirees and higher individual payment levels, and an increase in payments to beneficiaries of $1,543,358. It should be noted that, since benefits are pre-funded during an employee's active career, the employer contribution rates as calculated through the actuarial valuation process already reflect the increased level of benefit payments.

- **Investment Management Fees** **($305,152)**
  A decrease of $305,152 in Operating Expenses reflects an adjustment to investment management fees based on actual experience.

- **Other Operating Expenses** **($200,237)**
  A net decrease of $200,237 in all other Operating Expenses reflects the net impact of several adjustments based on actual experience.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Position Adjustment** **$0**
  During FY 2017, the County Executive approved the redirection of 1/1.0 FTE Retirement Counselor position due to workload requirements associated with communications, education, and counseling of County retirement systems for staff.

Key Performance Measures

Indicator	Prior Year Actuals: FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Retirement Administration Agency					
Percent of retiree payments processed on time: Fairfax County Employees	100%	100%	100%/100%	100%	100%
Percent of retiree payments processed on time: Uniformed	100%	100%	100%/100%	100%	100%
Percent of retiree payments processed on time: Police Officers	100%	100%	100%/100%	100%	100%
Deviation from actuarial rate of return (total plan): Fairfax County Employees	7.4%	(7.1%)	0.0%/(7.9%)	0.0%	0.0%
Deviation from actuarial rate of return (total plan): Uniformed	8.6%	(6.0%)	0.0%/(8.4%)	0.0%	0.0%
Deviation from actuarial rate of return (total plan): Police Officers	8.7%	(4.2%)	0.0%/(6.5%)	0.0%	0.0%
Deviation from S&P 500 (large cap equities): Fairfax County Employees	0.4%	(2.3%)	0.0%/(9.4%)	1.0%	1.0%
Deviation from S&P 500 (large cap equities): Uniformed	27.8%	NA	0.0%/(2.8%)	1.0%	1.0%
Deviation from S&P 500 (large cap equities): Police Officers	1.4%	4.4%	0.0%/0.6%	1.0%	1.0%
Deviation from Barclays Capital Aggregate (fixed income): Fairfax County Employees	8.9%	(1.5%)	0.0%/(2.4%)	0.5%	0.5%
Deviation from Barclays Capital Aggregate (fixed income): Uniformed	3.9%	(1.2%)	0.0%/(2.1%)	0.5%	0.5%
Deviation from Barclays Capital Aggregate (fixed income): Police Officers	4.1%	2.2%	0.0%/(2.8%)	0.5%	0.5%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/73010.pdf

Performance Measurement Results

System returns in FY 2016 were between negative 1 percent and positive 1 percent. Overall, it was a difficult year for investment performance with the Employees' system down 0.4 percent, the Uniformed system down 0.8 percent, and the Police Officers system up 1.0 percent. U.S. equity markets provided mixed returns in FY 2016 as episodes of heightened market volatility interrupted an otherwise positive market environment. Domestic bond markets proved attractive during these periods of disruption providing a desired safe haven for investors and delivering strong returns. On the international side, non-U.S. developed equities edged lower as U.S. dollar strength cut into returns and political turmoil led by the U.K.'s decision to leave the EU sent a wave of volatility through the market. Despite easy policy from central banks in Europe and Japan, continuing growth concerns also contributed to negative equity returns. The U.S. economy appeared to exhibit continued resilience in the face of global market conditions and geo-political events. More consistently positive economic news for the U.S. helped push domestic equity prices higher. Notwithstanding, yields on most fixed income securities narrowed on greater demand for safe haven assets, even as the economy grew at a moderately-healthy pace and unemployment receded further. The large-cap domestic equity market, as measured by the S&P 500 Index, capped off the fiscal year with a 4.0 percent return even as most smaller-cap domestic indices posted losses. The domestic bond market, as measured by the Barclays Aggregate Bond Index, returned

6.0 percent over the same period. Yields on the 10 year U.S. Treasury bond decreased slightly, from 1.78 percent at the beginning of the year to 1.49 percent at the end, nearing its all-time low. The global equity market, as measured by the MSCI All Country World Index, returned negative 3.7 percent for the fiscal year, reflecting a blend of the positive results in the U.S. and the negative performance in the non-U.S. developed markets and emerging markets.

Compared to their peers across the country in the BNY Mellon public fund universe for FY 2016, the Employees' system gross return for the year was 0.0 percent, placing it in the 66th percentile; the Police Officers system gross return for the year was 1.1 percent, placing it in the 44th percentile; and the Uniformed system gross return for the year was -0.6 percent, placing it in the 79th percentile. In addition to comparing one-year returns to general market results, the long-term investments of the retirement systems should also be considered over multi-year periods relative to the returns achieved by other public pension plans. For the last ten-year period, all three systems had favorable results relative to their peers. The Employees' system placed in the 6th percentile and returned a gross 6.6 percent per year; the Police Officers system placed in the 11th percentile returning 6.4 percent per year; and the Uniformed system placed in the 44th percentile returning 5.8 percent per year.

Employer contribution rates and funding ratios are calculated based on a number of actuarial assumptions, including an actuarially determined rate of return. The actuarial rate of return uses a smoothing methodology to phase in total recognition of a given year's returns above or below the long-term expected rate of 7.25 percent. This smoothing is done to mitigate volatility in funding requirements, recognizing the cyclical nature of capital market returns. However, this smoothing process does not include the impact of any liability gains or losses, which are determined by comparing actual experience, such as rates of retirement and death, against actuarial assumptions. Funding policy and calculations include an average compound return of 7.25 percent over the long-term. Including the results through FY 2016, the actual compound annual returns achieved since 1981, the earliest date for which data is available, have been 9.8 percent for the Employees' system, 8.9 percent for the Uniformed system, and 9.7 percent for the Police Officers system.

FUND STATEMENT

Fund 73000, Fairfax County Employees' Retirement

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$3,693,354,953	$3,853,558,203	$3,590,089,599	$3,762,686,034	$3,762,686,034
Revenue:					
County Employer Contributions	$113,410,197	$121,259,386	$121,259,386	$131,810,012	$131,810,012
County Employee Contributions	25,171,671	25,754,853	25,754,853	28,043,474	28,043,474
School Employer Contributions	42,370,176	47,178,801	47,178,801	51,189,988	51,189,988
School Employee Contributions	9,054,460	9,709,405	9,709,405	10,486,739	10,486,739
Employee Payback	400,930	380,000	380,000	450,000	450,000
Return on Investments	423,455,704	284,366,391	284,366,391	273,306,830	273,306,830
Total Realized Revenue	$613,863,138	$488,648,836	$488,648,836	$495,287,043	$495,287,043
Unrealized Gain/(Loss)[1]	($426,017,091)	$0	$0	$0	$0
Total Revenue	$187,846,047	$488,648,836	$488,648,836	$495,287,043	$495,287,043
Total Available	$3,881,201,000	$4,342,207,039	$4,078,738,435	$4,257,973,077	$4,257,973,077
Expenditures:					
Administrative Expenses	$3,484,461	$3,925,057	$3,969,057	$4,047,173	$4,047,173
Investment Services	12,724,996	17,188,344	17,144,344	17,400,000	17,400,000
Payments to Retirees	265,036,552	282,339,000	282,339,000	305,710,000	305,710,000
Beneficiaries	5,764,081	6,100,000	6,100,000	6,700,000	6,700,000
Refunds	4,101,311	6,500,000	6,500,000	6,500,000	6,500,000
Total Expenditures	$291,111,401	$316,052,401	$316,052,401	$340,357,173	$340,357,173
Total Disbursements	$291,111,401	$316,052,401	$316,052,401	$340,357,173	$340,357,173
Ending Balance[2]	$3,590,089,599	$4,026,154,638	$3,762,686,034	$3,917,615,904	$3,917,615,904

[1] Unrealized gain/(loss) will be reflected as an actual revenue at the end of each fiscal year.

[2] The Employees' Retirement Fund maintains fund balances at adequate levels relative to projected requirements. The fund balance fluctuates annually primarily due to interest on investments.

FUND STATEMENT

Fund 73010, Uniformed Retirement

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$1,525,612,553	$1,612,568,947	$1,498,698,232	$1,590,375,964	$1,590,375,964
Revenue:					
Employer Contributions	$65,548,338	$67,165,306	$67,165,306	$69,085,719	$69,085,719
Employee Contributions	11,980,615	12,259,356	12,259,356	12,411,709	12,411,709
Employee Payback	39,832	170,000	170,000	150,000	150,000
Return on Investments	41,467,646	119,753,089	119,753,089	112,839,359	112,839,359
Total Realized Revenue	$119,036,431	$199,347,751	$199,347,751	$194,486,787	$194,486,787
Unrealized Gain/(Loss)[1]	($50,244,437)	$0	$0	$0	$0
Total Revenue	$68,791,994	$199,347,751	$199,347,751	$194,486,787	$194,486,787
Total Available	$1,594,404,547	$1,811,916,698	$1,698,045,983	$1,784,862,751	$1,784,862,751
Expenditures:					
Administrative Expenses	$1,140,596	$1,384,380	$1,384,380	$1,274,840	$1,274,840
Investment Services	4,029,644	5,977,639	5,977,639	5,460,000	5,460,000
Payments to Retirees	88,565,439	98,068,000	98,068,000	101,675,419	101,675,419
Beneficiaries	1,164,746	1,390,000	1,390,000	1,400,358	1,400,358
Refunds	805,890	850,000	850,000	850,000	850,000
Total Expenditures	$95,706,315	$107,670,019	$107,670,019	$110,660,617	$110,660,617
Total Disbursements	$95,706,315	$107,670,019	$107,670,019	$110,660,617	$110,660,617
Ending Balance[2]	$1,498,698,232	$1,704,246,679	$1,590,375,964	$1,674,202,134	$1,674,202,134

[1] Unrealized gain/(loss) will be reflected as an actual revenue at the end of each fiscal year.

[2] The Uniformed Retirement Fund maintains fund balances at adequate levels relative to projected requirements. The fund balance fluctuates annually primarily due to interest on investments.

FUND STATEMENT

Fund 73020, Police Retirement

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$1,280,910,163	$1,349,159,817	$1,270,385,148	$1,338,757,976	$1,338,757,976
Revenue:					
Employer Contributions	$40,646,884	$43,122,471	$43,122,471	$43,122,471	$43,122,471
Employee Contributions	9,252,963	9,556,292	9,556,292	9,750,760	9,750,760
Employee Payback	71,103	30,000	30,000	75,000	75,000
Return on Investments	39,144,315	99,897,292	99,897,292	94,752,604	94,752,604
Total Realized Revenue	$89,115,265	$152,606,055	$152,606,055	$147,700,835	$147,700,835
Unrealized Gain/(Loss)[1]	($25,070,509)	$0	$0	$0	$0
Total Revenue	$64,044,756	$152,606,055	$152,606,055	$147,700,835	$147,700,835
Total Available	$1,344,954,919	$1,501,765,872	$1,422,991,203	$1,486,458,811	$1,486,458,811
Expenditures:					
Administrative Expenses	$864,501	$1,085,058	$1,085,058	$993,186	$993,186
Investment Services	2,955,459	4,223,169	4,223,169	4,224,000	4,224,000
Payments to Retirees	66,458,431	73,916,000	73,916,000	78,238,850	78,238,850
Beneficiaries	3,894,192	4,249,000	4,249,000	5,182,000	5,182,000
Refunds	397,188	760,000	760,000	760,000	760,000
Total Expenditures	$74,569,771	$84,233,227	$84,233,227	$89,398,036	$89,398,036
Total Disbursements	$74,569,771	$84,233,227	$84,233,227	$89,398,036	$89,398,036
Ending Balance[2]	$1,270,385,148	$1,417,532,645	$1,338,757,976	$1,397,060,775	$1,397,060,775

[1] Unrealized gain/(loss) will be reflected as an actual revenue at the end of each fiscal year.

[2] The Police Retirement Fund maintains fund balances at adequate levels relative to projected requirements. The fund balance fluctuates annually primarily due to interest on investments.

Fund 73030
OPEB Trust

Focus

Fund 73030, OPEB Trust, was created to capture long-term investment returns and make progress towards reducing the unfunded actuarial accrued liability under Governmental Accounting Standards Board (GASB) Statement No. 45 and funds the cost of other post-employment benefits (OPEBs) including health care, life insurance, and other non-pension benefits offered to retirees, such as the County's retiree health benefit subsidy.

GASB 45

Beginning in FY 2008, the County's financial statements were required to implement GASB 45 for other post-employment benefits. This standard addresses how local governments should account for and report their costs related to post-employment health care and other non-pension benefits. Historically, the County funded these benefits on a pay-as-you-go basis. GASB 45 requires that the County accrue the cost of other post-employment benefits during the period of employees' active employment, while the benefits are being earned, and disclose the unfunded actuarial accrued liability to accurately account for the total future cost of post-employment benefits and the financial impact on the County. This funding methodology mirrors the funding approach used for pension benefits. A valuation is performed to calculate the County's actuarial accrued liability (AAL) and the associated annual required contribution (ARC). The liability and ARC are calculated annually, and adjustments are made due to benefit enhancements, medical trend experience, and normal growth assumptions. It is the County's policy to maintain a net OPEB asset, which demonstrates that the County has met its obligations to adequately fund the annual required contribution each year.

The actuarial valuation as of July 1, 2016 under GASB 45 calculated the County's actuarial accrued liability, excluding the Schools portion, at approximately $307.3 million and the unfunded actuarial accrued liability as $70.4 million, as shown below.

Valuation Results as of July 1, 2016 (in thousands)	
Actuarial Accrued Liability (AAL)	$307,296
Plan Assets	$236,875
Unfunded Actuarial Accrued Liability	$70,421
Annual Required Contribution (ARC)	$14,123

The July 1, 2016 AAL of $307.3 million decreased from the July 1, 2015 AAL of $317.6 million primarily due to actual retiree claims experience.

The implementation of an Employer Group Waiver Plan (EGWP) for Medicare retiree prescription drug coverage in January 2016 resulted in a significant decrease in the calculation of the July 1, 2015, AAL and FY 2016 ARC. The EGWP is a standard Medicare Part D plan with enhanced coverage that allows the County to maximize prescription drug subsidies from the federal government and pharmaceutical manufacturers. This plan replaced the prescription drug coverage that was previously provided to Medicare retirees through the County's self-insured health plans and the Retiree Drug Subsidy (RDS) that the County previously received from the Centers for Medicare and Medicaid Services. GASB accounting rules allow EGWP revenue to directly offset plan costs in the GASB valuation, impacting the AAL, whereas the RDS could not be reflected in the liability calculations. This change has had a significant impact on the County's GASB 45 liability, which continues to be reflected in the current valuation.

The actuarial accrued liability includes the retiree health benefit subsidy, which is paid out to County retirees, as well as the liability associated with an "implicit" subsidy provided to retirees. As premiums for the County's self-insured health plans are set using the blended experience of active employees and retirees, retiree premiums are lower than if they were set solely using the experience of the retiree group. GASB 45 requires that the County calculate and include the liability for this implicit subsidy. The differential between actuarial assumptions related to retiree claims and premiums and actual claims experience and premiums is the primary driver behind the liability related to the implicit subsidy. When claims experience is favorable compared to premium increases and actuarial assumptions, the implicit subsidy liability is likely to decline. Conversely, if the County experiences an unanticipated spike in retiree claims expenses, the implicit subsidy liability could increase. The impact of the difference between actuarial assumptions and actual experience is magnified by the fact that, similar to pension benefits, the County must project the impact over a 30-year period. Thus, a small change in the implicit subsidy in a single year is compounded over time. It should be noted that the County is credited an effective contribution towards the ARC each year to recognize actual expenses incurred related to the implicit subsidy.

The ARC is funded through a combination of a General Fund transfer, contributions from other funds, and the implicit subsidy contribution described above. FY 2017 funding includes a General Fund transfer of $14.5 million and contributions from other funds of $1.5 million. The implicit subsidy contribution is calculated by the County's actuaries after the close of the fiscal year and is projected to decrease to $6.3 million. The FY 2018 Adopted Budget Plan includes a reduction in the General Fund transfer to $10.5 million primarily due to the significant decrease in the ARC that has been realized since FY 2015 due to the implementation of an Employer Group Waiver Plan for Medicare retirees. Contributions from other funds will increase slightly to $1.6 million in FY 2018.

Primarily due to the County's commitment to fully fund the ARC in the baseline budget, the County had a net OPEB asset of $40.0 million at the end of FY 2016. Based on preliminary estimates of the implicit subsidy contribution, it is projected that current funding levels will fully fund the FY 2017 ARC. As shown in the table below, the net OPEB asset for FY 2017 is estimated to grow to $50.2 million.

Net OPEB Asset
(in thousands)

	FY 2016 Actual	**FY 2017 Estimate**
Annual Required Contribution (ARC)	$13,338	$14,123
Adjustments to ARC	*($214)*	*($451)*
Annual OPEB Cost (AOC)	$13,124	$13,672
Resources to Apply toward the ARC:		
Transfer from the General Fund	*$21,000*	*$14,500*
Contributions from Other Funds	*$3,477*	*$1,505*
Implicit Subsidy Contribution	*$9,644*	*$6,326*
Carryover of Prior Year Asset/(Obligation)	$19,021	$40,018
Net OPEB Asset/(Obligation)	$40,018	$48,677

After exploring numerous alternatives as to how to prudently invest and accumulate resources for OPEB, County staff recommended, and the Board of Supervisors approved on February 25, 2008, County participation in the Virginia Pooled OPEB Trust Fund in cooperation with the Virginia Municipal League (VML)/Virginia Association of Counties (VACo) Finance Program and other jurisdictions in the Commonwealth of Virginia. The County is represented on the Board of Trustees for the pooled trust and actively participates in decision-making to prudently invest accumulated resources for OPEB. The Virginia Pooled OPEB Trust Fund is used for investment purposes only; funds accumulated for OPEB are still accounted for in Fund 73030.

Retiree Health Benefit Subsidy

The County provides monthly subsidy payments to eligible retirees to help pay for health insurance in a County health plan. The current monthly subsidy commences at age 55 and varies by length of service as detailed in the following table. These amounts, effective July 2017, are a $10 increase over the subsidies that were last adjusted in FY 2006. Employees who retired prior to July 1, 2003, are eligible for the greater of the amounts shown in the table below and an amount calculated based on the subsidy structure that was in place prior to July 2003. The retiree health benefit subsidy is provided to retirees on a discretionary basis, and the Board of Supervisors reserves the right to reduce or eliminate the benefit in the future if the cost of the subsidy becomes prohibitive or an alternative is chosen to aid retirees in meeting their health insurance needs.

Retiree Health Benefit Subsidy

Years of Service at Retirement	Monthly Subsidy
5 to 9	$40
10 to 14	$75
15 to 19	$165
20 to 24	$200
25 or more	$230

In FY 2006, the Board of Supervisors approved an additional benefit to Health Department employees who remained in the Virginia Retirement System (VRS) after their conversion from state to County employment in 1995. Current and future retirees who participate in a County health plan are eligible to receive the differential between the County retiree health benefit subsidy for which the employee is eligible based on years of service, as shown in the table above, and that provided by VRS, which has a maximum of $120 per month. Furthermore, effective July 1, 2006, the County began providing the maximum retiree health benefit subsidy shown in the table above to those police officers who were hired before July 1, 1981 and retired or will retire with full retirement benefits with 20, but less than 25, years of service. These police officers previously received a subsidy of $190 per month.

During FY 2018, the average number of subsidy recipients, including new retirees who are eligible to receive the retiree health benefit subsidy, is expected to increase by 202, or 5.2 percent, from 3,868 in FY 2017 to 4,070 in FY 2018. Estimates of the average number of subsidy recipients are based on a review of the projected number of retirements and health subsidy eligibility for personnel already retired from the Fairfax County Employees', Uniformed, and Police Officers Retirement Systems. Retirees who become eligible to receive the subsidy are paid based on the period of eligibility within the fiscal year, which may or may not comprise a full year of payments.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$117,009	$120,654	$120,654	$122,531	$122,531
Operating Expenses	18,415,428	10,196,716	16,522,716	10,946,594	10,946,594
Capital Equipment	0	0	0	0	0
Total Expenditures	$18,532,437	$10,317,370	$16,643,370	$11,069,125	$11,069,125
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	1 / 1	1 / 1	1 / 1	1 / 1	1 / 1

1 Accountant III

TOTAL POSITIONS
1 Position / 1.0 FTE

It should be noted that the 1/1.0 FTE Accountant III position resides in the Retirement Administration Agency and is financed by Fund 73030, OPEB Trust.

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Employee Compensation** **$1,877**
  An increase of $1,877 in Personnel Services is for performance-based and longevity increases for non-uniformed merit employees effective July 2017.

- **Benefit Payments** **$742,659**
  An increase of $742,659 in Operating Expenses is attributable to a projected increase in the number of retirees receiving the retiree health benefits subsidy and a $10 increase in the Retiree Health Benefit Subsidy.

- **Administrative Expenses** **$7,219**
  An increase of $7,219 in Operating Expenses is primarily associated with anticipated increases in investment services and actuarial fees.

- **General Fund Transfer**

  The General Fund transfer to this fund is decreased by a net of $5,510,000. This net adjustment includes a decrease of $6,000,000 to recognize reduced General Fund contribution requirements as a result of the implementation of the Employer Group Waiver Plan for Medicare retiree prescription drug coverage in January 2016. This reduction, combined with the reduction of $10 million that was included in the FY 2017 Adopted Budget Plan, results in total recurring General Fund savings of $16 million as a result of the EGWP. This decrease is partially offset by an increase of $490,000 to fund increased benefit payments as a result of an adjustment to the Retiree Health Benefit Subsidy, which was last adjusted January 1, 2006. An increase of $10 per month results in a subsidy that ranges from $40 to $230 per month depending on years of service. This increase in the Retiree Health Benefit Subsidy will be included in the July 1, 2017, actuarial valuation of the County's actuarial accrued liability under GASB 45.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Third Quarter Adjustments** **$6,326,000**

  As part of the *FY 2016 Third Quarter Review*, the Board of Supervisors approved an increase of $6,326,000 to appropriately reflect the County's contribution and benefit payments for the implicit subsidy for retirees. This increase to both revenues and expenditures is required to offset anticipated audit adjustments that are posted to the fund at the end of the fiscal year to reflect all activities for GASB 45. It should be noted that the General Fund transfer to this fund was decreased by $1,500,000 as part of the *FY 2016 Third Quarter Review* to recognize reduced General Fund contribution requirements as a result of implementation of the Employer Group Waiver Plan (EGWP) for Medicare retiree prescription drug coverage in January 2016.

Fund 73030
OPEB Trust

FUND STATEMENT

Fund 73030, OPEB Trust

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$224,667,263	$240,424,069	$241,257,383	$249,484,849	$247,984,849
Revenue:					
CMS Medicare Part D Subsidy	$1,419,231	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Investment Income	69,347	40,000	40,000	70,000	70,000
Implicit Subsidy	9,644,000	0	6,326,000	0	0
Other Funds Contributions	3,476,866	1,504,836	1,504,836	1,584,022	1,584,022
Total Realized Revenue	$14,609,444	$2,544,836	$8,870,836	$2,654,022	$2,654,022
Unrealized Gain/(Loss)[1]	($486,887)	$0	$0	$0	$0
Total Revenue	$14,122,557	$2,544,836	$8,870,836	$2,654,022	$2,654,022
Transfers In:					
General Fund (10001)	$21,000,000	$16,000,000	$14,500,000	$10,490,000	$10,490,000
Total Transfers In	$21,000,000	$16,000,000	$14,500,000	$10,490,000	$10,490,000
Total Available	$259,789,820	$258,968,905	$264,628,219	$262,628,871	$261,128,871
Expenditures:					
Benefits Paid	$8,613,270	$9,892,463	$9,892,463	$10,635,122	$10,635,122
Implicit Subsidy	9,644,000	0	6,326,000	0	0
Administrative Expenses	275,167	424,907	424,907	434,003	434,003
Total Expenditures	$18,532,437	$10,317,370	$16,643,370	$11,069,125	$11,069,125
Total Disbursements	$18,532,437	$10,317,370	$16,643,370	$11,069,125	$11,069,125
Reserved Ending Balance[2]	$241,257,383	$248,651,535	$247,984,849	$251,559,746	$250,059,746

[1] Unrealized gain/(loss) will be reflected as an actual revenue at the end of the fiscal year.

[2] The Reserved Ending Balance in Fund 73030, OPEB Trust Fund, represents the amount of assets held in reserve by the County to offset the estimated Actuarial Accrued Liability for other post-employment benefits. The balance is anticipated to grow each year as a result of contributions and investment returns. The $250.1 million reserve in FY 2018 is applied toward the liability of $307.3 million calculated as of July 1, 2016.

Fund S71000
Educational Employees' Supplementary Retirement

Focus

Fund S71000, Educational Employees' Supplementary Retirement Fund, is a qualified retirement plan under section 401(a) of the Internal Revenue Code and is required to operate under specific provisions of the Code and in conformance with general trust law. Responsibility for general administration and operation of the fund is vested in a Board of Trustees. FY 2018 expenditures are estimated at $209.6 million.

Fund S71000
Educational Employees' Supplementary Retirement

FUND STATEMENT

Fund S71000, Educational Employees' Supplementary Retirement

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan[1]	FY 2018 Superintendent's Proposed	FY 2018 Adopted Budget Plan[2]
Beginning Balance	$2,179,692,115	$2,341,060,045	$2,107,560,778	$2,256,489,008	$2,256,489,008
Receipts:					
Contributions	$117,985,200	$117,847,133	$124,121,504	$140,108,761	$140,108,761
Investment Income	(2,141,999)	264,850,000	224,950,000	229,350,000	229,350,000
Total Revenue	$115,843,201	$382,697,133	$349,071,504	$369,458,761	$369,458,761
Total Available	$2,295,535,316	$2,723,757,178	$2,456,632,282	$2,625,947,769	$2,625,947,769
Total Expenditures	$187,974,538	$208,671,625	$200,143,274	$209,642,722	$209,642,722
Total Disbursements	$187,974,538	$208,671,625	$200,143,274	$209,642,722	$209,642,722
Ending Balance	$2,107,560,778	$2,515,085,553	$2,256,489,008	$2,416,305,047	$2,416,305,047

[1] The *FY 2017 Revised Budget Plan* reflects adjustments adopted by the Fairfax County School Board on March 23, 2017 during its *FY 2017 Third Quarter Review*.

[2] Fairfax County School Board action on the FY 2018 budget was taken on May 25, 2017 and will be included for approval by the Board of Supervisors as part of the *FY 2017 Carryover Review*.

Fund S71100
Public School OPEB Trust Fund

Focus

Fund S71100, Public School Other Post-Employment Benefits (OPEB) Trust Fund, was established by the School Board in FY 2008 as a mechanism to accumulate and invest assets to fund the Fairfax County Public School (FCPS) system's other post-employment benefits.

In July 2004, the Governmental Accounting Standards Board (GASB) issued Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions." This standard addresses how the school system should account for and report its costs related to post-employment health care and other non-pension benefits, such as the program subsidizing the cost of health benefit coverage and premiums for eligible retirees and their surviving spouses.

Program participants may continue medical coverage by paying the appropriate subsidized premiums (explicit subsidy) based on years of service and the retirement plan under which the retiree is covered. In addition, FCPS subsidizes the premium rates paid by the retirees by allowing them to participate in the medical plans at the reduced or blended group premium rates for both active and retired employees (implicit subsidy). These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the program on average than those of active employees. GASB 45 requires that FCPS calculate and include the liability for this implicit subsidy.

An actuarial valuation is performed to determine the actuarial accrued liability and the corresponding Annual Required Contribution (ARC) based on the 30-year amortization of this liability and an additional amount necessary to pre-fund benefits accrued by active employees during the current year. Funding contributions towards the ARC are determined by the School Board. The FY 2018 projected ARC is $24.9 million, as determined by the most recent actuarial valuation. FCPS will contribute a total of $27.2 million in FY 2018. FCPS' funding policy is to ensure that employer contributions are sufficient to fully fund the ARC each year.

Fund S71100
Public School OPEB Trust Fund

FUND STATEMENT

Fund S71100, Public School OPEB Trust Fund

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan[1]	FY 2018 Superintendent's Proposed	FY 2018 Adopted Budget Plan[2]
Beginning Balance	$95,899,763	$103,209,263	$100,492,109	$110,543,622	$110,543,622
Revenue:					
Employer Contributions	$21,689,000	$22,404,000	$22,404,000	$27,163,000	$27,163,000
Net Investment Income	(320,998)	5,142,013	5,142,013	5,142,012	5,142,012
Total Revenue	$21,368,002	$27,546,013	$27,546,013	$32,305,012	$32,305,012
Total Available	$117,267,765	$130,755,276	$128,038,122	$142,848,634	$142,848,634
Total Expenditures	$16,775,656	$17,494,500	$17,494,500	$22,263,500	$22,263,500
Total Disbursements	$16,775,656	$17,494,500	$17,494,500	$22,263,500	$22,263,500
Reserved Ending Balance	$100,492,109	$113,260,776	$110,543,622	$120,585,134	$120,585,134

[1] The *FY 2017 Revised Budget Plan* reflects adjustments adopted by the Fairfax County School Board on March 23, 2017 during its *FY 2017 Third Quarter Review*.

[2] Fairfax County School Board action on the FY 2018 budget was taken on May 25, 2017 and will be included for approval by the Board of Supervisors as part of the *FY 2017 Carryover Review*.

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Housing and Community Development Program Overview

Affordable Housing — **Neighborhood Preservation** — **Capital Formation and Capacity Building**

AGENCY DASHBOARD

Key Data	FY 2014	FY 2015	FY 2016
1. Per Capita Federal Expenditures for Housing Programs	$66	$67	$66
2. Average household income served; FCRHA rental/tenant subsidy programs	$24,273	$24,190	$23,795
3. Number of low-income households earning less than $50,000 per year in Fairfax County	71,361	70,717	69,137
4. Individuals living below the federal poverty level in Fairfax County	66,725	67,252	69,657
5. Number of full-time jobs at minimum wage needed to afford a two-bedroom apartment at the HUD Fair Market Rent in Fairfax County	4.0	4.0	4.5
6. Average rent for rental housing in Fairfax County	$1,590	$1,640	$1,687
7. Average vacancy rate for rental housing in the County	5.6%	7.6%	7.6%

Introduction

The Housing Overview section describes the programs and projects operated by the Fairfax County Department of Housing and Community Development (HCD) and the multiple sources of funds that support these activities.

As a County agency, HCD undertakes many programs on behalf of the Board of Supervisors (the Board). HCD also serves as the administrative arm of the Fairfax County Redevelopment and Housing Authority (FCRHA), a separate legal entity that was established in 1966 pursuant to Chapter 1, Title 36 of the Code of Virginia. FCRHA's roles include planning, design, production, rehabilitation, and maintenance of housing for low- and moderate-income households, and assisting in the revitalization of neighborhoods in Fairfax County. Eleven Commissioners are appointed to the FCRHA for four-year terms by the Board of Supervisors. A chairman and vice-chairman are then selected by a vote of the commissioners.

Housing Blueprint

In January 2010, the Board of Supervisors endorsed a strategic affordable housing policy, known as the "Housing Blueprint", which focuses on providing housing for those with the greatest need, including homeless families and individuals, persons with disabilities, and households with extremely low incomes. The Blueprint also emphasizes partnering with the County's non-profit community to provide creative affordable housing solutions, refocusing of existing resources, and fostering the development of workforce housing through land use policies and public/private partnerships. The Blueprint has four goals:

- To end homelessness in 10 years;
- To provide affordable housing options to those with special needs;
- To meet the affordable housing needs of low-income working families; and
- To produce workforce housing sufficient to accommodate projected job growth.

A set of specific Blueprint metrics is established each year using a combination of existing resources and additional County funding, including the locally-funded "Bridging Affordability" rent subsidy program (see Fund 30300, The Penny for Affordable Housing Fund). The Blueprint incorporates resources and metrics that support the Board-adopted 10-Year Plan to Prevent and End Homelessness and reflects the recommendations of the Fairfax County Affordable Housing Advisory Committee, in concert with the FCRHA, the interagency Housing Options Group, and the Fairfax-Falls Church Community Services Board, including priority recommendations regarding the County funds requested for Blueprint projects and programs.

Funding Sources Supporting HCD Operations

The sources supporting HCD's operations include County funds, FCRHA revenue bonds, federal grants, private capital, revenue from program operations (e.g., developer fees, rent from tenants of housing owned by the FCRHA and income from repayment of loans) and interest income. As a result of these multiple, complex funding streams, HCD administers 20 funds. Some funds are appropriated by the Board of Supervisors, while others are allocated by the FCRHA. All are included in this budget in order to provide a complete financial overview. These 20 funds encompass all of the operations of HCD/FCRHA with the exception of several housing developments that are operated by outside management companies under contract with the FCRHA and/or are owned by the FCHRA in partnership with private investors. Separate financial records are maintained for these developments.

FY 2018 anticipated expenditures supporting the HCD and FCRHA activities total $123,416,994 including $8,207,390 in General Fund support, $28,095,301 in other County appropriated funds, and $87,114,303 in Non-County appropriated funds. Total revenue for FY 2018 is anticipated to be $123,692,204 as shown on the Consolidated Fund Statement. Receipts from federal/state sources are anticipated to be $65,174,350 or 52.7 percent of total funding sources. More detailed descriptions of FY 2018 funding levels may be found in the narratives for each fund following this Overview.

Because HCD's programs are supported by multiple funding sources, the Agency Mission and Focus, Program Goals, and Performance Measures are consolidated in this Overview rather than appearing within each fund. This Overview also provides summary information on the organization, staffing and consolidated budget for HCD.

Mission

To create and preserve affordable housing and caring, livable communities; to serve the diverse needs of Fairfax County's residents through innovative programs, partnerships and effective stewardship; and to foster a respectful, supportive workplace.

Housing and Community Development Program Overview

Focus

HCD connects with the residents of Fairfax County at their roots – their homes, neighborhoods and communities. All HCD programs, activities and services revolve around this important link and can be grouped into three service areas: **Affordable Housing**; **Neighborhood Preservation;** and **Capital Formation and Capacity Building**.

Affordable Housing supports individuals and families in their efforts to find homes that are safe, affordable, and stable through rental housing, partnerships with non-profits and other organizations, rental subsidies and homeownership opportunities.

Neighborhood Preservation focuses on sustaining and improving communities.

Capital Formation and Capacity Building focuses on development of partnerships with private investors and other public agencies, resulting in capital investment and financial support for the HCD and FCRHA mission.

The Department of Housing and Community Development supports the following County Vision Elements:

Maintaining Safe and Caring Communities

Connecting People and Places

Building Livable Spaces

Maintaining Healthy Economies

Practicing Environmental Stewardship

Creating a Culture of Engagement

Exercising Corporate Stewardship

These service areas encompass all of the activities of the 20 HCD funds. The total FY 2018 Adopted Budget Plan of $123.4 million can be distributed to these service areas and the general costs of running the department. It should be noted that many of the functional areas of HCD cross these service areas, so an exact allocation to the service areas is not possible. The FY 2018 Adopted Budget Plan is $9.4 million more than the FY 2017 Adopted Budget Plan. This net increase is primarily attributable to Bridging Affordability and the Housing Blueprint in Fund 30300, The Penny for Affordable Housing Fund, and to the conversion of Public Housing units to Rental Assistance Demonstration (RAD) for Housing Choice Voucher (HCV) Housing Assistance Payment (HAP) increases, coupled with an increase in the Portability Program, detailed in Fund 81510, Housing Choice Voucher Program.

Highlighted below are the main functions included in each of the service areas.

Affordable Housing:

Housing Blueprint

The Housing Blueprint was created in the wake of the recent recession to focus affordable housing policies and resources on serving those with the greatest need, including homeless families and individuals, persons with special needs, and households with extremely low-incomes. The Blueprint has four current goals: 1) to prevent and end homelessness in ten years; 2) to provide affordable housing opportunities to those with special needs; 3) to meet the affordable housing needs of low-income working families; and 4) to produce workforce housing sufficient to accommodate projected job growth. Each year, the Housing Blueprint presents a comprehensive summary of existing federal and County resources, proposed County funding for the Bridging Affordability program and affordable housing development by partners, as well as the specific metrics tied to achieving Blueprint goals.

HUD "Moving to Work" Agency

The FCRHA received the prestigious Moving to Work (MTW) designation from HUD in December 2013, giving FCRHA the flexibility to test innovative, locally-designed strategies to improve cost-effectiveness and help families achieve self-sufficiency. MTW status has enabled the FCRHA to create a housing continuum that seamlessly joins together the County's housing programs – including Public Housing and Housing Choice Vouchers – to help residents move toward self-sufficiency; to expand its already strong community partnerships with non-profit organizations to provide services such as "ready-to-rent" training, job readiness, and homebuyer education; and to reduce the burden on staff and residents for re-certifications and inspections, allowing staff to focus more on people – not paperwork.

The FCRHA's MTW plan is a critical component of its THRIVE (Total Housing Reinvention for Individual Success, Vital Services and Economic Empowerment) initiative and links residents to services and programs offered by other County agencies and non-profit partners to helping them become more self-sufficient. These programs help residents better manage their money, train for new jobs, pursue college or other training, become better parents, learn English, improve their health, and perhaps even purchase a home. MTW introduced several key changes, including:

- ♦ Creating a housing continuum that seamlessly joins together the County's housing programs including Public Housing and Housing Choice Voucher, and establishes goals to help residents move toward self-sufficiency;

- ♦ Expanding its already strong community partnerships with nonprofit organizations to provide self-sufficiency services with an emphasis on employment, education and health; and

- ♦ Improving efficiency for both staff and residents in activities such as re-certifications and inspections, which allows staff to focus more on people, not paperwork. This new focus allows County case workers to link residents to the services, such as job training and education, which they need to become and remain self-sufficient.

The FCRHA will continue to implement programmatic and organization changes associated with the MTW designation to transform the delivery of housing assistance in Fairfax County.

Rental Assistance Demonstration

In FY 2017, the FCRHA launched the Rental Assistance Demonstration (RAD) program to convert traditionally supported public housing units to a project-based voucher subsidy model under the HUD RAD program. Conversion to RAD has a number of advantages, including providing more mobility for residents than conventional Public Housing and providing a bankable asset to housing authorities which can leveraged for private equity to make capital improvements on aging Public Housing properties. In FY 2018, RAD will support 299 housing units.

Affordable Housing Preservation

Over the past years, a total of 2,786 affordable units have been preserved for both homeownership and rental purposes in a variety of large and small projects. The FCRHA's major affordable housing preservation successes include: Janna Lee Village, 319 units (Lee District); Hollybrooke II, 98 units and

Hollybrooke III, 50 units (Mason District); Coralain Gardens, 105 units (Mason District); Sunset Park Apartments, 90 units (Mason District); Mount Vernon House, 130 units (Mount Vernon District); Madison Ridge, 216 units (Sully District); Crescent Apartments, 180 units (Hunter Mill District); and Wedgewood Apartments, 672 units (Mason District).

Bridging Affordability Program

The "Bridging Affordability" Program provides funding for rental subsidies and capital for the acquisition of additional affordable units to address the homelessness and waiting list goals of the Housing Blueprint. Since FY 2011, a consortium of non-profit organizations have administered this program to collaboratively provide rental subsidies and an array of supportive services to program participants. Through FY 2016, a total of 420 households have leased up through the Bridging Affordability Program and 83 percent of those who have exited the program have "bridged" to sustainable housing, many of whom bridged to FCRHA housing (Public Housing or Housing Choice Vouchers). The average income of all households served by the Bridging Affordability program in FY 2016 was $19,822, or approximately 20 percent of the Area Median Income (AMI) for a family of three. The Bridging Affordability Program is funded, subject to annual allocation, with program income from the County-owned Wedgewood Apartments property in Fund 30300, The Penny for Affordable Housing Fund.

First-Time Homebuyers Program and Moderate Income Direct Sales Program

This program offers new and resale homes at below market prices. These homes are built by private developers and are located throughout the County. HCD markets the homes and, in most cases, provides financing assistance to first-time homebuyers. In FY 2016, a total of 18 families purchased homes via the Fairfax County First-Time Homebuyers program. Through FY 2016, a total of 2,312 homes have been sold to first-time homebuyers as a result of these programs since 1992.

Homeownership Resource Center and Homebuyer Education

The Homeownership Resource Center serves hundreds of people each month, providing information on homeownership, homeownership education, one-on-one and group counseling sessions, opportunities to meet with lenders, applicant briefings, and coordination of resources for current and prospective first-time homebuyers.

All potential Fairfax County First-Time Homebuyer participants are provided with a six-hour homeownership education course by Virginia Housing Development Authority (VHDA) trained lenders and housing professionals. Completion of the class qualifies graduates to participate in the First-Time Homebuyers Program and the ability to access below-market financing, down payment and closing cost assistance. Classes are offered in English, Spanish, Vietnamese, Korean, and American Sign Language.

In FY 2016, a total of 6,025 households were served through the Homeownership Resource Center, calls, emails, walk-up services and yearly housing fairs and events. Also, in FY 2016, 1,395 owner occupancy affidavits were mailed out to households in the First-Time Homebuyers Program and tracked to verify owner occupancy. In addition, Homeownership Division staff records notices for Affordable Dwelling Units when the restrictive covenants are expiring. The ADU program has been operating for more than 25 years and an increasing number of covenants are expiring, requiring staff to record an increasing number of notices and oversee sales in the extended control period; by the end of 2020, nearly 800 notices will have to be recorded for these ADUs. Staff also conducts regular compliance checks of the public records and continued monitoring with respect to refinancing and the potential for over-financing of properties in the First-Time Homebuyers Program.

Compliance Monitoring
Compliance monitoring is an ongoing activity which encompasses a variety of HCD programs. This activity includes monitoring of:

♦ 3,026 Fairfax County/FCRHA-owned Public Housing and Fairfax County Rental Program (FCRP) multifamily units, 38 residential studio units, 482 senior independent units and 112 beds of assisted living;

♦ Over 3,800 Housing Choice Vouchers;

♦ Over 1,500 properties sold through the First-Time Homebuyer Program (including "for-sale" ADUs);

♦ Over 1,200 privately-owned and operated rental ADUs which are located in large multifamily apartment properties across the County; and

♦ A total of 653 Workforce Housing units that have been constructed, as well as an estimated 5,233 Workforce Housing units which have been committed to be built by private developers and are pending construction.

In addition, HCD monitors the use of federal funds received by Fairfax County and granted to a variety of agencies and organizations. These programs include the Community Development Block Grant (CDBG) and the HOME Investment Partnerships Program (HOME).

FCRHA Rental Housing Programs
This function includes properties owned by the FCRHA under the FCRP for households with modest means, as well as properties owned by limited partnerships affiliated with the FCRHA. In addition, it encompasses properties owned by the FCRHA and operated under the federal Public Housing Program and rental subsidies managed by the FCRHA and funded by the federal Housing Choice Voucher (HCV) Program for those with very low incomes. In FY 2016, the average income of households served in the FCRHA's major multifamily affordable rental housing and tenant subsidy programs, including the federal Public Housing and HCV programs, and the FCRP, was approximately $23,800, or 24 percent of the Area Median Income (AMI) for a family of three (the average household size in these programs). This meets the HUD definition of "extremely low income." A total of 18,209 individuals were housed in these programs in FY 2016. Because of its consistent status as a HUD "High Performer" for the HCV and Public Housing programs, the FCRHA was eligible to be designated as a "Moving to Work" agency.

In September 2010, HCD established the Partnership for Resident Opportunities, Growth, Resources and Economic Self Sufficiency (PROGRESS) Center. The Center is housed within HCD and staffed by existing employees, each bringing a rich background and experience in HCD housing programs and human services. The Center is focused on Public Housing residents, participants in the HCV program, and the residents at FCRP properties such as Stonegate and Murraygate. The Center is a resource within HCD for staff addressing client issues that can range from job loss to behavior issues to residents in crisis. The PROGRESS Center is focusing on a number of critical areas of need, including employment and training opportunities, as well as services related to affordable health insurance, emergency medical intervention, adult protective services, mental health services, and physical and sensory disabilities.

Consistent with the FCRHA's MTW Initiative, HCD realigned staffing of the Housing Application Center to ensure the delivery of sensitive, pro-active customer service designed to help applicants find a home. HCD also established an Asset Management Division, utilizing existing staff and consolidating resources, to focus on the financial performance, physical condition, capital improvements and accountability of the FCRHA's affordable housing properties.

A Key Player in Fairfax County's Efforts to End Homelessness

The FCRHA and HCD play an essential role in Fairfax County's efforts to prevent and end homelessness, particularly for veterans. In FY 2016, a total of 172 formerly homeless households received permanent housing though FCRHA/HCD programs, including 25 homeless veterans who were housed with Veterans Affairs Supportive Housing (VASH) vouchers. The FCRHA currently administers a total of 92 VASH vouchers, including 12 vouchers awarded to the FCRHA by HUD in July 2015.

FCRHA Development Activities

HCD, in conjunction with the FCRHA, facilitates the development of affordable housing by non-profit and for-profit developers through incentives and financing. HCD and FCRHA also build and own housing for low- and moderate-income families and individuals, as well as households with special needs. In addition, FCRHA partners with private investors through limited partnerships to develop and operate affordable housing.

HCD and the FCRHA are actively engaged in a variety of development activities. After a competitive procurement process triggered by an unsolicited proposal for the development of The Residences at North Hill Park site (Mount Vernon District) under the Virginia Public-Private Educational Facilities Infrastructure Act (PPEA), the FCRHA approved an interim agreement with a developer in March 2015. The proposal includes constructing approximately 473 units of affordable and market rate housing on a portion of the site. Staff and the developer are currently in negotiations with the goal of entering into a comprehensive agreement.

The Residences at the Government Center, a 270-unit affordable/workforce housing project constructed under the auspices of the PPEA on the campus of the Fairfax County Government Center (Braddock District), received an award of 9 percent Low-Income Tax Credits from the VHDA in June 2014, and the FCRHA subsequently approved providing bond financing. Construction activities began in April 2015 and leasing of units began in fall of 2016.

Similarly, a public-private partnership solicitation was issued for the renovation and expansion of the Lewinsville Senior Complex in the Dranesville District and the selected developer was awarded federal Low-Income Housing Tax Credits for the residential portion of the development. The planned redevelopment of the 8.6 acre McLean property includes the demolition of the current facility and construction of two buildings which will provide: 1) approximately 82 units of "Independent Living" senior housing; 2) space for the Fairfax County Health Department's Adult Day Health Care facility; 3) two child day care centers; and 4) expanded services through existing Senior Center programs operated by the Department of Neighborhood and Community Services. Construction is expected to be complete in spring of 2018.

Active Adult Housing and Assisted Living

This activity provides 482 affordable active adult rental apartments in Fairfax, Herndon, Springfield, Lincolnia, McLean, and the Mount Vernon/Gum Springs areas of Fairfax County, including the 90-unit Olley Glen facility. In addition, this activity provides 112 beds of assisted living at Braddock Glen in Fairfax (Braddock District) and at the Lincolnia Senior Center and Residence in Alexandria (Mason District). Renovation of the Lincolnia Senior Center was completed in June of 2016. The project was financed with $11.6 million in bonds sold through the Virginia Resources Authority's Virginia Pooled Financing Program.

Relocation Services and Monitoring
This program provides technical assistance and monitoring for preservation initiatives. This activity also includes relocation services for all federally-funded projects throughout the agency. In FY 2016, staff conducted relocation reviews of 16 projects for compliance with the federal Uniform Relocation Act and the Fairfax County Voluntary Relocation Assistance Guidelines.

Relocation Advisory Services for Condominium Conversion
These services provide technical assistance to developers under both the Fairfax County Relocation Guidelines and Fairfax County Code for projects where there is substantial rehabilitation and condominium conversion. Technical assistance under the federally mandated Uniform Relocation Act is provided if federal funds are involved in the project.

Affordable/Workforce Housing
The Board of Supervisors created a Workforce Housing Program through amendments to the Fairfax County Comprehensive Plan and Zoning Ordinance, and the adoption of a new Board policy. The Workforce Housing Program, based on the recommendations of the Board-appointed High-Rise Affordability Panel, is a proffer-based incentive system to encourage developers to provide workforce housing in the County's mixed-use development centers. The Board's action sets forth the expectation that 12 percent of all new residential units will be affordable to a range of moderate-incomes up to 120 percent of the AMI. Through FY 2016, a total of 5,233 Workforce Dwelling Units have been committed by private developers in rezoning actions approved by the Board of Supervisors and are pending construction. A total of 653 rental workforce units have been constructed through FY 2016.

Neighborhood Preservation:

Home Repair for the Elderly
This activity provides a crew to assist qualified elderly and disabled homeowners in making minor repairs at no charge. The Home Repair for the Elderly Program completed 144 cases and served 114 households in FY 2016.

Capital Formation and Capacity Building:

Funding Opportunities
This activity focuses on identifying and applying for available funding opportunities to leverage and supplement County funds for projects and programs. It includes federal entitlement grants such as CDBG and HOME grants and loans, as well as private financing.

Partnering
This activity links the FCRHA financing abilities with those of the private sector (non-profit and for-profit) to generate additional financial resources. Non-profit corporations or limited liability corporations (LLC) formed by the FCRHA partner with private investors and benefit from Federal Low Income Housing Tax Credits to fund FCRHA affordable housing for families and seniors. In addition, the FCRHA issues revenue bonds to raise funds from private investors to fund affordable housing and community facilities.

Consolidated Plan/Consolidated Community Funding Advisory Committee (CCFAC)
HCD provides leadership in developing and implementing the County's annual Consolidated Plan in conjunction with the CCFAC, a citizen committee. The Consolidated Plan is the required annual application for several entitlement grants to the County from HUD, which provided approximately $6.9 million for local housing and community development programs in FY 2017. In FY 2017, HCD staff facilitated the development of the HUD-required Consolidated Plan – One Year Action Plan for FY 2018.

Human Services
This activity provides resources to the County's non-profit partners through the Consolidated Community Funding Pool (CCFP) for critical human services such as youth programs, housing support services, and services targeted toward the County's immigrant population. A significant portion of the funding comes from CDBG, administered by HCD, which also supports CCFP planning and administers contract awards.

Affordable Housing Service Area

Goal
To implement the Board of Supervisors' Affordable Housing Goal that "opportunities should be available to all who live or work in Fairfax County to purchase or rent safe, decent, affordable housing within their means." This goal will be achieved by providing affordable housing preservation and development, offering technical assistance, arranging financing services in conjunction with the FCRHA, for-profit and non-profit community partners; managing and maintaining quality affordable rental housing; administering rental housing subsidies in accordance with federal regulations and local policies; and providing homeownership opportunities to eligible households.

Key Performance Measures

Affordable Housing Preservation

Objectives
- To preserve 2,986 units of affordable housing by the end of fiscal year 2018 and to leverage every $1 in local funds invested in preservation with $3 in non-County resources.

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Output:					
Number of affordable housing units preserved	63	56	100/29	100	100
Efficiency:					
Amount of General County funds per affordable housing unit preserved	$40,236	$0	$40,000/$0	$40,000	$40,000
Service Quality:					
Amount of funds leveraged per $1 of County funds for units preserved	$1	NA	$3/NA	$3	$3
Outcome:					
Cumulative number of affordable units preserved since April 2004	2,701	2,757	2,857/2,786	2,886	2,986

Performance Measurement Results

In FY 2016, a total of 29 affordable units were preserved via FCRHA financing using federal funds, falling short of the target of 100 units primarily due to limited opportunities to preserve multi-family properties emerging in the market in FY 2016. While 29 affordable units were preserved in FY 2016, no County funds were expended in the preservation of those units. Instead, $3.4 million in non-County funds were utilized, resulting in the measures for amount of General County funds expended per affordable housing unit preserved and amount of funds leveraged per $1 of County funds for units preserved, being $0 and not applicable, respectively. Please note that the total number of preserved affordable units includes six additional units beyond those acquired in FY 2016. These units were acquired prior to FY 2016 but were transferred to affordable housing programs in FY 2016.

Public Housing

Objectives

- To maintain an occupancy rate of 95 percent or better in Public Housing.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	FY 2017	FY 2018
Output:					
Clients housed	2,701	2,637	2,780/2,762	2,780	2,780
Number of New Households Served	60	76	85/121	85	85
Efficiency:					
Average income served as percentage of Area Median Income	23%	22%	30%/22%	30%	30%
Service Quality:					
Percent on-time re-certifications	100%	100%	95%/97%	95%	95%
Percent on-time inspections	100%	100%	95%/100%	95%	95%
Outcome:					
Occupancy Rate	98%	95%	95%/97%	95%	95%

Performance Measurement Results

In FY 2016, the Public Housing program continued to provide high quality housing to over 2,700 Fairfax County residents and maintained a high occupancy rate of 97 percent at the properties. A total of 121 new households were served during FY 2016, which was higher than the estimate of 85. The program continues to meet its mission. The average household income served by the Public Housing program in FY 2016 was $21,691, or 22 percent of the Area Median Income for a family of three, meeting the HUD definition of “extremely low-income”.

Fairfax County Rental Program (FCRP)

Objectives

- To maintain an overall occupancy rate of 95 percent or higher for FCRP multi-family properties.

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Output:					
Individuals housed	5,702	5,725	5,725/5,530	5,725	5,725
Number of units in program[1]	2,099	2,138	2,138/2,097	2,100	2,100
Efficiency:					
Average income served as a percentage of Area Median Income	42%	37%	40%/37%	40%	40%
Service Quality:					
Percent on-time re-certifications[2]	100%	100%	95%/96%	95%	95%
Outcome:					
Occupancy rate	99%	97%	95%/94%	95%	95%

(1) Includes all FCRP multifamily units, the Woodley Hills mobile home park and the Coan Pond working singles residences; does not include senior housing properties and certain special needs programs.
(2) Measure includes all FCRHA-managed FCRP multifamily rental properties, excluding active senior properties.

Performance Measurement Results

In FY 2016, there were 2,097 housing units for families and singles in the program and 5,530 individuals were housed. The occupancy rate was 94 percent. This slight decrease from FY 2015 can be attributed to vacancies associated with the rehabilitation of Murraygate Village and the redevelopment of the Crescent Apartments; at the time, both of these projects were anticipated to undergo construction. The average household income served was $36,436, or 37 percent of the Area Median Income for a family of three, meeting the HUD definition of "low-income". Ninety-six percent of re-certifications of all FCRHA-managed FCRP multifamily rental properties, excluding active senior properties, were conducted on-time, meeting the target for this measure.

Housing Choice Voucher

Objectives

- To obtain a funding utilization rate of 98 percent or higher for the federal Housing Choice Voucher (HCV) program.

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Output:					
Individuals housed	9,530	9,327	9,500/9,917	9,500	9,500
Efficiency:					
Average income served as a percentage of Area Median Income	19%	18%	30%/18%	30%	30%
Service Quality:					
Percent on-time inspections	100%	98%	95%/100%	95%	95%
Percent on-time re-certifications	100%	100%	95%/100%	95%	95%
Outcome:					
Voucher funding utilization rate	102%	98%	98%/102%	98%	98%

Performance Measurement Results

The FCRHA's federal HCV program housed over 9,900 individuals in FY 2016. The average household income served was $17,470, or approximately 18 percent of the Area Median Income for a family of three, meeting the HUD definition of "extremely low-income". The targets for voucher funding utilization rate, percentage of on-time inspections, and percentage of on-time re-certifications were all met.

Elderly Housing Programs

Objectives

- To maintain an Assisted Living occupancy rate of 98 percent or higher and accurately track the cost of two subsidized Assisted Living facilities that contain a total of 112 beds.

- To maintain an Independent Living occupancy rate of 98 percent or higher and maintain a customer satisfaction rating of 98 percent or better.

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Output:					
Assisted Living clients housed[1]	102	99	106/110	110	110
Independent Living individuals housed[2]	500	498	502/504	480	480
Efficiency:					
Assisted Living cost per client[3, 4]	$34,916	$35,854	$36,000/$31,998	$33,000	$35,000
Independent Living cost per client[5]	$11,046	$9,395	$11,000/$10,144	$11,000	$11,000
Service Quality:					
Assisted Living occupancy rate	91%	88%	95%/98%	98%	98%
Independent Living occupancy rate	99%	97%	95%/100%	98%	98%
Outcome:					
Assisted Living overall customer satisfaction rating	99%	94%	95%/96%	96%	96%
Independent Living overall customer satisfaction rating	98%	100%	95%/99%	98%	98%

(1) Refers to the number of beds in use in a month.
(2) Refers to highest monthly number of households served in all senior independent living units, including those managed by the FCRHA and properties managed by third-party firms under contract with the FCRHA. The number of units of senior independent living housing in the Fairfax County Rental Program decreases by 22 in spring 2016 due to the redevelopment of the Lewinsville Senior Campus. These units will be replaced by 82 privately owned and operated affordable senior residences.
(3) Includes all operating costs except major capital expenditures.
(4) Methodology for calculation changed for FY 2015 and beyond to reflect a weighted average.
(5) Methodology for calculation changed for FY 2015 and beyond to reflect a weighted average

Performance Measurement Results

Elderly Housing – Assisted Living

In FY 2016, a total of 110 individuals were housed at two assisted living developments with 112 beds/units (Braddock Glen and the Lincolnia Senior Center and Residence), achieving a 98 percent occupancy rate with 96 percent satisfaction. The Assisted Living cost per client was lower than the target and occupancy rate and customer satisfaction rating exceeded the targets.

Elderly Housing – Independent Living

In FY 2016, a total of 504 individuals were housed, and the cost per client was $10,144. The properties, including those managed by the FCRHA and those managed by third-party firms under contract with the FCRHA, achieved a 100 percent occupancy rate in FY 2016. The overall independent living customer service satisfaction rating was 99 percent. Lewinsville residents were not included in the 2016 customer satisfaction survey since all residents moved out of Lewinsville before the survey was conducted. The building is being torn down in 2017 in preparation for construction of a new senior housing property by a private developer.

Homeownership

Objectives

- To obtain a Program Assessment rating of 95 percent or better on indicators addressing sales rate, foreclosures and rate of participation.

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Output:					
Total First-Time Homebuyer (FTHB) units[1]	NA	NA	NA/1,395	1,295	1,195
First-time homebuyers (FTHB)	27	16	30/18	30	15
FTHB households participating in the program	1,265	1,176	1,170/855	800	800
Number of families served through marketing and counseling efforts	8,043	7,563	6,500/6,025	6,000	6,000
Efficiency:					
Cost per FTHB participant	$236	$277	$250/$203	$205	$205
Average income of new first-time homebuyers[1]	$54,183	$49,122	$55,000/$48,752	$55,000	$55,000
Service Quality:					
Participant satisfaction survey scores	97%	100%	95%/100%	95%	95%
Outcome:					
Assessment rating	98%	100%	95%/94%	95%	95%

(1) New performance indicator for FY 2016; includes FTHB units in extended control period which require ongoing monitoring of refinance, sales and foreclosure prevention indicators.
(2) Average household size of new FTHB participants is three.

Performance Measurement Results

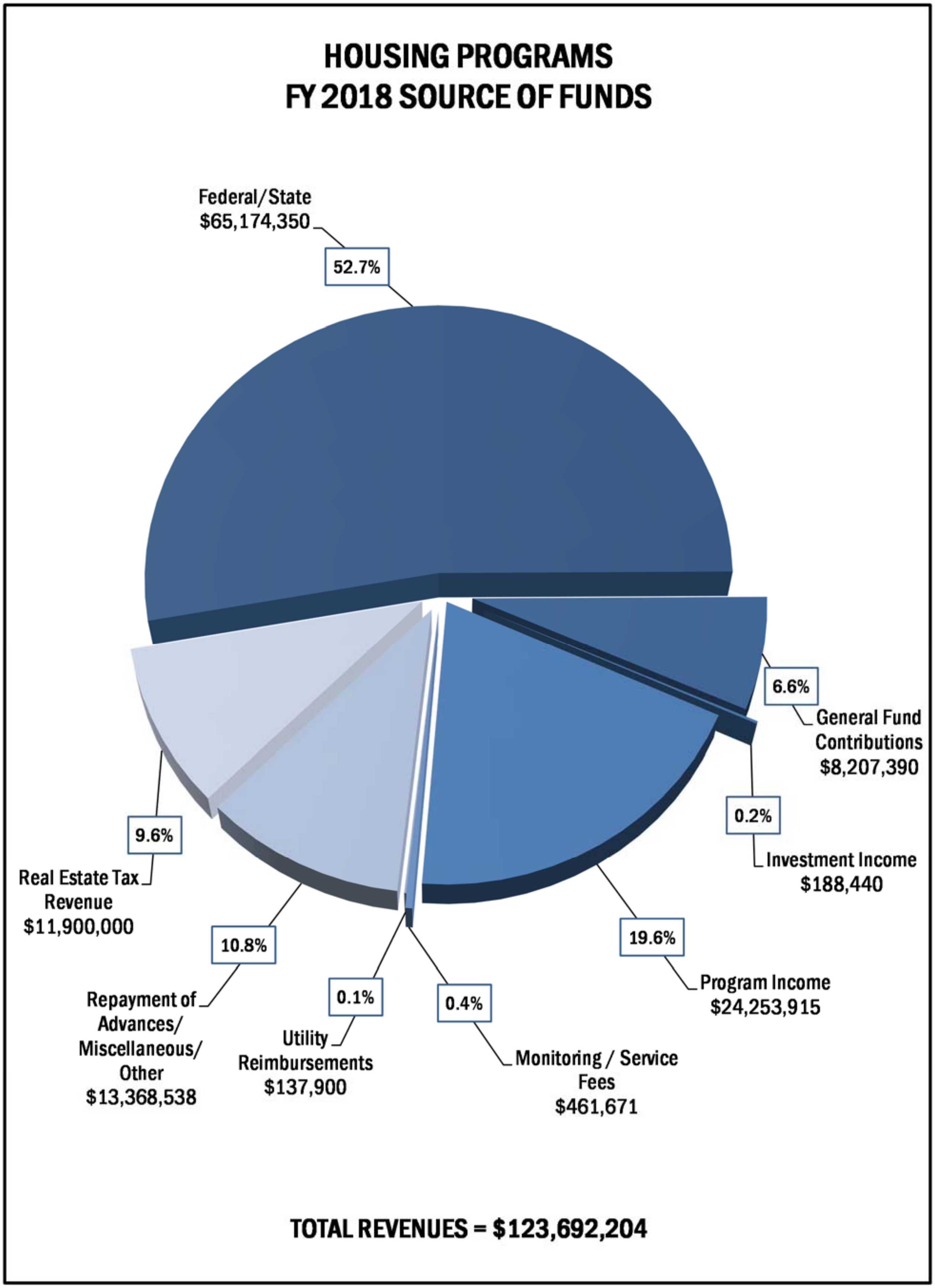
The number of new and resale units varies from year to year, due to a variety of external factors such as real estate market conditions and the economy. The pace of real estate development in the County determines the timing of the production of affordable dwelling units (ADUs) within new residential developments. In FY 2016, 18 first-time homebuyers achieved homeownership utilizing HCD programs. The service delivery satisfaction rate was 100 percent, exceeding the target, and the program assessment rating were 94 percent, just below its target.

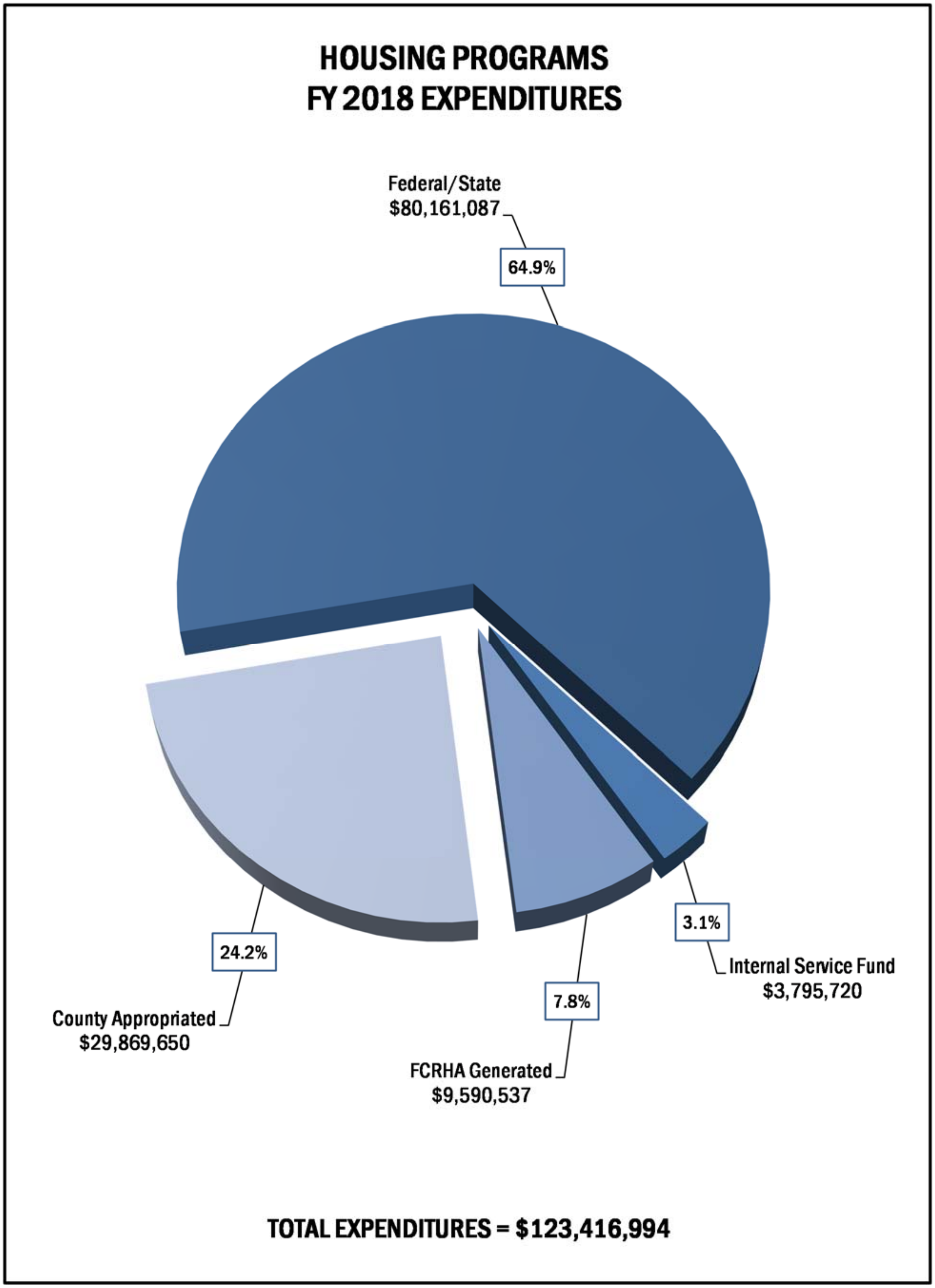
CONSOLIDATED FUND STATEMENT

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$90,842,715	$41,753,468	$98,651,972	$41,720,567	$40,935,793
Revenue:					
Federal/State	$66,276,978	$63,070,083	$72,640,440	$65,174,350	$65,174,350
General Fund Contributions	7,675,187	8,289,226	8,462,255	8,207,390	8,207,390
Program Income	21,094,039	22,036,654	20,889,618	24,253,915	24,253,915
Investment Income	200,736	156,536	305,668	188,440	188,440
Monitoring/Service Fees	420,041	405,205	413,206	461,671	461,671
Utility Reimbursements	178,133	221,718	195,792	137,900	137,900
Repayment of Advances	5,000	1,616	1,616	0	0
Proffered Contributions	3,428,077	0	0	0	0
Real Estate Tax Revenue	11,300,000	11,700,000	11,700,000	11,900,000	11,900,000
Miscellaneous/Other	12,782,357	7,589,087	11,741,472	13,368,538	13,368,538
Total Revenue	$123,360,548	$113,470,125	$126,350,067	$123,692,204	$123,692,204
Total Available	$214,203,263	$155,223,593	$225,002,039	$165,412,771	$164,627,997
Expenditures:					
Personnel Services[1]	$16,469,466	$18,443,388	$17,955,072	$18,798,902	$18,798,902
Operating Expenses	75,619,570	76,554,342	83,427,896	79,999,192	79,999,192
Capital Equipment	0	0	779,000	0	0
Grant Projects	8,181,020	6,305,756	14,539,798	6,433,041	6,433,041
Capital Projects	15,281,235	12,740,108	67,364,480	18,185,859	18,185,859
Total Expenditures[2]	$115,551,291	$114,043,594	$184,066,246	$123,416,994	$123,416,994
Total Disbursements	$115,551,291	$114,043,594	$184,066,246	$123,416,994	$123,416,994
Ending Balance	$98,651,972	$41,179,999	$40,935,793	$41,995,777	$41,211,003

[1] Recovered Costs netted out of Personnel Services to reflect more appropriately the nature of the costs.

[2] Designations are based on fund category, for example, Fund 30300, The Penny for Affordable Housing Fund is included in Capital Projects although some funding is used to support Operating Expenses. Fund 81060, FCRHA Internal Service Fund, was included as a separate housing fund beginning in FY 1998. Revenues and expenditures for this fund are included in the Consolidated Fund Statement, but do not increase total funding available to the agency. As such, this funding is netted out of the Program Area Summary by Fund.


HOUSING PROGRAMS
FY 2018 SOURCE OF FUNDS
Federal/State
$65,174,350
52.7%
6.6%
General Fund
Contributions
$8,207,390
0.2%
Investment Income
$188,440
19.6%
Program Income
$24,253,915
0.4%
Monitoring / Service
Fees
$461,671
0.1%
Utility
Reimbursements
$137,900
10.8%
Repayment of
Advances/
Miscellaneous/
Other
$13,368,538
9.6%
Real Estate Tax
Revenue
$11,900,000
TOTAL REVENUES = $123,692,204


HOUSING PROGRAMS
FY 2018 EXPENDITURES
Federal/State
$80,161,087
64.9%
County Appropriated
$29,869,650
24.2%
FCRHA Generated
$9,590,537
7.8%
Internal Service Fund
$3,795,720
3.1%
TOTAL EXPENDITURES = $123,416,994

Budget and Staff Resources

Program Area Summary by Fund

Category	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
FUNDING					
County Appropriated Funds					
Operating:					
Department of Housing and Community Development	$5,778,538	$6,366,067	$6,539,096	$6,370,366	$6,370,366
40330 Elderly Housing Programs	3,171,843	3,580,904	3,276,065	3,233,344	3,233,344
40360 Homeowner and Business Loan Programs	1,685,610	2,331,087	4,005,576	2,080,081	2,080,081
Total Operating Expenditures	$10,635,991	$12,278,058	$13,820,737	$11,683,791	$11,683,791
Capital:					
30300 The Penny for Affordable Housing Fund	$12,165,986	$12,251,850	$46,783,387	$17,627,927	$17,627,927
30310 Housing Assistance Program	19,785	0	6,567,734	0	0
40300 Housing Trust Fund	1,114,980	484,155	9,126,480	557,932	557,932
Total Capital Expenditures	$13,300,751	$12,736,005	$62,477,601	$18,185,859	$18,185,859
Total County Appropriated Fund Expenditures	$23,936,742	$25,014,063	$76,298,338	$29,869,650	$29,869,650
Federal/State Support:					
50800 Community Development Block Grant	$5,836,869	$4,873,926	$9,578,783	$4,923,230	$4,923,230
50810 HOME Investment Partnerships Program	2,092,925	1,431,830	3,717,547	1,509,811	1,509,811
81300 RAD-Fairfax County Rental Program	0	0	464,412	2,526,026	2,526,026
81500 Housing Grants and Projects	251,226	0	1,243,468	0	0
81510 Housing Choice Voucher Program	58,525,898	59,164,967	61,446,100	63,483,502	63,483,502
81520 Public Housing Projects Under Management	9,477,024	10,362,342	10,153,311	7,718,518	7,718,518
81530 Public Housing Projects Under Modernization	1,799,443	0	2,642,251	0	0
Total Federal/State Support	$77,983,385	$75,833,065	$89,245,872	$80,161,087	$80,161,087

Housing and Community Development Program Overview

Category	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
FCRHA Generated Funds:					
81000 FCRHA General Operating	$3,843,903	$3,515,829	$5,015,766	$3,241,942	$3,241,942
81020 Non-County Appropriated Rehabilitation Loan	0	0	0	0	0
81030 FCRHA Revolving Development	53,029	0	378,731	0	0
81050 FCRHA Private Financing	128,012	4,103	1,865,897	0	0
81060 FCRHA Internal Service	3,681,590	3,409,540	4,499,958	3,795,720	3,795,720
81100 Fairfax County Rental Program	4,453,811	4,522,291	4,647,888	4,415,023	4,415,023
81200 Housing Partnerships	1,470,819	1,744,703	2,113,796	1,933,572	1,933,572
Subtotal, FCRHA Funds	$13,631,164	$13,196,466	$18,522,036	$13,386,257	$13,386,257
Less:					
81060 FCRHA Internal Service	($3,681,590)	($3,409,540)	($4,499,958)	($3,795,720)	($3,795,720)
Total, FCRHA Funds	$9,949,574	$9,786,926	$14,022,078	$9,590,537	$9,590,537
Total, All Sources	$115,551,291	$114,043,594	$184,066,246	$123,416,994	$123,416,994
Less:					
81060 FCRHA Internal Service	($3,681,590)	($3,409,540)	($4,499,958)	($3,795,720)	($3,795,720)
NET TOTAL, ALL SOURCES	$111,869,701	$110,634,054	$179,566,288	$119,621,274	$119,621,274
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	114 / 114	114 / 114	117 / 117	117 / 117	117 / 117
Grant	112 / 112	112 / 112	109 / 109	109 / 109	109 / 109
Total Positions	226 / 226	226 / 226	226 / 226	226 / 226	226 / 226

ORGANIZATIONAL MANAGEMENT & DEVELOPMENT
General Fund:
1 Director
1 Deputy Director
1 HCD Division Director
1 Finance Manager
2 Financial Specialists IV
1 Contract Analyst III
2 Accountants II
1 Accountant I
1 Housing/Community Developer V
1 Info. Tech. Program Manager I
1 Network/Telecom. Analyst III
2 Network/Telecom. Analysts II
1 Human Resources Generalist II
1 Information Officer III
6 Administrative Assistants IV
1 Administrative Assistant III

FCRHA:
1 HCD Division Director
1 Housing/Community Developer IV
1 Financial Specialist IV
1 Financial Specialist III
1 Accountant III
2 Accountants II
1 Information Officer II
1 Planning Tech II
1 Administrative Assistant V
3 Administrative Assistants II

RENTAL HOUSING PROPERTY MANAGEMENT
General Fund:
3 HCD Division Directors
1 Housing Services Specialist V
1 Material Management Supervisor
1 Housing/Community Developer V
1 Management Analyst III
2 Housing/Community Developers II
2 Administrative Assistants IV
1 Administrative Assistant III

Elderly Housing Programs:
1 Director of Senior Housing
1 Chief Building Maintenance Section
1 Trades Supervisor
1 Housing Services Specialist III
1 Housing Services Specialist II
1 Housing Services Specialist I
1 Electrician II
1 General Building Maintenance Worker I
3 Facility Attendants II
1 Maintenance Trade Helper II

FCRHA:
1 Housing Services Specialist IV
1 Housing/Community Developer III
1 Administrative Assistant III
1 Administrative Assistant II

RENTAL HOUSING PROPERTY MANAGEMENT
FCRP:
1 Housing/Community Developer V
1 Housing/Community Developer IV
1 Housing/Community Developer II
1 Housing Services Specialist IV
2 Housing Services Specialists II
1 Housing Services Specialist I
1 Assistant Supervisor Facilities Support
1 Chief Building Maintenance Section
1 Electrician II
1 Plumber II
1 Engineering Technician II
1 Material Management Specialist III
3 General Building Maintenance Workers II
2 General Building Maintenance Workers I
1 Administrative Assistant V
1 Administrative Assistant IV
1 Administrative Assistant II
2 Human Services Assistants

FCRP-RAD:
2 Housing Services Specialists II
2 General Building Maintenance Workers II

Housing Partnerships:
1 HCD Division Director
2 Housing Services Specialists II
1 Housing Services Specialist I
1 HVAC II
1 General Building Maintenance Worker II
1 Plumber I

Public Housing Management:
1 Housing/Community Developer V
3 Housing Services Specialists V
1 Housing Services Specialist IV
5 Housing Services Specialists III
9 Housing Services Specialists II
2 Housing Services Specialists I
1 Financial Specialist IV
1 Financial Specialist III
1 Management Analyst I
1 Human Services Coordinator II
2 Administrative Assistants IV
1 Administrative Assistant III
1 Chief Building Maintenance Section
1 Plumber II
1 Preventative Maintenance Specialist
4 HVACs I
5 General Building Maintenance Workers II
4 General Building Maintenance Workers I
1 Locksmith II

Public Housing Modernization:
1 Housing/Community Developer III

HOMEOWNERSHIP PROGRAM
CDBG:
1 Housing Services Specialist IV
3 Housing/Community Developers II
1 Administrative Assistant IV

FCRHA:
1 HCD Division Director
1 Housing/Community Developer V
2 Housing/Community Developers III

COMMUNITY/NEIGHBORHOOD IMPROVEMENT
General Fund:
1 Deputy Director
1 HCD Division Director
1 Real Estate/Grant Manager
1 Finance Manager
2 Housing/Community Developers IV
1 Administrative Assistant IV

CDBG:
1 HCD Division Director
2 Housing/Community Developers V
4 Housing/Community Developers IV
1 Accountant III
1 Administrative Assistant IV
1 Senior Maintenance Supervisor
2 General Building Maintenance Workers I

FCRHA:
1 Housing/Community Developer V
2 Housing/Community Developers IV

AFFORDABLE HOUSING FINANCE
General Fund:
1 Housing Services Specialist III

FCRHA:
1 Housing/Community Developer IV

AFFORDABLE RENTAL HOUSING SUBSIDIES
Housing Choice Voucher:
3 Housing Services Specialists V
1 Housing Services Specialist IV
4 Housing Services Specialists III
24 Housing Services Specialists II
1 Financial Specialist II
1 Accountant I
1 Fraud Investigator
3 Administrative Assistants IV
3 Administrative Assistants III
1 Administrative Assistant II

GRANTS MANAGEMENT
HOME:
1 Housing/Community Developer IV
1 Housing Services Specialist II

FCRHA:
1 Housing/Community Developer IV
1 Housing/Community Developer III

Housing Grants and Projects:
1 Housing Services Specialist III
1 Housing Services Specialist II

TOTAL POSITIONS
117 Regular Positions / 117.0 Regular FTE
109 Grant Positions / 109.0 Grant FTE in Funds 50800, 50810, 81500, 81510, 81520, and 81530

Housing Fund Structure

In many cases HCD service areas span multiple elements of the fund structure which follows. For example, the General Fund and the FCRHA Operating staff support most of the activities of the Department.

- County General Fund
  - Fund 10001, General Operating

    This fund supports positions in Agency 38, HCD, and provides limited support for expenses such as administrative and maintenance staff costs, as well as a portion of condominium fees for certain FCRHA-owned units, limited partnership real estate taxes, and building maintenance.

- FCRHA General Operating
  - Fund 81000, FCRHA General Operating

    This fund includes all FCRHA revenues generated by rental income, financing fees earned from issuance of bonds, monitoring and service fees charged to developers, investment income, project reimbursements, consultant fees, ground rents on land leased to developers and office space leased to County agencies. Revenues support operating expenses for the administration of the private activity bonds, Home Improvement Loan Program (HILP) loan processing staff and other administrative costs, which crosscut all programs and activities managed by the FCRHA.

- Capital Projects
  - Fund 30300, The Penny for Affordable Housing Fund
  - Fund 30310, Housing Assistance Program

    These funds provide County support for both affordable housing and limited community revitalization capital projects. Fund 30300, The Penny for Affordable Housing Fund, is designed to provide funds to quickly and significantly impact the availability of affordable housing in the County within established criteria. Fund 30300 also supports the Bridging Affordability program, which provides local rental subsidies to individuals and families experiencing homelessness as well as households on Fairfax County's affordable housing waiting lists, including persons with special needs or disabilities. Consistent with the Board's direction in the Housing Blueprint, the Bridging Affordability Program is administered by HCD with specific grants made to one or more of the County's non-profit partners. HCD will continue to provide program compliance, inspect units and administer the contracts with the non-profit partners. A portion of the operations revenue at the County-owned Wedgewood property are used to fund the program, including two merit positions that support the program. Fund 30310, Housing Assistance Program, supports residential improvement and repair projects, including staff resources, marketing, consultant services and capitalized projects.

- Special Revenue Funds
  - Fund 40300, Housing Trust Fund
  - Fund 40330, Elderly Housing Programs
  - Fund 40360, Homeowner and Business Loan Programs
  - Fund 50800, Community Development Block Grant (CDBG)
  - Fund 50810, HOME Investment Partnerships Program (HOME)
  - Fund 81020, Non-County Appropriated Rehabilitation Loan Program

    These funds include housing programs which have a variety of sources of revenue, including rental income, federal or state support, bank funds, or proffered contributions. Fund 40300, Housing Trust Fund, utilizes proffered contributions from private developers, County contributions, and investment earnings to encourage the preservation, development, and redevelopment of affordable housing by the FCRHA, non-profit sponsors, and the private sector. Fund 40330, Elderly Housing Programs, supports the operation of FCRHA-owned affordable housing for the low- and moderate-income elderly of the County. Fund 40360, Homeowner and Business Loan Programs, supports homeowner assistance such as the Moderate Income Direct Sales Program, aids homeowners in the purchase of homes, and manages a federal grant which provides loans to small and minority businesses. Fund 50800, Community Development Block Grant, is a federal grant that is used to conserve and upgrade neighborhoods through the provision of public facilities, support for community services and stimulation of development of low- and moderate-income housing. Fund 50810, the HOME program, is a federal grant program that supports provision of affordable housing through acquisition, rehabilitation, new construction, and tenant-based rental assistance. Fund 81020, Non-County Appropriated Rehabilitation Loan Fund, represents funds raised from private sources for the rehabilitation and upgrading of housing, and works in conjunction with County-appropriated funds in the CDBG and the Homeowner and Business Loan Program funds.

- FCRHA Development Support
  - Fund 81030, FCRHA Revolving Development
  - Fund 81050, FCRHA Private Financing

  Fund 81030, FCRHA Revolving Development, provides development support for proposed new FCRHA projects and provides temporary advances for architectural and engineering plans, studies, or fees for which federal, state, County, or private funds will reimburse the FCRHA at a later date. Funding for capital improvement projects to existing FCRP units is also provided.

  Fund 81050, FCRHA Private Financing, is used to budget and report costs for two types of funds: those borrowed by the FCRHA from private lenders and other sources, and funds for FCRHA projects which are generated through the sale of FCRHA bonds.

- FCRHA Internal Service Fund
  - Fund 81060, FCRHA Internal Service Fund

  This fund was established in FY 1998 to charge for goods and services that are shared among several housing funds. These costs include items such as office supplies, telephones, postage, copying, insurance, and audits which have been budgeted and paid from one of the FCRHA's funds and then allocated to the other funds proportionate to their share of the costs. This fund also includes costs associated with the maintenance and operation of FCRHA housing development, such as service contracts for extermination, custodial work, elevator maintenance, and grounds maintenance. The fund allows one contract to be established for goods and services, as opposed to multiple contracts in various funds.

- Local Rental Housing Program
  - Fund 81100, Fairfax County Rental Program (FCRP)

  This fund covers the operation of housing developments that are owned or managed by the FCRHA, other than federally-assisted public housing and certain County-supported rental housing. This includes operating costs for the FCRP units, the Woodley Hills Estates manufactured housing development, and projects regulated by the VHDA, including group homes for people with physical or developmental disabilities. These latter units are owned and maintained by FCRHA while programs for the residents are administered by the Fairfax-Falls Church Community Services Board (CSB).

- Fund 81200, FCRHA Housing Partnerships
- Fund 81300, Rental Assistance Demonstration (RAD) – Fairfax County Rental Program (FCRP)

  Fund 81200, FCRHA Housing Partnerships, was established in FY 2002 to budget and account for revenue and expenditures related to the housing developments owned by partnerships between the FCRHA and private investors. Financial records for these partnerships are maintained separately outside the County financial systems in order to meet accounting and reporting requirements, but are included in the consolidated audit. Positions and associated administrative costs supporting the Housing Partnership program are reflected in Fund 81200 and other FCRHA funds where activities crosscut housing programs.

  Fund 81300, Rental Assistance Demonstration (RAD)-FCRP was established in FY 2017 and is a local rental housing program that evolved from HUD's RAD initiative, which allows the conversion of traditional Public Housing units to a Housing Choice Voucher (HCV) Project-Based Voucher subsidy model.

♦ FCRHA Grants and Projects Fund

- Fund 81500, Housing Grants and Projects,

  This fund was established in FY 2000 to administer grants awarded to the FCRHA.

♦ Federal Section 8 Rental Assistance

- Fund 81510, Housing Choice Voucher (HCV) Program

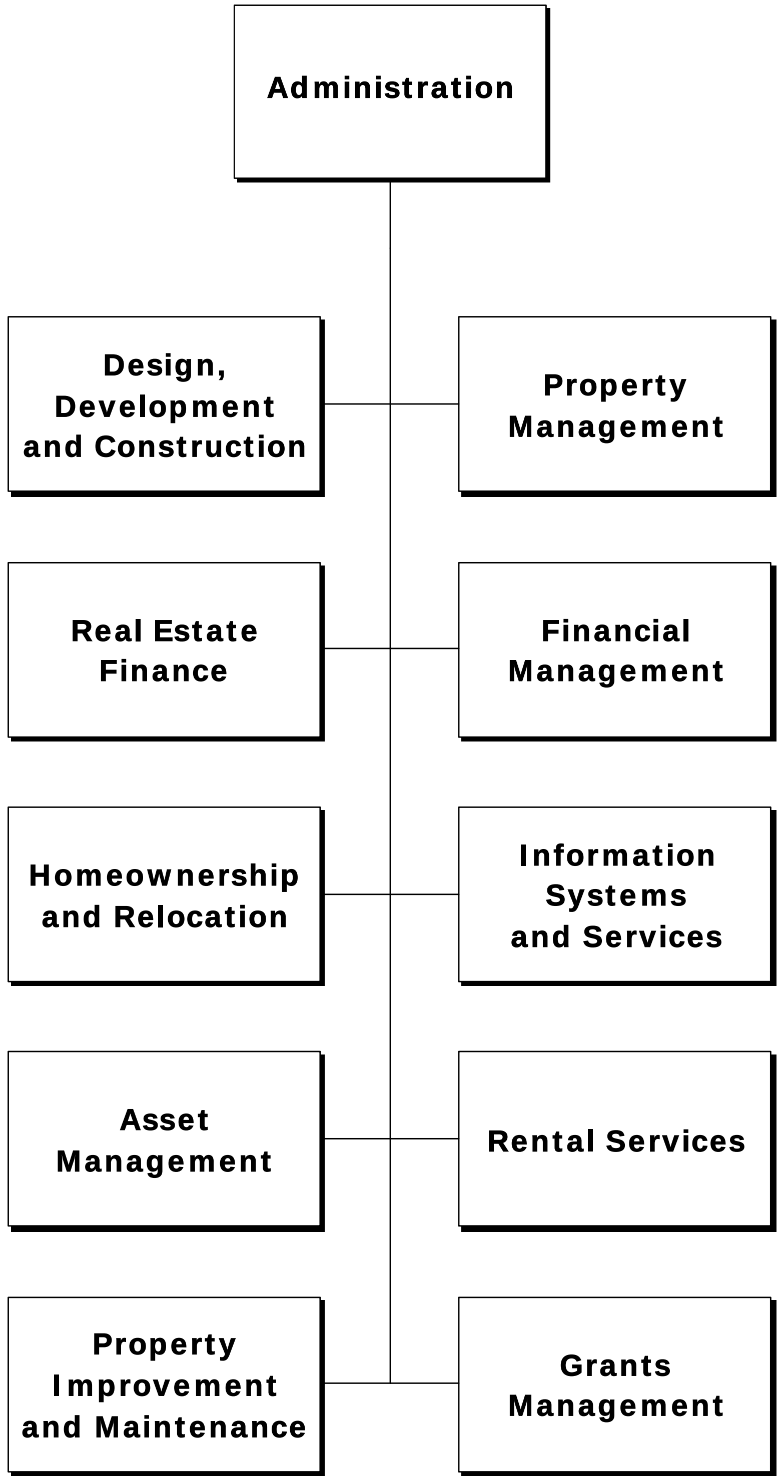
  This fund provides federal housing rental assistance to families with low incomes to assist them in leasing housing in the private marketplace. A portion of rent payments is provided by HUD, through HCD, and is calculated under various formulas, incorporating family income and the fair market rent for various types of housing in the Washington Metropolitan Area. The FCRHA administers the program, providing rental vouchers to eligible participants and rental subsidies to certain housing developments.

♦ Public Housing Program

- Fund 81520, Public Housing Projects Under Management
- Fund 81530, Public Housing Projects Under Modernization

  These funds represent the Federal Public Housing Program that supports the operation, modernization, or acquisition of rental housing to be owned and operated by local housing authorities such as the FCRHA. The Federal Public Housing Program had been divided into two separate components: projects in operation in Fund 81520, Public Housing Projects Under Management, and modernization of existing Public Housing facilities in Fund 81530, Public Housing Projects Under Modernization. Under the program qualifications for Public Housing, units are leased to low-income tenants who pay no more than 35 percent of adjusted income toward dwelling rent or a minimum of $50 per month.

Department of Housing and Community Development



Department of Housing and Community Development

Mission

To provide the residents of the County with safe, decent and more affordable housing for low- and moderate-income households. In addition, the Department of Housing and Community Development (HCD) seeks to preserve, upgrade and enhance existing neighborhoods through conservation and rehabilitation of housing, and through the provision of public facilities and services. HCD staff also serve as staff to the Fairfax County Redevelopment and Housing Authority (FCRHA).

Focus

The Fairfax County HCD provides housing opportunities for low- and moderate-income residents in Fairfax County and assists in the renovation and improvement of neighborhoods. HCD, which acts as staff to the FCRHA, supports, develops and administers a wide variety of FCRHA programs, including:

- Rental housing and tenant subsidies;
- Specialized housing;
- Loans for home ownership and home improvement;
- Affordable housing finance; and
- Community development.

County resources within the HCD General Fund provide support for positions in Agency 38, Housing and Community Development. These positions coordinate the County's community development and improvement programs, support the development and operation of FCRHA-assisted housing, and provide critical support in financial management, computer network operations and policy planning.

The HCD General Fund also supports the federal public housing and local rental programs by funding a portion of the administrative and maintenance staff costs, as well as condominium fees, limited partnership real estate taxes and building maintenance.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$3,982,043	$4,755,795	$4,400,395	$4,760,094	$4,760,094
Operating Expenses	2,078,995	2,122,772	2,431,201	2,122,772	2,122,772
Capital Equipment	0	0	0	0	0
Subtotal	$6,061,038	$6,878,567	$6,831,596	$6,882,866	$6,882,866
Less:					
Recovered Costs	($282,500)	($512,500)	($292,500)	($512,500)	($512,500)
Total Expenditures	$5,778,538	$6,366,067	$6,539,096	$6,370,366	$6,370,366
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	44 / 44	44 / 44	44 / 44	44 / 44	44 / 44

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Employee Compensation** **$54,299**

An increase of $54,299 in Personnel Services includes $53,100 for performance-based and longevity increases for non-uniformed merit employees effective July 2017, as well as $1,199 for employee pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions.

♦ **Reductions** **($50,000)**

A decrease of $50,000 reflects reductions utilized to balance the FY 2018 budget. The following table provides details on the specific reductions:

Title	Impact	Posn	FTE	Reduction
Recognize Personnel Services Savings	Based on an analysis of current staff salaries and projected recruitments, savings of $50,000 in Personnel Services can be realized. Savings have materialized gradually over the last several years, so the impact of this reduction will be minimal.	0	0.0	$50,000
Recognize Savings associated with Mortgage Payoff	Funding is provided in Facilities Management Department to support the General Fund portion of the mortgage of the Department of Housing and Community Development's (HCD) administrative building on Pender Drive. The mortgage will be paid off in FY 2017, so savings to the General Fund of $206,410 will result.	0	0.0	$0

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$195,729**

As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved encumbered carryover of $167,977 primarily for office equipment, supplies and contractual services, as well as unencumbered carryover of $27,752 for the Incentive Reinvestment Initiative that allowed agencies to identify savings and efficiencies in FY 2016 and retain a portion to reinvest in employees.

♦ **Incentive Reinvestment Initiative** **($22,700)**

A net decrease of $22,700 reflects 50 percent of the savings generated as a result of the careful management of agency expenditures during the fiscal year and was returned to the General Fund as part of the *FY 2017 Third Quarter Review*. The remaining 50 percent was retained by the agency to be reinvested in employee training, conferences and other employee development and succession planning opportunities.

Cost Centers

Organizational Management & Development

Organizational Management and Development supports the core business areas of the FCRHA and HCD by providing financial management to the agency's various programs and responding to computer network requests from employees; answers public information requests from citizens, departments and other interested individuals and groups; conducts data collection and analysis; and provides administrative management of the department.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$2,834,910	$2,622,914	$2,774,799	$2,602,746	$2,602,746
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	23 / 23	23 / 23	24 / 24	24 / 24	24 / 24

1	Director	2	Accountants II	1	Human Resources Generalist II
1	Deputy Director	1	Accountant I	1	Information Officer III
1	HCD Division Director	1	Housing/Community Developer V	6	Administrative Assistants IV
1	Finance Manager	1	Info. Tech. Program Manager I	1	Administrative Assistant III
2	Financial Specialists IV	1	Network/Telecom. Analyst III		
1	Contract Analyst III	2	Network/Telecom. Analysts II		

TOTAL POSITIONS
24 Positions / 24.0 FTE

Rental Housing Property Management

Rental Housing Property Management provides services to manage and maintain affordable housing that is decent, safe and sanitary for eligible families; to maintain FCRHA housing in accordance with community standards; and, to provide homeownership opportunities to eligible households. The division also provides asset management services and rental assistance.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$2,143,440	$2,890,717	$2,911,861	$2,905,255	$2,905,255
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	12 / 12	12 / 12	12 / 12	12 / 12	12 / 12

3	HCD Division Directors	1	Management Analyst III	2	Administrative Assistants IV
1	Material Management Supervisor	1	Housing Services Specialist V	1	Administrative Assistant III
1	Housing/Community Developer V	2	Housing/Community Developers II		

TOTAL POSITIONS
12 Positions / 12.0 FTE

Affordable Housing Finance

Affordable Housing Finance plans, implements and maintains community-based and department-based support services designed to improve the quality of life for residents in low- and moderate-income communities, and provides financial services in order to facilitate the preservation and development of affordable housing. The division also provides financing services to the FCRHA, non-profits and other affordable housing providers; ensures compliance with federal laws; and provides economic opportunities to low- and moderate-income residents.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$128,889	$122,305	$122,305	$123,712	$123,712
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	1 / 1	1 / 1	1 / 1	1 / 1	1 / 1

1 Housing Services Specialist III

TOTAL POSITIONS
1 Position / 1.0 FTE

Community/Neighborhood Improvement

Community/Neighborhood Improvement addresses current program needs associated with countywide residential improvement and repair projects within the Department of Housing and Community Development, home repair programs for the elderly, and the development of FCRHA properties.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$671,299	$730,131	$730,131	$738,653	$738,653
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	8 / 8	8 / 8	7 / 7	7 / 7	7 / 7

1 Deputy Director
1 HCD Division Director
1 Real Estate/Grant Manager
1 Finance Manager
2 Housing Community Developers IV
1 Administrative Assistant IV

TOTAL POSITIONS
7 Positions / 7.0 FTE

Fund 30300
The Penny for Affordable Housing Fund

Focus

Fund 30300, The Penny for Affordable Housing, 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 preserve and promote the development of affordable housing. For fiscal years 2006 through 2009, the Board of Supervisors (BOS) 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 BOS reduced annual funding to Fund 30300, The Penny for Affordable Housing, by 50 percent in order to balance the budget. From FY 2006 through FY 2017, the fund has provided a total of $204.5 million for affordable housing in Fairfax County; a total of $17.6 million is provided in FY 2018.

Between FY 2000 and FY 2007, the mean assessed value of residential property in Fairfax County rose over 180 percent. The national financial crisis precipitated declines in the County's mean assessed housing value over the next four years. The County has seen modest rises in values from FY 2012 through FY 2017. While the FY 2016 value is below the FY 2007 peak, the mean assessed value in FY 2016 was approximately 149 percent higher than FY 2001. According to the United States Department of Housing and Urban Development (HUD), Fairfax County remains a high cost area for homeownership.

Fairfax County also remains a high cost area for rental housing. Between 2002 and 2010, Fairfax County lost approximately 8,051 non-subsidized rental units affordable to households earning up to 70 percent of the Area Median Income (AMI), or $72,450 for a family of four in FY 2010. The percentage of rental units affordable at 70 percent of AMI fell from 75 percent in 2002 to 56 percent in 2008, and remained at 56 percent in 2010. The AMI for Fairfax County in FY 2016, as published by HUD, is $108,600. The annual income needed to afford a two bedroom apartment at the HUD-published fair market rate of $1,623 per month was estimated to be $64,920 in FY 2016. This is over 50 percent of the AMI for a family of four, meaning that there are many working families for whom living in Fairfax County is a significant financial struggle. A worker earning minimum wage would have to work nearly four full-time jobs to be able to afford a two-bedroom apartment at the HUD fair market rate.

According to the Virginia Tech Center for Housing Research, the total affordable housing gap for low- and moderate-income renters in Fairfax County (those earning 80 percent of the AMI and below) is approximately 31,630 rental units. Based on job growth and housing data prepared by the Center for Regional Analysis at George Mason University, it is estimated that there is a need for approximately 49,284 net new affordable units for households earning up to $125,000 per year (slightly over 115 percent of the AMI) by 2032. Taken together, this represents a need for nearly 81,000 units of affordable workforce housing in Fairfax County within the next 16 years.

Fund 30300 represents a major financial commitment by the County to preserving and creating affordable housing opportunities by dedicating a portion of its revenue specifically for affordable and workforce housing. To maximize the effectiveness of these funds, the BOS recommended a minimum leverage ratio of 3:1 with non-County funds and that units funded by Fund 30300 remain affordable at a minimum for a period of time consistent with the County's Affordable Dwelling Unit Ordinance, which was amended to be 30 years effective February 2006.

A total of 2,786 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 2,534 units are preserved for 20 years or longer. A variety of funding sources were used to preserve these units; however, Fund 30300 funds were critical for the preservation of several large multifamily complexes purchased by private nonprofits and for-profit organizations. These purchases represent a significant portion of the units preserved and are shown below:

Development	District	Ownership	Units Preserved
Janna Lee Villages, Hybla Valley	Lee	For-profit	319
Hollybrooke II & III, Falls Church	Mason	Non-profit	148
Coralain Gardens, Falls Church	Mason	For-profit	105
Sunset Park, Falls Church	Mason	Non-profit	90
Mount Vernon House, Alexandria	Mt. Vernon	For-profit	130
Madison Ridge, Centreville	Sully	Non-profit	216
Wexford Manor A and B	Providence	Non-profit	74
Huntington Gardens	Lee	Non-profit	113
Total			**1,195**

Fund 30300 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 Apartments complex in Annandale (Braddock District). These projects were purchased by the County and are being managed by the Fairfax County Redevelopment and Housing Authority (FCRHA) as part of the low- and moderate-income rental program. Without the availability of Fund 30300, both of these apartment complexes may have been lost as affordable housing.

During its retreat in June 2009, the BOS reaffirmed the County's commitment to affordable housing and discussed the use of affordable housing resources in future fiscal years. As a part of these discussions, the BOS identified the following as priorities for housing policy: 1) Providing housing for those in greatest need; 2) Partnering with non-profits; 3) Refocusing existing resources; 4) Bridging the affordability gap; 5) Completing projects in the pipeline and 6) Promoting workforce housing through land use policy and private sector partnerships. In response, the "Housing Blueprint" was adopted by the BOS in 2010. The Blueprint was a collaborative effort among County agencies, non-profits and advocates and laid out the priorities for housing: 1) To end homelessness in 10 years; 2) To provide affordable housing options to those with special needs; 3) To meet the affordable housing needs of low-income working families; and 4) To produce workforce housing sufficient to accommodate projected job growth.

The collaborative process that resulted in the Blueprint also helped to create specific FY 2011 metrics for each of the four overarching Blueprint goals. In addition to refocusing existing resources and other efforts, the FY 2011 Blueprint metrics called for the creation of a locally-funded "Bridging Affordability" program to address the homelessness and waiting list goals. The BOS subsequently provided, as part of the FY 2011 budget process, a total of $4.1 million in project revenue from the County-owned Wedgewood Apartments complex for the Bridging Affordability program. The program commenced in June 2011 with the selection of a coalition of nine non-profits to operate the program.

The Bridging Affordability program is intended as a gateway into the FCRHA's federal housing programs, including the Housing Choice Voucher Program (see Fund 81510, Housing Choice Voucher Program) and Public Housing Programs (see Fund 81520, Public Housing Under Management; Fund 81530, Public Housing Under Modernization; and Fund 81300, Rental Assistance Demonstration (RAD)) programs. Bridging Affordability provides local rental subsidies to individuals and families experiencing homelessness and households currently on Fairfax County's affordable housing waiting lists, including those managed by the FCRHA, the Fairfax-Falls Church Community Services Board, the Office to End and Prevent Homelessness and the homeless shelters. Through a competitive request for proposals (RFP) process in FY 2011, an award of $4.8 million was made to Northern Virginia Family Service (NVFS) to provide long-term rental subsidies to homeless individuals and families and those on the County's waiting lists over a three-year period. In FY 2013, a second award of $7 million was made to NVFS and when combined with the initial award, the coalition of non-profits will serve over 500 households. Bridging Affordability was extended in FY 2017 for four years with an additional $5.5 million to serve over 160 additional households over two years, including households escaping domestic violence. The Department of Housing and Community Development (HCD) provides program compliance, administers the contract with the contract administrator and manages the bridge to the FCRHA's housing programs. HCD provides program compliance, inspects units and administers the contracts with non-profit partners. As designated by the Blueprint, a portion of the operations revenue at the County-owned Wedgewood property is being used to fund two merit positions that support this program.

The Housing Blueprint provides a partial source of financing, on a competitive basis, for FCRHA and County developers towards the purchase and/or rehabilitation of low-income housing. Projects approved under this program include Lindsay Hill, Wexford Manor and Huntington Gardens. As a condition of utilizing these funds, developments must meet the goals of the Blueprint by serving residents at or below the 60 percent of AMI and in addition are focused on having a high percentage of committed affordable units; commitment to lease to elderly and special needs populations; a mix of low to moderate income and located near transit or employment centers and new construction. In FY 2017 a notice of funding availability of approximately $6.8 million, with an October 15th date for applications submitted for Low Income Housing Tax Credit (LIHTC) projects, was advertised and responses were presented to the Board of Supervisors in January/February 2017. The amount of these local funds are also being supported by $2 million in federal CDBG/HOME funds through a competitive process. Additional funding of $6.1 million will be made available in FY 2018.

In 2015, the BOS approved the redevelopment plan for the Crescent property through a public-private partnership with a developer selected through a competitive process. The redevelopment plan would have replaced the existing 181 affordable units with new affordable units and guaranteed that 20 percent of any additional new units would be affordable housing units. Due to financing issues, the initial project was determined to be infeasible. A physical needs assessment will be performed on the property to determine what improvements are needed to ensure its continued sustainability in the near term and a feasibility study is underway to evaluate potential options for a revised redevelopment plan.

In March of 2015, the Board of Supervisors adopted the *Economic Success Strategic Plan* encompassing six specific goals. Fund 30300, The Penny for Affordable Housing Fund, plays a crucial role in Goals 2 and 5, "Create Places Where People Want to Be" and "Achieve Economic Success through Education and Social Equity". The fund has helped to "expand the creation of livable, walkable communities that are aligned with transportation infrastructure, including a mix of housing types to accommodate a range of ages, household sizes, incomes and uses for long term appeal, integration and sustainability"(Economic Success Goal 2 section 2.2). In addition, through the Board's commitment to set aside funding from Real Estate taxes, it has "identified a recurring, sustainable funding source which can be reinvested into projects which preserve housing affordability and produce new affordable housing units"(Economic Success Goal 5 section 5.7).

Further, essential programs such as the Blueprint set the vision to build livable, caring and affordable communities; which is critical in the Economic Success Plan. Fund 30300, The Penny for Affordable Housing Fund, focuses on the establishment of housing within communities that is affordable for seniors, the disabled, and members of our workforce and contributes toward the County's goal of preventing and ending homelessness in Fairfax County. An example of a program which supports these objectives is the Bridging Affordability Program. The Bridging Affordability Program provides time-limited rental assistance, coupled with case management and supportive services, to assist households to move toward more self-sufficiency and economic success.

In FY 2018, Fund 30300 funding of $17,627,927 is composed of $11,900,000 in Real Estate Tax Revenue, $5,200,000 in operating revenue from Wedgewood and Crescent Apartments and $527,927 in Affordable Housing Partnership Program loan repayments. FY 2018 funding is allocated as follows: $5,752,657 for Wedgewood for the annual debt service, $2,494,372 for Crescent Apartments annual debt service, $3,000,000 for the Bridging Affordability Program, $6,083,398 for the Housing Blueprint Project, and $297,500 for Affordable/Workforce Housing.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$34,531,537**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $34,531,537 due to the carryover of unexpended project balances in the amount of $33,813,477 and the appropriation of $718,060 associated with additional program income received in FY 2016.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 30300
The Penny for Affordable Housing Fund

FUND STATEMENT

Fund 30300, The Penny for Affordable Housing Fund

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$29,945,563	$0	$34,531,537	$0	$0
Revenue:					
Real Estate Tax Revenue Associated with The Penny for Affordable Housing	$11,300,000	$11,700,000	$11,700,000	$11,900,000	$11,900,000
Miscellaneous	5,451,960	551,850	551,850	5,727,927	5,727,927
Total Revenue	$16,751,960	$12,251,850	$12,251,850	$17,627,927	$17,627,927
Total Available	$46,697,523	$12,251,850	$46,783,387	$17,627,927	$17,627,927
Total Expenditures	$12,165,986	$12,251,850	$46,783,387	$17,627,927	$17,627,927
Total Disbursements	$12,165,986	$12,251,850	$46,783,387	$17,627,927	$17,627,927
Ending Balance	$34,531,537	$0	$0	$0	$0

Fund 30300
The Penny for Affordable Housing Fund

FY 2018 Summary of Capital Projects

Fund 30300, The Penny for Affordable Housing Fund

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Affordable/Workforce Housing (2H38-072-000)		$273,413.30	$1,021,455.12	$297,500	$297,500
Bridging Affordability Program (2H38-084-000)		2,385,000.64	8,901,535.79	3,000,000	3,000,000
Community Challenge - Housing Blueprint (2H38-182-000)		0.00	119,836.58	0	0
Crescent Apartments Debt Service (2H38-075-000)		2,923,503.20	4,435,215.22	2,494,372	2,494,372
Housing Blueprint Project (2H38-180-000)		0.00	16,002,524.61	6,083,398	6,083,398
Matching Grants to Non-Profits (2H38-181-000)		591,982.50	89,520.03	0	0
Murraygate Village Apt. Rehabilitation (2H38-194-000)	7,535,706	238,199.13	7,297,506.66	0	0
Wedgewood Debt Service (2H38-081-000)		5,753,887.52	5,754,338.95	5,752,657	5,752,657
Wedgewood Renovation (2H38-150-000)	4,674,026	0.00	3,161,453.54	0	0
Total	$12,209,732	$12,165,986.29	$46,783,386.50	$17,627,927	$17,627,927

Fund 30310
Housing Assistance Program

Focus

Fund 30310, Housing Assistance Program has been a source of funds for the development of low- and moderate-income housing and support of public improvement projects in low- and moderate-income neighborhoods. In addition, proceeds from the U.S. Department of Housing and Urban Development (HUD) Section 108 Loan provided for public improvement projects in five of the County's Conservation Areas: Bailey's, Fairhaven, Gum Springs, James Lee and Jefferson Manor.

No FY 2018 funding is included for Fund 30310, but unspent project balances will carry forward at the close of FY 2017.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$6,567,734**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $6,567,734 due to the carryover of unexpended project balances.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 30310
Housing Assistance Program

FUND STATEMENT

Fund 30310, Housing Assistance Program

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$6,587,519	$0	$6,567,734	$0	$0
Revenue:					
Bond Proceeds	$0	$0	$0	$0	$0
Total Revenue	$0	$0	$0	$0	$0
Total Available	$6,587,519	$0	$6,567,734	$0	$0
Expenditures:					
Capital Projects	$19,785	$0	$6,567,734	$0	$0
Total Expenditures	$19,785	$0	$6,567,734	$0	$0
Total Disbursements	$19,785	$0	$6,567,734	$0	$0
Ending Balance[1]	$6,567,734	$0	$0	$0	$0

[1] Capital projects are budgeted based on the total project costs. Most projects span multiple years from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

Fund 30310
Housing Assistance Program

FY 2018 Summary of Capital Projects

Fund 30310, Housing Assistance Program

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Bailey's Road Improvements (2H38-087-000)	$298,604	$0.00	$45,824.49	$0	$0
Commerce Street Redevelopment (2H38-102-000)	2,181,021	0.00	2,101,648.23	0	0
Emergency Housing (2H38-086-000)	578,448	0.00	76,543.49	0	0
Fairhaven Public Improvements-County (2H38-089-000)	1,600,754	0.00	308,824.63	0	0
Fairhaven Public Improvements-Sec 108 (2H38-088-000)	187,642	0.00	87,159.06	0	0
Gum Springs Public Improvements (2H38-090-000)	8,561	0.00	5,517.35	0	0
Huntington Flood Insurance Program (2H38-107-000		0.00	295,224.00	0	0
James Lee Community Center (2H38-092-000)	170,645	0.00	3,441.20	0	0
James Lee Road Improvement (2H38-093-000)		0.00	14,268.99	0	0
James Lee Road Improvement-Sec 108 (2H38-095-000)	98,043	0.00	25,414.49	0	0
Jefferson Manor Public Improvements-Sec 108 (2H38-098-000)	1,909,190	0.00	1,453,933.89	0	0
Predevelopment Studies (2H38-209-000)	148,492	0.00	148,492.13	0	0
Richmond Highway Corridor (2H38-103-000)	77,352	285.48	0.00	0	0
Woodley Hills Estate (2H38-085-000)	3,364,417	19,500.00	2,001,441.76	0	0
Total	$10,623,169	$19,785.48	$6,567,733.71	$0	$0

Fund 40300
Housing Trust Fund

Focus

Fund 40300, Housing Trust Fund, was created in FY 1990 to reflect the expenditures and revenues of funds earmarked to encourage and support the acquisition, preservation, development and redevelopment of affordable housing by the Fairfax County Redevelopment and Housing Authority (FCRHA), non-profit sponsors and private developers. The fund is intended to promote endeavors that will furnish housing to low- and moderate-income individuals in Fairfax County by providing low-cost debt and equity capital in the form of loans, grants and equity contributions.

Under the criteria approved by the FCRHA and the Board of Supervisors for the Housing Trust Fund, the highest priority is assigned to projects which enhance existing County and FCRHA programs, acquire, construct or preserve housing which will be maintained for lower income occupants over the long-term, promote affordable housing and leverage private funds. In FY 1996, the Board of Supervisors authorized the FCRHA to implement a pre-development fund as a component of the Housing Trust Fund.

On behalf of the County, the FCRHA administers the Housing Trust Fund, and on an ongoing basis, accepts and reviews applications from non-profit corporations and private developers for contributions from this source. The FCRHA forwards its recommendations of projects to be funded to the Board of Supervisors based on this review. The FCRHA itself may submit proposals meeting the Housing Trust Fund criteria to the Board of Supervisors at any time for the Board's approval.

In FY 2018, revenues are estimated to be $557,932, an increase of $73,777, or 15.2 percent, over the FY 2017 Adopted Budget Plan. The increase in revenue is due to an increase in projected equity share income from the sale of Affordable Dwelling Units (ADUs). FY 2018 expenditure appropriation of $557,932 will be allocated to two projects, the Land/Unit Acquisition and the Undesignated Housing Trust Fund, for reallocation to specific projects when identified and approved.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$4,934,992**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $4,932,992 due to the carryover of $4,801,944 in unexpended project balances and the appropriation of $133,048 in additional program income received in FY 2016.

- **Third Quarter Adjustments** **$3,707,333**
  As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved an increase of $3,707,333 due to additional proffer revenue received and recorded in FY 2016.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 40300
Housing Trust Fund

FUND STATEMENT

Fund 40300, Housing Trust Fund

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$5,565,593	$229,060	$8,612,979	$229,060	$229,060
Revenue:					
Proffered Contributions[1]	$3,428,077	$0	$0	$0	$0
Investment Income[1]	22,147	4,945	32,065	22,141	22,141
Miscellaneous Revenue[1]	712,142	479,210	710,496	535,791	535,791
Total Revenue	$4,162,366	$484,155	$742,561	$557,932	$557,932
Total Available	$9,727,959	$713,215	$9,355,540	$786,992	$786,992
Expenditures:					
Capital Projects[2]	$1,114,980	$484,155	$9,126,480	$557,932	$557,932
Total Expenditures	$1,114,980	$484,155	$9,126,480	$557,932	$557,932
Total Disbursements	$1,114,980	$484,155	$9,126,480	$557,932	$557,932
Ending Balance	$8,612,979	$229,060	$229,060	$229,060	$229,060
Reserved Fund Balance[3]	$229,060	$229,060	$229,060	$229,060	$229,060
Unreserved Ending Balance	$8,383,919	$0	$0	$0	$0

[1] In order to account for revenues and expenditures in the proper fiscal year, audit adjustments have been reflected as an increase of $3,448,927.70 in FY 2016 to record revenue in the appropriate fiscal period. This audit adjustment was included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments were included in the FY 2017 Third Quarter Package.

[2] Capital projects are budgeted based on the total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year and ending balances fluctuate, reflecting the carryover of these funds.

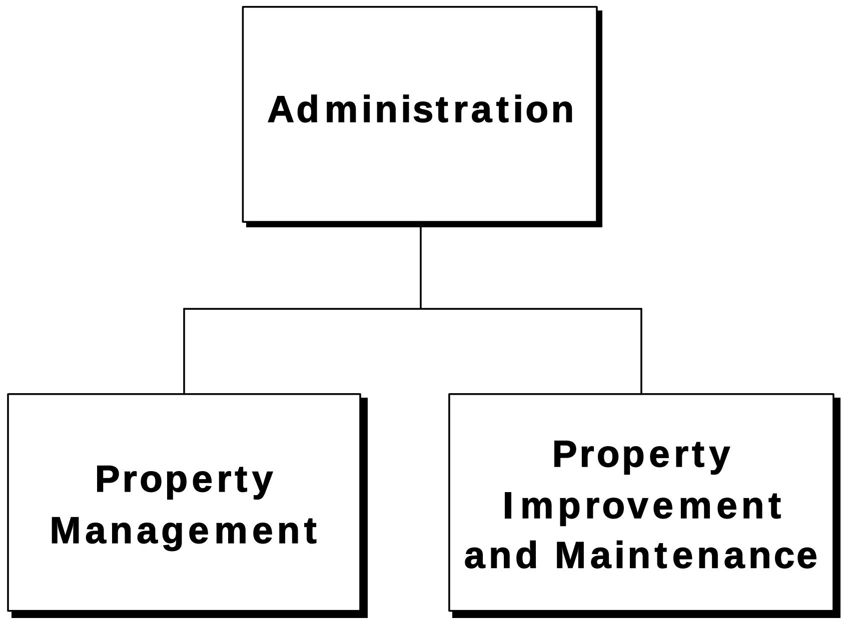
[3] The Reserved Fund Balance reflects revenue receivable to the Housing Trust Fund for interest owed by Cornerstones Housing Corporation (formerly Reston Interfaith) on an equity lien held by the FCRHA.

FY 2018 Summary of Capital Projects

Fund 40300, Housing Trust Fund

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Feasibility and Site Work Studies (2H38-210-000)	$222,817	$0.00	$222,817.00	$0	$0
Housing First: Hanley Transitional Housing (2H38-067-000)	1,130,937	56,310.13	0.00	0	0
HP-Housing Proffer Contributions-General (HF-000082)	549,994	0.00	549,993.84	0	0
HP-Housing Proffer Contributions-Tysons (HF-000081)	2,878,083	0.00	2,878,083.00	0	0
Land/Unit Acquisition (2H38-066-000)		218,525.00	1,068,045.59	410,000	410,000
Lewinsville Expansion Project (2H38-064-000)	2,932,752	663,818.77	527,914.82	0	0
Mondloch House (2H38-071-000)	55,321	0.00	42,329.88	0	0
Rehabilitation of FCRHA Properties (2H38-068-000)		0.00	1,551,151.50	0	0
Reservation/Emergencies & Opportunities (2H38-065-000)		0.00	300,000.00	0	0
Senior/Disabled Housing/Homeless (2H38-192-000)	1,070,000	176,325.71	474,394.68	0	0
Undesignated Housing Trust Fund (2H38-060-000)		0.00	232,943.00	147,932	147,932
Wedgewood Renovation HTF (2H38-207-000)	1,278,807	0.00	1,278,807.00	0	0
Total	$10,118,711	$1,114,979.61	$9,126,480.31	$557,932	$557,932

Fund 40330
Elderly Housing Programs



Mission

To manage affordable rental housing acquired by the Fairfax County Redevelopment and Housing Authority (FCRHA) for the benefit of the elderly, and to maintain and preserve the units for long-term rental availability.

Focus

Fund 40330, Elderly Housing Programs, accounts for personnel, operating, and equipment costs related to the County's support of the operation of the two locally-funded elderly housing developments owned or leased by the FCRHA. The two facilities are: Little River Glen and Lincolnia Senior Residences. Funding for six other facilities, Gum Springs Glen, Morris Glen, Olley Glen, Herndon Harbor House, Braddock Glen, and Lewinsville Senior Residences is not presented in Fund 40330. Although they are owned by a limited partnership where the FCRHA is the managing general partner, the facilities are managed by private firms. The Housing and Community Development (HCD) staff administers the contracts between the FCRHA and the private firms hired to manage the facilities. Together, in FY 2018, these eight facilities will provide for 588 congregate housing units including, three Adult Day Health Care Centers and two assisted living facilities affordable to low-income older adults (see following table).

Property Name	Supervisor District	Ownership	Operating Funding	Programs	# of Units	Funding Provided
Little River Glen	Braddock	FCRHA	Fund 40330 Elderly Housing	Independent Living Congregate Meals Senior Recreation	120	$1,559,457
Lincolnia Senior Residences	Mason	FCRHA	Fund 40330 Elderly Housing	Independent Living Assisted Living Adult Day Health Care Congregate Meals Senior Recreation	26 52	$1,673,887
Gums Springs Glen	Mt. Vernon	Gums Springs LP	Fund 81200 Housing Partnerships	Independent Living Head Start	60	NA
Morris Glen	Lee	Morris Glen LP	Fund 81200 Housing Partnerships	Independent Living	60	NA
Olley Glen	Braddock	FCRHA Olley Glen LP	Fund 81200 Housing Partnerships	Independent Living	90	NA
Herndon Harbor House I & II	Dranesville	Herndon Harbor House LP Herndon Harbor House II LP	Fund 81200 Housing Partnerships	Independent Living Adult Day Health Care Congregate Meals	120	NA
Braddock Glen	Braddock	Fairfax County	Privately Managed	Assisted Living Adult Day Health Care Congregate Meals Senior Recreation	60	NA
Lewinsville Senior Residences[1]	Dranesville	FCRHA	Privately Managed	Independent Living Adult Day Health Care Congregate Meals Senior Recreation	22	NA
Total Units					**610**	**$3,233,344**

[1] Upon completion of the renovation at Lewinsville in the spring of 2018, the number of units will increase to 82.

Through a public-private partnership in FY 2017, Lewinsville is currently under renovation, whereby the current facility will be replaced by two buildings, providing approximately 82 units of "Independent Living" senior housing in "The Fallstead" at Lewinsville Center once completed in spring 2018. The second County building will include space for the Fairfax County Health Department's Adult Day Health Care facility, two child day care centers and allow for the expansion of services of the existing senior center programs operated by the Department of Neighborhood and Community Services. Management of the property will be shifted to a private company.

In FY 2018, the operation of the Elderly Housing Programs will be supported in part with rental income, a state auxiliary grant for indigent care in the Adult Care Residence component at the Lincolnia Center, and County support via a County General Fund transfer of $1.84 million that supports nearly 57 percent of expenditures. Gum Springs Glen, Morris Glen, Olley Glen, Herndon Harbor House and Braddock Glen are self-supporting and do not require County General Fund support.

Other costs related to the County's housing program at these sites, including the operating costs of senior centers, adult day health care centers, and congregate meal programs, are reflected in the agency budgets for the Department of Neighborhood and Community Services, the Health Department, the Department of Family Services, Fund 50000, Federal-State Grant Fund, and capital project requirements are funded in Fund 20000, Consolidated Debt Service.

Fund 40330
Elderly Housing Programs

Certain expenses reflected in this fund are not directly related to housing operations. The FCRHA, as landlord of these facilities, has inter-agency agreements, which provide for budgeting by HCD for common area expenses for utilities, telecommunications, maintenance, custodial services, and contracts. The facilities provide space for general community use, as well as for services provided by other County agencies.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$745,966	$1,158,742	$810,167	$665,428	$665,428
Operating Expenses	2,425,877	2,422,162	2,465,898	2,567,916	2,567,916
Capital Equipment	0	0	0	0	0
Total Expenditures	$3,171,843	$3,580,904	$3,276,065	$3,233,344	$3,233,344
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	12 / 12	12 / 12	12 / 12	12 / 12	12 / 12

RENTAL HOUSING PROPERTY MANAGEMENT

1	Director of Senior Housing
1	Chief Building Maintenance Section
1	Trades Supervisor
1	Housing Services Specialist III
1	Housing Services Specialist II
1	Housing Services Specialist I
1	Electrician II
1	General Building Maintenance Worker I
3	Facility Attendants II
1	Maintenance Trade Helper II

TOTAL POSITIONS
12 Positions / 12.0 FTE

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Employee Compensation** **$13,865**
  An increase of $13,865 in Personnel Services is included for performance-based and longevity increases for non-uniformed merit employees effective July 2017.

- **Project-Based Adjustments** **($261,425)**
  A decrease of $261,425 is due to reduced project-based requirements for salaries, fringe benefits and repair and maintenance expenses, partially offset by increases in anticipated contractual requirements for property management.

♦ **Reductions** **($100,000)**
A decrease of $100,000 reflects reductions utilized to balance the FY 2018 budget. The following table provides details on the specific reduction:

Title	Impact	Posn	FTE	Reduction
Reduce General Fund Transfer	The General Fund transfer can be reduced $100,000, or 5.2 percent, due to the elimination of General Fund support for Lewinsville associated with the upcoming transfer of the operation and maintenance to a private management company. Additionally, based on an analysis of actual personnel expenses for operation and maintenance of the properties supported by the fund, savings can be realized. A couple of years ago, HCD transitioned from an allocation model for staff time to actual time posting by property. As a result, less staff time is being charged to this portion of the Department of Housing and Community Development portfolio.	0	0.0	$100,000

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$102,137**
As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved encumbered carryover of $102,137.

♦ **Third Quarter Adjustments** **($406,976)**
As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved a decrease of $406,976 due to the closure of Lewinsville Senior Residences for property renovations.

Fund 40330
Elderly Housing Programs

FUND STATEMENT

Fund 40330, Elderly Housing Programs

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$2,701,802	$2,308,469	$2,918,193	$2,807,102	$3,007,452
Revenue:					
Rental Income[1]	$1,183,982	$1,131,079	$916,270	$1,286,000	$1,286,000
Miscellaneous Revenue[1]	96,753	111,665	110,895	110,320	110,320
Rental Assistance	210,850	415,000	415,000	0	0
Total Revenue	$1,491,585	$1,657,744	$1,442,165	$1,396,320	$1,396,320
Transfers In:					
General Fund (10001)	$1,896,649	$1,923,159	$1,923,159	$1,837,024	$1,837,024
Total Transfers In	$1,896,649	$1,923,159	$1,923,159	$1,837,024	$1,837,024
Total Available	$6,090,036	$5,889,372	$6,283,517	$6,040,446	$6,240,796
Expenditures:					
Personnel Services	$745,966	$1,158,742	$810,167	$665,428	$665,428
Operating Expenses[1]	2,425,877	2,422,162	2,465,898	2,567,916	2,567,916
Total Expenditures	$3,171,843	$3,580,904	$3,276,065	$3,233,344	$3,233,344
Total Disbursements	$3,171,843	$3,580,904	$3,276,065	$3,233,344	$3,233,344
Ending Balance[2]	$2,918,193	$2,308,468	$3,007,452	$2,807,102	$3,007,452
Unrestricted Reserve	$2,815,693	$2,205,968	$2,904,952	$2,704,602	$2,904,952
Accrued Interest Receivable	102,500	102,500	102,500	102,500	102,500
Unreserved Ending Balance	$0	$0	$0	$0	$0

[1] In order to account for revenues and expenditures in the proper fiscal year, audit adjustments have been reflected as a decrease of $8,272.22 in FY 2016 revenues and a decrease of $17,225.70 in FY 2016 expenditures to record revenue accrual adjustments and record accrued expenses for contracts and building maintenance. These audit adjustments were included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments were included in the FY 2017 Third Quarter Package.

[2] Ending Balances fluctuate due to program adjustments, carryover of operating expenditures, audit adjustments and adjustments in the general fund transfer.

Fund 40360
Homeowner and Business Loan Programs

Mission

The overall goals of the Homeowner and Business Loan Programs are to enhance the quality of life and economic base of the County by providing support for homeownership, to repair and upgrade existing housing, and to assist small and minority businesses.

Focus

Fund 40360, Homeowner and Business Loan Programs, is composed of the following programs designed to meet the agency mission as detailed below:

- The First-Time Homebuyers Program is designed to provide affordable homeownership opportunities for families with low to moderate incomes who otherwise could not afford to purchase a home. The Moderate Income Direct Sales (MIDS) program, as established in 1978, acquired or constructed units sold by the Fairfax County Redevelopment and Housing Authority (FCRHA) to families with moderate incomes by providing second trust loans provided to make the loan amounts affordable. The resale price of the unit is limited, and the FCRHA has the right of first refusal when the home is resold. Since 1993, the FCRHA has been marketing units that are provided under provisions of Fairfax County's Affordable Dwelling Unit (ADU) Ordinance. These units also serve households with low and moderate incomes who are purchasing homes for the first time and earn at least $25,000. Homes range in price from $80,000 to $190,000. Restrictive covenants apply that limit the sales price and typically require owners to occupy the home. Homes purchased currently have a 30-year control period. The FCRHA has the right of repurchase or the right to assign the purchase to a new homebuyer. Applicants for both MIDS and ADU units are required to participate in homeownership education classes and obtain a pre-conditional approval from a lender to participate in drawings to receive these homes.

- The Fairfax County's ADU Housing Acquisition program was established for the FCRHA to exercise its right of first purchase of ADUs in the extended control period for rental purposes within its Fairfax County Rental Program. Units in the ADU program are subject to various restrictions, including owner-occupancy requirements, price controls upon resale, and the FCRHA's right to acquire the unit in certain circumstances. These restrictions apply to each ADU for a specified period; when this "Initial Control Period" expires, most of these restrictions cease to apply to the unit, but certain limited restrictions remain in effect for an "Extended Control Period".

  For the first sale of an ADU during the Extended Control Period, the unit must first be offered to the FCRHA at fair market value before it can be offered to a third party. At the first sale of the ADU in the Extended Control Period – regardless of whether the FCRHA exercises its right to acquire the unit – an equity share is to be contributed to Fund 400-C40300, Housing Trust Fund. The equity share is calculated pursuant to Section 2-812(5) of the ADU Ordinance and generally amounts to one-half of the difference between (i) the net sales price, and (ii) the original purchase price paid by the seller (as adjusted by the Consumer Price Index, plus certain costs of home improvements permitted under the ADU program, if applicable). The ADU Housing Acquisition program has been authorized by the Board of Supervisors to acquire properties that would be used for rental purposes under the Policy for the Acquisition of ADUs in the Extended Control Period adopted by the FCRHA on October 24, 2013.

Fund 40360
Homeowner and Business Loan Programs

- The Home Improvement Loan Program (HILP) provides loans, grants and materials to individuals with low and moderate incomes for the purpose of home improvements. The HILP program has been significantly down-sized and new HILP loans are now limited to emergency situations. Old loans are repaid, generating revenue to the Fund, but most loans are deferred and repaid when the homeowner decides to sell their home. Grants are provided for low-income elderly or disabled residents through the Home Repair for the Elderly Program to make needed repairs and provide for handicapped accessibility, to prevent displacement, and to allow these individuals to live in safe and sanitary housing.

- The Small and Minority Business Loan program was initiated in FY 1996, and was expanded to include the receipt of federal funds for the operations of this program which provided loans to qualified small and minority businesses. Program funds were administered by the Community Business Partnership (formerly the South Fairfax Regional Business Partnership, Inc.) through an agreement with the Department of Housing and Community Development. Given the current economic conditions, high administrative cost and low demand for the program, the Small and Minority Business Loan program has been discontinued. The Section 108 loan will be repaid according to scheduled payments.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Operating Expenses	$1,685,610	$2,331,087	$4,005,576	$2,080,081	$2,080,081
Total Expenditures	$1,685,610	$2,331,087	$4,005,576	$2,080,081	$2,080,081

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Rehabilitation Loans and Grants Program** **$500**
  An increase of $500 is based on anticipated FY 2018 program requirements.

- **Business Loan Program** **($1,887)**
  A decrease of $1,887 is due to lower expenditures for U.S. Department of Housing and Urban Development Section 108 Loan 7 repayments based on the repayment schedule.

- **Moderate Income Direct Sales Program** **($249,619)**
  A decrease of $249,619 is due to anticipated program expenses based on a previous three-year average of activity.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$1,700,619**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $1,700,619 due to carryover of unexpended FY 2016 program balances anticipated for the FY 2017 Moderate Income Direct Sales, Affordable Dwelling Unit Housing Acquisition, Rehabilitation Loans and Grants, and Business Loan programs.

- **Third Quarter Adjustments** **($26,130)**

  As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved a decrease of $26,130 due to the discontinued participation in the U.S. Department of Housing and Urban Development's Business Loan Program due to failure by too many businesses to repay their loans. Debt service will continue to be paid out of this fund.

Fund 40360
Homeowner and Business Loan Programs

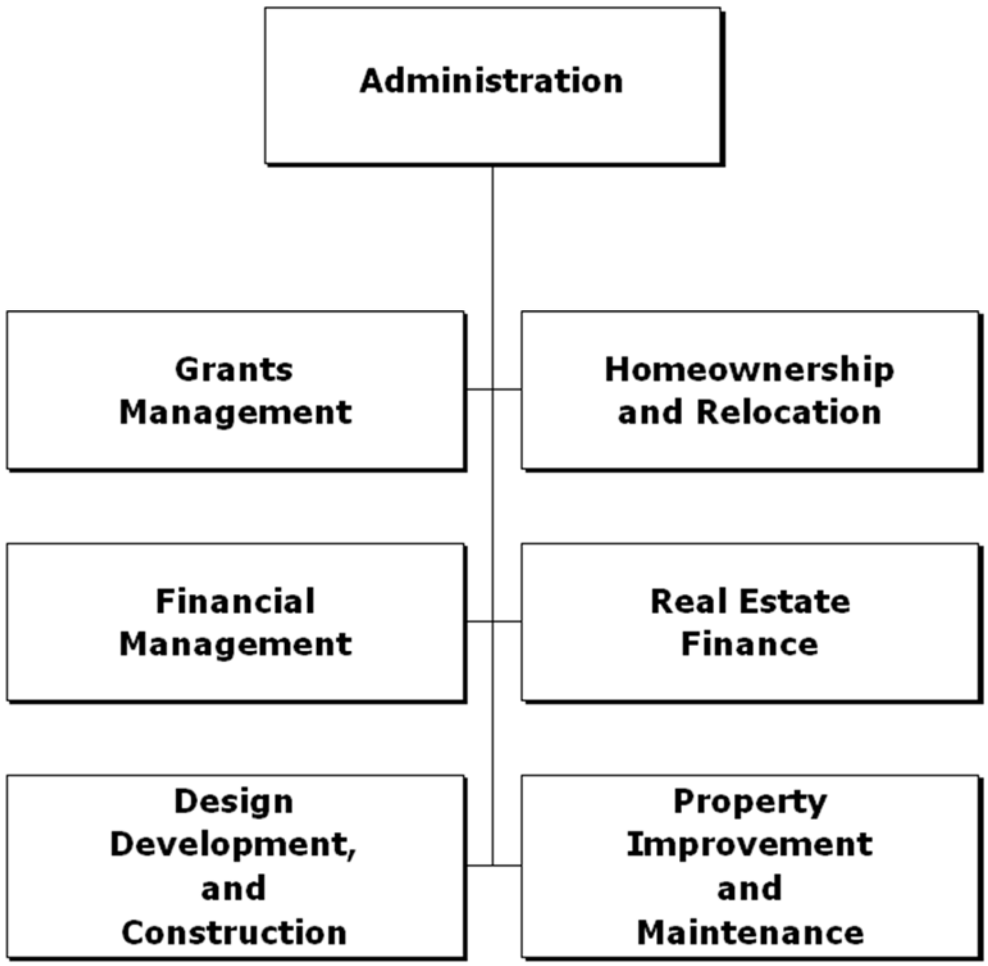
FUND STATEMENT

Fund 40360, Homeowner and Business Loan Programs

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$3,982,076	$2,882,807	$4,499,065	$2,743,663	$2,743,663
Revenue:					
Program Income (MIDS)	$1,992,915	$2,250,174	$2,250,174	$2,001,082	$2,001,082
County Rehabilitation Loan Repayments	209,157	0	0	0	0
Business Loan Program	527	26,130	0	0	0
Total Revenue	$2,202,599	$2,276,304	$2,250,174	$2,001,082	$2,001,082
Total Available	$6,184,675	$5,159,111	$6,749,239	$4,744,745	$4,744,745
Expenditures:					
Moderate Income Direct Sales Program (MIDS)	$1,602,874	$2,250,174	$3,024,417	$2,000,555	$2,000,555
Affordable Dwelling Unit Housing Acquisition	0	0	800,000	0	0
Rehabilitation Loans and Grants	44,384	42,074	135,430	42,574	42,574
Business Loan Program	38,352	38,839	45,729	36,952	36,952
Total Expenditures	$1,685,610	$2,331,087	$4,005,576	$2,080,081	$2,080,081
Total Disbursements	$1,685,610	$2,331,087	$4,005,576	$2,080,081	$2,080,081
Ending Balance[1]	$4,499,065	$2,828,024	$2,743,663	$2,664,664	$2,664,664

[1] Projects are budgeted based on the total program costs and most programs span multiple years. Therefore, funding is carried forward each fiscal year and ending balances fluctuate, reflecting the carryover of these funds.

Fund 50800
Community Development Block Grant



Mission

To conserve and upgrade low- and moderate-income neighborhoods through the provision of public facilities, home improvements, public services and economic development, and to stimulate the development and preservation of low- and moderate-income housing.

Focus

Fund 50800, Community Development Block Grant (CDBG), seeks to stimulate the development and preservation of low- and moderate-income housing through the provision of loans, public facilities, and improvements directed toward conserving and upgrading low- and moderate-income neighborhoods. It also supports the provision of special outreach and assistance services to low- and moderate-income households. Fairfax County receives an annual Community Development Block Grant through the U.S. Department of Housing and Urban Development (HUD). The use of these funds is subject to eligibility criteria established by Congress for the program and must meet one of three national objectives: (1) benefit to the low- and moderate-income population of the County; (2) elimination of slums and blight; and (3) meet urgent needs. Specific uses of each annual grant are outlined in the Consolidated Plan One-Year Action Plan. The Board of Supervisors has designated the Consolidated Community Funding Advisory Committee (CCFAC) as the citizen advisory group charged with overseeing the Consolidated Plan process. The Consolidated Plan also incorporates the recommendations of the Fairfax County

Redevelopment and Housing Authority (FCRHA) concerning the use of CDBG funds. The CCFAC forwards the Plan to the Board of Supervisors for a public hearing and adoption. The Plan is then forwarded to HUD for approval and final grant award.

Historically, CDBG funds have been used for:

- development and preservation of affordable housing;
- neighborhood improvements in communities designated as Conservation or Redevelopment Areas by the Board of Supervisors;
- programs providing needed services to the low- and moderate-income population;
- financial and technical assistance to homeowners for housing rehabilitation and repair;
- payments on loans used for affordable housing development; and
- costs to administer this grant and related programs.

Details for specific projects in Program Year 43 (FY 2018) will be approved by the Board of Supervisors (BOS) and submitted to HUD as part of the Consolidated Plan One-Year Action Plan for FY 2018.

A portion of the County's CDBG entitlement is combined with County General Funds and the Community Services Block Grant into a Consolidated Community Funding Pool (CCFP), providing funds through a competitive process to non-profit organizations for human services and affordable housing development and preservation. A Working Advisory Group (WAG) composed of members of the FCRHA and the CCFAC discusses community needs and funding priorities to formulate funding recommendations to the Board of Supervisors. For more information about the CCFP, please see Fund 10020, Consolidated Community Funding Pool, in the General Fund Group section of Volume 2.

FY 2018 Initiatives

In FY 2018, funding of $4,923,230, an increase of $49,304 or 1.0 percent over the FY 2017 Adopted Budget Plan amount of $4,873,926. Necessary adjustments to the estimate will be made as part of the *FY 2017 Carryover Review* after the final HUD award is received. The following identifies some of the projected funding initiatives:

- ♦ Funding of $1,442,985 is included for affordable housing projects supported by the CCFP. Following public comment and review, the WAG will include selected projects in the recommended Consolidated Plan One-Year Action Plan for FY 2018 submitted to the Board of Supervisors for approval.

- ♦ Funding of $1,105,636 is available for payments on Section 108 Loan Payments. These loans, approved by the Board of Supervisors and HUD, funded affordable housing preservation and development, reconstruction of Strawbridge Square, Olley Glen and road and storm drainage improvements in five conservation areas: Baileys, Fairhaven, Gum Springs, James Lee and Jefferson Manor.

- ♦ Also included is support for staff and operating costs to provide federally-mandated relocation and advisory services to individuals affected by federally-funded County and FCRHA programs. In addition, funding is provided for staff support and operating costs for overall program management and planning for CDBG and Section 108 Loan programs. This includes preparation of the annual HUD Consolidated Plan and other program reports, administration and monitoring of non-profit contracts, evaluation of program performance, and planning for the development of affordable housing in the County. In FY 2018, $984,646 is included for Planning and Urban Design, General Administration and Relocation.

- Upon approval of the final HUD award, it is anticipated that funding in the amount of $571,474 for Contingency Fund requirements would be available for allocation to rehabilitation, and/or Special Needs Housing, which will be outlined in the Consolidated Plan One-Year Action Plan for FY 2018.

- Funding of $490,586 is included for the Homeownership Assistance Program and provides support for the First-Time Homebuyer and Moderate Income Direct Sales programs. These positions enter application data, maintain waiting lists, process applications, conduct lotteries and annual occupancy certifications, and counsel applicants.

- Funding of $227,903 supports staff and operating costs for the Home Repair for the Elderly Program. This program provides minor home repairs to low-income elderly or disabled residents to enable these individuals to live in safe and sanitary housing.

- An amount of $100,000 is included for Fair Housing Program implementation, including conducting and reporting on fair housing tests, filing fair housing complaints, training rental agents and housing counselors in the County's rental market, establishing and staffing the Fair Housing Task Force, and continuing to study and report on the County's fair housing needs.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
CDBG Projects	$5,836,869	$4,873,926	$9,578,783	$4,923,230	$4,923,230
Total Expenditures	$5,836,869	$4,873,926	$9,578,783	$4,923,230	$4,923,230
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Grant	17 / 17	17 / 17	17 / 17	17 / 17	17 / 17

COMMUNITY / NEIGHBORHOOD IMPROVEMENT
1 HCD Division Director
2 Housing/Community Developers V
4 Housing/Community Developers IV
1 Accountant III
1 Administrative Assistant IV
1 Senior Maintenance Supervisor
2 General Building Maintenance Workers I

HOMEOWNERSHIP PROGRAM
1 Housing Services Specialist IV
3 Housing/Community Developers II
1 Administrative Assistant IV

TOTAL POSITIONS
17 Grant Positions / 17.0 Grant FTE

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Employee Compensation** **$0**
  It should be noted that no funding is included for performance-based and longevity increases for non-uniformed merit employees in FY 2018, as the fund will absorb the impact within the existing HUD award authorization.

- **U.S. Department of Housing and Urban Development (HUD) Award** **$49,304**
  An increase of $49,304 based on the FY 2017 HUD award was used to project expenditures for FY 2018.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$4,704,857**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $4,704,857 due to carryover of $4,514,462 in unexpended project balances, appropriation of $141,091 in unanticipated program income received in FY 2016 and $49,304 due to the amended HUD award approved by the Board of Supervisors on April 26, 2016.

A Fund Statement and a Summary of Grant Funding are provided on the following pages.

FUND STATEMENT

Fund 50800, Community Development Block Grant

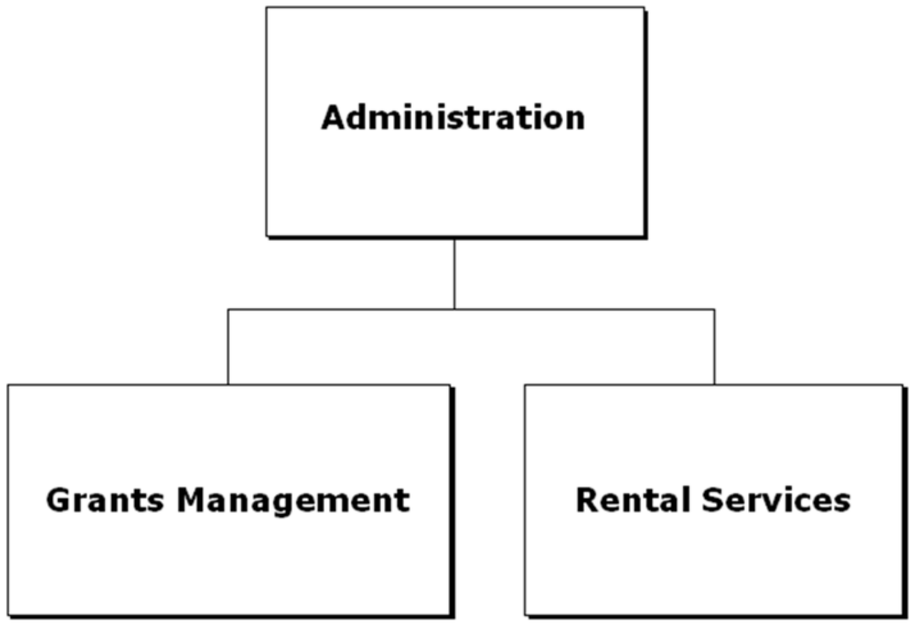
	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$288,737	$0	$160,395	$0	$0
Revenue:					
Community Development Block Grant (CDBG)	$5,276,494	$4,873,926	$9,418,388	$4,923,230	$4,923,230
CDBG Program Income	432,033	0	0	0	0
Total Revenue	$5,708,527	$4,873,926	$9,418,388	$4,923,230	$4,923,230
Total Available	$5,997,264	$4,873,926	$9,578,783	$4,923,230	$4,923,230
Expenditures:					
CDBG Projects	$5,836,869	$4,873,926	$9,578,783	$4,923,230	$4,923,230
Total Expenditures	$5,836,869	$4,873,926	$9,578,783	$4,923,230	$4,923,230
Total Disbursements	$5,836,869	$4,873,926	$9,578,783	$4,923,230	$4,923,230
Ending Balance	$160,395	$0	$0	$0	$0

FY 2018 Summary of Grant Funding

Fund 50800, Community Development Block Grant

Grant #	Description	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
1380020	Good Shepherd Housing	$674,680.00	$771,306.00	$0	$0
1380024	Fair Housing Program	92,776.65	197,780.74	100,000	100,000
1380026	Rehabilitation of FCRHA Properties	182,994.20	466,493.79	0	0
1380035	Home Repair for the Elderly	197,716.21	233,664.31	227,903	227,903
1380036	Contingency Fund	0.00	0.00	571,474	571,474
1380039	Planning and Urban Design	203,647.78	468,755.53	288,608	288,608
1380040	General Administration	340,717.35	437,941.30	596,038	596,038
1380042	Housing Program Relocation	0.00	321,361.73	100,000	100,000
1380043	Section 108 Loan Payments	1,133,632.55	1,111,417.10	1,105,636	1,105,636
1380046	Homestretch	400,000.00	0.00	0	0
1380057	Wesley Housing	0.00	456,957.00	0	0
1380060	Homeownership Assistance Program	471,272.53	499,947.56	490,586	490,586
1380062	Special Needs Housing	644,314.94	1,299,648.33	0	0
1380070	North Hill	0.00	620,212.86	0	0
1380073	The Brain Foundation	209,271.00	0.00	0	0
1380076	Community Havens	352,000.00	448,892.00	0	0
1380079	Adjusting Factors	0.00	0.00	1,442,985	1,442,985
1380091	Affordable Housing RFP	933,846.00	1,944,404.34	0	0
1380094	Cornerstones	0.00	300,000.00	0	0
Total		$5,836,869.21	$9,578,782.59	$4,923,230	$4,923,230

Fund 50810
HOME Investment Partnerships Program



Mission

The goal of the HOME Investment Partnerships Program (HOME) is to provide affordable housing through acquisition, rehabilitation, new construction and tenant-based rental assistance.

Focus

The HOME Program was established as part of the Cranston-Gonzalez National Affordable Housing Act of 1990. HOME funds are allocated on an annual basis to eligible participating jurisdictions based on a formula. The HOME Program requires a 25 percent local match from the participating jurisdiction. The local match can come from any Housing and Community Development project, regardless of funding source that is HOME eligible. Any expenditure beginning in October 1992 in qualifying projects can be considered as part of the required matching funds. In FY 2018, the County will have adequate matching funds from all eligible projects to satisfy the requirement. Therefore, no additional local funds will need to be allocated to meet this requirement.

Details for specific projects in Program Year 26 (FY 2018) will be approved by the Board of Supervisors (BOS) and submitted to the U.S. Department of Housing and Urban Development (HUD) as part of the Consolidated Plan One-Year Action Plan for FY 2018. After HUD and BOS approval, necessary project adjustments will be made.

Fund 50810
HOME Investment Partnerships Program

FY 2018 Initiatives

In FY 2018, funding of $1,509,811, an increase of $77,981 or 5.5 percent more than the FY 2017 Adopted Budget Plan amount of $1,431,830 represents an estimated award from U.S. Department of Housing and Urban Development. Necessary adjustments to the estimate will be made as part of the *FY 2017 Carryover Review* after the final HUD award is received. FY 2018 funding will support Community Housing Development Organizations and various other new and ongoing projects, including:

- A minimum 15 percent set-aside of $226,472 mandated under HOME regulations from the County's total HOME allocation for eligible Community Housing Development Organizations (CHDOs) and a 10 percent set-aside of $150,981 for administrative expenses (which includes $24,427 for the Fair Housing program) as permitted under HOME regulations will support CHDOs and Fairfax County Redevelopment and Housing Authority (FCRHA) organizational capacity.

- Upon approval of the final HUD award, it is anticipated that funding in the amount of $664,317 will be available for the Tenant-Based Rental Assistance program (TBRA) and $468,041 will be available for allocation to specific projects outlined in the Consolidated Plan One-Year Action Plan for FY 2018.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:[1]					
Housing Capital	$217,959	$393,873	$506,286	$468,041	$468,041
Homeless/Special Needs	766,583	680,000	1,714,940	664,317	664,317
Community Housing Development Organizations	924,358	214,774	1,156,152	226,472	226,472
Administration	184,025	143,183	340,169	150,981	150,981
Total Expenditures	$2,092,925	$1,431,830	$3,717,547	$1,509,811	$1,509,811
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Grant	2 / 2	2 / 2	2 / 2	2 / 2	2 / 2

[1] Categories as required by the U.S. Department of Housing and Urban Development (HUD) for reporting purposes.

GRANTS MANAGEMENT

1 Housing/Community Developer IV

1 Housing Services Specialist II

TOTAL POSITIONS
2 Grant Positions / 2.0 Grant FTE

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Employee Compensation** **$0**
  It should be noted that no funding is included for performance-based and longevity increases for non-uniformed merit employees in FY 2018, as the fund will absorb the impact within the existing HUD award authorization.

- **U.S. Department of Housing and Urban Development (HUD) Award** **$77,981**
  An increase of $77,981 is associated with the FY 2017 HUD award that was used to project expenditures in FY 2018.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$2,285,717**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $2,285,717 due to carryover of $1,680,213 in unexpended project balances, the appropriation of $527,523 in additional program income revenue received in FY 2016 and $77,981 due to the amended U.S. Department of Housing and Urban Development (HUD) award approved by the Board of Supervisors on April 26, 2016.

A Fund Statement and a Summary of Grant Funding are provided on the following pages.

Fund 50810
HOME Investment Partnerships Program

FUND STATEMENT

Fund 50810, HOME Investment Partnerships Program

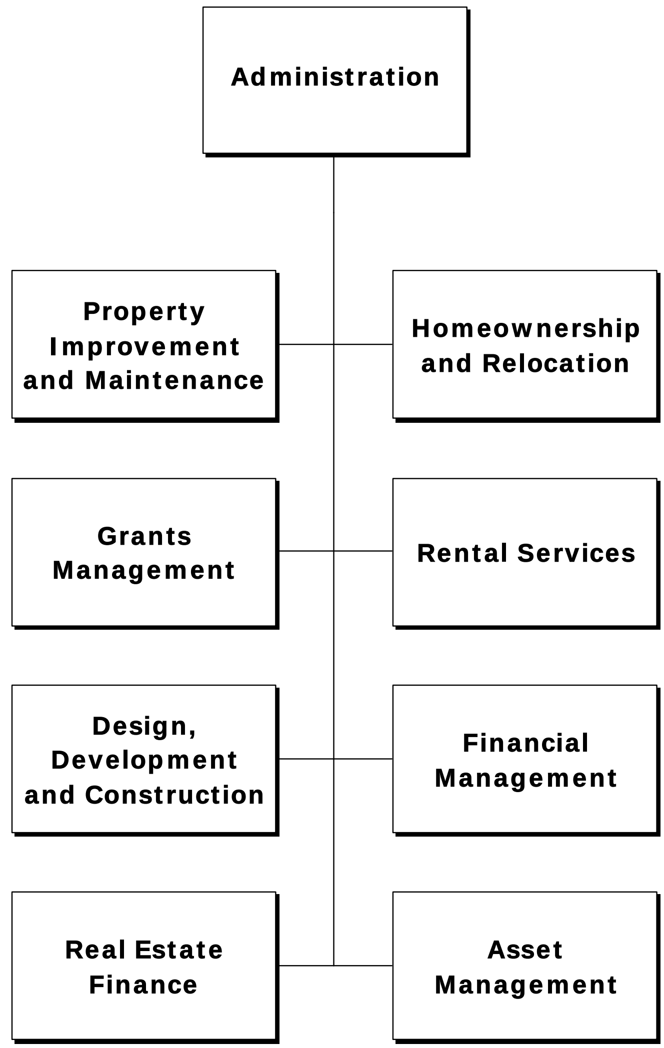
	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$52,329	$0	$220,614	$0	$0
Revenue:					
HOME Grant Funds	$1,688,280	$1,431,830	$3,496,933	$1,509,811	$1,509,811
HOME Program Income	572,930	0	0	0	0
Total Revenue	$2,261,210	$1,431,830	$3,496,933	$1,509,811	$1,509,811
Total Available	$2,313,539	$1,431,830	$3,717,547	$1,509,811	$1,509,811
Expenditures:					
HOME Projects	$2,092,925	$1,431,830	$3,717,547	$1,509,811	$1,509,811
Total Expenditures	$2,092,925	$1,431,830	$3,717,547	$1,509,811	$1,509,811
Total Disbursements	$2,092,925	$1,431,830	$3,717,547	$1,509,811	$1,509,811
Ending Balance	$220,614	$0	$0	$0	$0

FY 2018 Summary of Grant Funding

Fund 50810, HOME Investment Partnerships Program

Grant #	Description	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
1380021	Good Shepherd Housing	$230,321.00	$0.00	$0	$0
1380025	Fair Housing Program	50,927.00	0.00	24,427	24,427
1380027	Rehabilitation of FCRHA Properties	217,959.39	506,285.74	0	0
1380048	Cornerstones (formerly Reston Interfaith)	0.00	387.35	0	0
1380049	CHDO Undesignated	214,775.00	226,472.00	226,472	226,472
1380050	Tenant-Based Rental Assistance	701,220.00	775,258.32	664,317	664,317
1380051	Development Costs	0.00	0.00	468,041	468,041
1380052	Administration	110,278.56	340,168.25	126,554	126,554
1380082	Special Needs Housing	65,362.60	939,681.54	0	0
1380092	Affordable Housing RFP	479,262.00	927,113.08	0	0
1380093	TBRA Program Delivery	22,819.78	2,180.22	0	0
Total		$2,092,925.33	$3,717,546.50	$1,509,811	$1,509,811

Fund 81000
Fairfax County Redevelopment and Housing Authority General Operating



Mission

To preserve and increase opportunities for affordable housing in Fairfax County based on need, community priorities and the policy of the Board of Supervisors and the Fairfax County Redevelopment and Housing Authority (FCHRA). Driven by community vision, to lead efforts to revitalize older areas of Fairfax County, to spur private reinvestment, maximize existing infrastructure and public investment, and create employment opportunities.

Focus

Fund 81000, FCRHA General Operating, includes all FCRHA revenues generated by financing fees earned from the issuance of bonds, monitoring and service fees charged to developers, management fees, investment income, project reimbursements, consultant fees and ground rents on land leased to developers. Revenue supports operating expenses for the administration of the private activity bonds, Homeownership Programs, and other administrative costs, which crosscut many or all of the housing programs.

Fund 81000
Fairfax County Redevelopment and Housing Authority General Operating

In FY 2018, revenue projections for this fund are $2,884,666, a decrease of $198,309 or 6.4 percent of the FY 2017 Adopted Budget Plan amount. The decrease in revenue is primarily due to an alignment of Program Income with actual experience. Expenditures are $3,241,942, a decrease of $273,887 or 7.8 percent less than the FY 2017 Adopted Budget Plan amount. This decrease is primarily due to adjustments related to project-based budgeting requirements, reduced debt service requirements associated with the early payoff of the mortgage on the administrative building, and the implementation of charging for development staff costs to projects.

A portion of the staff costs associated with the FCRHA Partnership for Resident Opportunities, Growth, Resources and Economic Self-Sufficiency (PROGRESS) Center, Homeownership Programs, and FCRHA real estate development and financing activities are supported by the financing and development/management fees generated by these activities.

The FCRHA will continue to make tax-exempt financing available and earn related financing fees. The financing will be used for the agency's own development as well as for the construction or preservation of qualified multi-family housing owned by other developers. However, because many types of projects must compete for an allocation of tax-exempt bond authority from the limited pool of such authority available in the Commonwealth of Virginia, the number of FCRHA tax-exempt bond issues in any year is limited and will vary significantly from year to year. Under this financing mechanism, a percentage of the units in a housing development must meet lower income occupancy requirements. Since 1986, there have been two alternate standards for meeting these requirements. Either 20 percent of the units must be occupied by households with incomes at 50 percent or less of the Washington D.C./Baltimore Metropolitan Statistical Area (MSA) median income (adjusted for household size), or 40 percent of the units must be occupied by households with 60 percent or less of the MSA median income. In addition, the FCRHA will continue to monitor existing tax-exempt financed multi-family housing projects to assure continuing developer compliance with program guidelines.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$2,532,244	$2,837,775	$2,647,776	$2,830,761	$2,830,761
Operating Expenses	1,311,659	678,054	1,588,990	566,289	566,289
Capital Equipment	0	0	779,000	0	0
Subtotal	$3,843,903	$3,515,829	$5,015,766	$3,397,050	$3,397,050
Less:					
Recovered Costs	$0	$0	$0	($155,108)	($155,108)
Total Expenditures	$3,843,903	$3,515,829	$5,015,766	$3,241,942	$3,241,942
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	27 / 27	27 / 27	27 / 27	27 / 27	27 / 27

Fund 81000
Fairfax County Redevelopment and Housing Authority General Operating

ORGANIZATIONAL MANAGEMENT & DEVELOPMENT	RENTAL HOUSING PROPERTY MANAGEMENT	GRANTS MANAGEMENT
1 HCD Division Director	1 Housing Services Specialist IV	1 Housing/Community Developer IV
1 Housing/Community Developer IV	1 Housing/Community Developer III	1 Housing/Community Developer III
1 Financial Specialist IV	1 Administrative Assistant III	
1 Financial Specialist III	1 Administrative Assistant II	HOMEOWNERSHIP PROGRAM
1 Accountant III		1 HCD Division Director
2 Accountants II	AFFORDABLE HOUSING FINANCE	1 Housing/Community Developer V
1 Information Officer II	1 Housing/Community Developer IV	2 Housing/Community Developers III
1 Planning Tech II		
1 Administrative Assistant V		COMMUNITY/NEIGHBORHOOD IMPROVEMENT
3 Administrative Assistants II		1 Housing/Community Developer V
		2 Housing/Community Developers IV

TOTAL POSITIONS
27 Positions / 27.0 FTE

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Employee Compensation** **$37,794**
  An increase of $37,794 in Personnel Services is included for performance-based and longevity increases for non-uniformed merit employees effective July 2017.

- **Other Post-Employment Benefits** **$2,456**
  An increase of $2,456 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

- **Implement Work Performed for Others (WPFO) for Development Staff** **($155,108)**
  Implementation of $155,108 in WPFO is associated with selected development staff salaries being charged to FCRHA/HCD projects, similar to the processes used in the Department of Public Works and Environmental Services.

- **Other Operating Adjustments** **($159,029)**
  A net decrease of $159,029 comprises $47,264 in Personnel Services due adjustments associated with project-based budgeting requirements and $111,765 in Operating Expenses associated with changing program requirements, including the early payoff of debt requirements for the administrative building.

Fund 81000
Fairfax County Redevelopment and Housing Authority General Operating

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$1,335,970**

As part of *FY 2016 Carryover Review,* the Board of Supervisors approved an increase $1,335,970 due to encumbered carryover of $21,970 for consulting services and the appropriation of $1,314,000 from the fund balance to address FCRHA infrastructure projects and debt payoff at the Pender Building.

♦ **Third Quarter Adjustments** **$163,967**

As part of the *FY 2017 Third Quarter Review*, expenditures are required to increase a net $163,967 due to maintenance and operation of vehicles, as well as overhead spread based on audit requirements.

Fund 81000
Fairfax County Redevelopment and Housing Authority General Operating

FUND STATEMENT

Fund 81000, FCRHA General Operating

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$15,196,815	$14,226,114	$14,220,063	$12,494,758	$12,728,560
Revenue:					
Investment Income[1]	$39,713	$32,064	$66,196	$30,615	$30,615
Monitoring/Developer Fees	420,042	405,205	413,206	461,671	461,671
Rental Income	97,443	85,809	77,906	95,850	95,850
Program Income	2,021,810	2,279,291	1,736,199	2,016,070	2,016,070
Other Income	288,143	280,606	1,230,756	280,460	280,460
Total Revenue	$2,867,151	$3,082,975	$3,524,263	$2,884,666	$2,884,666
Total Available	$18,063,966	$17,309,089	$17,744,326	$15,379,424	$15,613,226
Expenditures:					
Personnel Services[1]	$2,532,244	$2,837,775	$2,647,776	$2,830,761	$2,830,761
Operating Expenses[1]	1,311,659	678,054	1,588,990	566,289	566,289
Capital Outlay	0	0	779,000	0	0
WPFO	0	0	0	(155,108)	(155,108)
Total Expenditures	$3,843,903	$3,515,829	$5,015,766	$3,241,942	$3,241,942
Total Disbursements	$3,843,903	$3,515,829	$5,015,766	$3,241,942	$3,241,942
Ending Balance[2]	$14,220,063	$13,793,260	$12,728,560	$12,137,482	$12,371,284
Debt Service Reserve on One University Plaza	$785,000	$535,000	$535,000	$0	$0
Cash with Fiscal Agent	7,676,108	7,676,108	7,676,108	7,676,108	7,676,108
Unreserved Ending Balance	$5,758,955	$5,582,152	$4,517,452	$4,461,374	$4,695,176

[1] In order to account for revenues and expenditures in the proper fiscal year, audit adjustments have been reflected as a decrease of $4,876.37 in FY 2016 revenues and an increase of $38,643.01 in FY 2016 expenditures to record interest income, payment to bond holders, and to reclassify expenditures and adjust for cost allocation and leave accrual. These audit adjustments were included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments were included in the FY 2017 Third Quarter Package.

[2] Ending balances fluctuate due to adjustments in revenues and expenditures, as well as the carryover of balances each year.

Fund 81020
FCRHA Non-County Appropriated Rehabilitation Loan Program

Mission

To enhance the quality and economic life of existing housing in the County through the provision of affordable loans for housing improvement and rehabilitation to qualifying low-income homeowners or homeowners living in areas targeted for improvement.

Focus

Fund 81020, FCRHA Non-County Appropriated Rehabilitation Loan Program, provides the Fairfax County Redevelopment and Housing Authority (FCRHA) additional options for funding the Home Improvement Loan Program (HILP). The purpose of the HILP has been to provide financial and technical assistance to low- and moderate-income homeowners for the rehabilitation of their property. The program preserved the affordable housing stock in the County and upgraded neighborhoods through individual home improvements. HILP has been significantly down-sized with the loss of staff due to budget cuts which prompted an FCRHA decision to limit the program to emergencies and special projects. The agency continues to monitor and collect outstanding loans.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Operating Expenses	$0	$0	$0	$0	$0
Total Expenditures	$0	$0	$0	$0	$0

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- No funding is included, consistent with the FY 2017 Adopted Budget Plan.

Fund 81020
FCRHA Non-County Appropriated
Rehabilitation Loan Program

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- There have been no adjustments to this agency since approval of the FY 2017 Adopted Budget Plan.

Fund 81020
FCRHA Non-County Appropriated Rehabilitation Loan Program

FUND STATEMENT

Fund 81020, Non-County Appropriated Rehabilitation Loan Program

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$235,314	$235,850	$235,993	$236,374	$236,374
Revenue:					
Other (Pooled Interest, etc.)	$679	$381	$381	$699	$699
Total Revenue	$679	$381	$381	$699	$699
Total Available	$235,993	$236,231	$236,374	$237,073	$237,073
Expenditures:					
Homeowners Contributions	$0	$0	$0	$0	$0
Total Expenditures	$0	$0	$0	$0	$0
Total Disbursements	$0	$0	$0	$0	$0
Ending Balance	$235,993	$236,231	$236,374	$237,073	$237,073

Fund 81030
FCRHA Revolving Development

Focus

Fund 81030, Fairfax County Redevelopment and Housing Authority (FCRHA) Revolving Development provides initial funds in the form of advances for projects for which federal, state, or private financing is later available. Initial project costs, such as development support for new site investigations for proposed projects, architectural and engineering plans, studies and fees, are advanced from this fund and are later included in permanent financing plans for repayment to this fund. This funding mechanism ensures that sufficient funding is available to provide adequate plans and proposals for individual projects prior to obtaining construction and permanent project financing.

No funding for advances is included for Fund 81030, FCRHA Revolving Development in FY 2018. As projects are identified and approved by the FCRHA that require Revolving Development funds, adjustments will be made through allocations during the year.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$378,731**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $378,731 associated with the carryover of unexpended project balances.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 81030
FCRHA Revolving Development

FUND STATEMENT

Fund 81030, FCRHA Revolving Development

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$4,610,113	$4,192,971	$4,574,805	$4,202,228	$4,202,228
Revenue:					
Investment Income	$12,721	$4,538	$4,538	$8,875	$8,875
Repayment of Advances	5,000	1,616	1,616	0	0
Total Revenue	$17,721	$6,154	$6,154	$8,875	$8,875
Total Available	$4,627,834	$4,199,125	$4,580,959	$4,211,103	$4,211,103
Expenditures:					
Advances	$53,029	$0	$378,731	$0	$0
Total Expenditures	$53,029	$0	$378,731	$0	$0
Total Disbursements	$53,029	$0	$378,731	$0	$0
Ending Balance	$4,574,805	$4,199,125	$4,202,228	$4,211,103	$4,211,103

Fund 81030
FCRHA Revolving Development

FY 2018 Summary of Capital Projects

Fund 81030, FCRHA Revolving Development

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Affordable/Workforce Housing (2H38-123-000)		$0.00	$50,000.00	$0	$0
Crescent Redevelopment Project (2H38-124-000)		0.00	300,000.00	0	0
Lincolnia (2H38-119-000)		53,029.10	27,319.37	0	0
Ox Road (2H38-126-000)		0.00	1,411.36	0	0
Total	$0	$53,029.10	$378,730.73	$0	$0

Fund 81050
FCRHA Private Financing

Focus

Fund 81050, FCRHA Private Financing, was established to budget and report costs for capital projects which are supported in full or in part by funds borrowed by the Fairfax County Redevelopment and Housing Authority (FCRHA) through the FCRHA sale of notes or bonds, or through equity financing received through the sale of federal low-income housing tax credits. Housing development and improvement projects may be financed with funds borrowed from private lenders, the Virginia Housing Development Authority, or the federal government. At times, the FCRHA has invested in short-term notes of the County to provide an interim source of financing until permanent financing from one of these sources can be secured. Fund 81050, FCRHA Private Financing, permits the accounting for the receipt of proceeds from the lender and disbursements made by the FCRHA so that the total cost of a project can be maintained in the County's financial system and can be reflected on the FCRHA balance sheet.

In prior years, payment of debt service on Section 108 Loans was budgeted within this fund as those proceeds were used for various projects financed within this fund. However, in FY 2016, the final payment on the outstanding balance for those loans was paid and currently, there is no debt service payment required in FY 2018.

In FY 2018, necessary adjustments will be made to Fund 81050 to track revenue and disbursements, as new projects and additional plans that require private financing are developed and approved by the FCRHA and the Board of Supervisors.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$1,861,794**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $1,861,794 due to the carryover of unexpended project balances of $1,855,245 and the reprogramming of $6,778 in unanticipated investment earnings received in FY 2016, offset by a decrease of $229 due to project close-out.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 81050
FCRHA Private Financing

FUND STATEMENT

Fund 81050, FCRHA Private Financing

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$5,986,393	$4,028,411	$5,890,434	$4,028,640	$4,028,640
Revenue:					
Section 108 Debt Service	$25,275	$0	$0	$0	$0
Investment Income	6,778	4,103	4,103	3,861	3,861
Total Revenue	$32,053	$4,103	$4,103	$3,861	$3,861
Total Available	$6,018,446	$4,032,514	$5,894,537	$4,032,501	$4,032,501
Expenditures:					
Capital Projects	$128,012	$4,103	$1,865,897	$0	$0
Total Expenditures	$128,012	$4,103	$1,865,897	$0	$0
Total Disbursements	$128,012	$4,103	$1,865,897	$0	$0
Ending Balance	$5,890,434	$4,028,411	$4,028,640	$4,032,501	$4,032,501

Fund 81050
FCRHA Private Financing

FY 2018 Summary of Capital Projects

Fund 81050, FCRHA Private Financing

Project	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Section 108 Loan Payments (24300) (2H38-168-000)	$25,046.00	$0.00	$0	$0
Undesignated Projects (2H38-127-000)	102,965.71	1,865,897.04	0	0
Total	$128,011.71	$1,865,897.04	$0	$0

Fund 81060
FCRHA Internal Service Fund

Focus

Fund 81060, Fairfax County Redevelopment and Housing Authority (FCRHA) Internal Service Fund, was established in FY 1998 to charge for goods and services that are shared among several housing funds. These costs include items such as office supplies, telephones, postage, and copying, which have been budgeted in and expensed from one of the FCRHA's funds, and then allocated out to other funds proportionate to their share of the costs. It also includes costs associated with the maintenance and operation of FCRHA housing developments such as service contracts for building maintenance and repair, extermination, custodial work, elevator maintenance and grounds maintenance. The fund allows one purchasing document to be established for each vendor, as opposed to multiple purchase orders in various funds. Reimbursed charges incurred on behalf of other Department of Housing and Community Development funds are recorded as revenue. FY 2018 funding totals $3,795,720.

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Program Adjustments** **$386,180**
An increase of $386,180 in Operating Expenses reflects adjustments based on prior year actuals and anticipated FY 2018 program requirements.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$870,418**
As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved encumbered carryover of $78,239 primarily associated with maintenance and repair services, as well as an increase of $792,179 to support projected increases in contractual requirements.

♦ **Out-of-Cycle Adjustments** **$220,000**
Subsequent to the *FY 2016 Carryover Review*, an allocation of $220,000 was required for maintenance and repairs to support the conversion of public housing units to RAD (Rental Assistance Demonstration) units.

Fund 81060
FCRHA Internal Service Fund

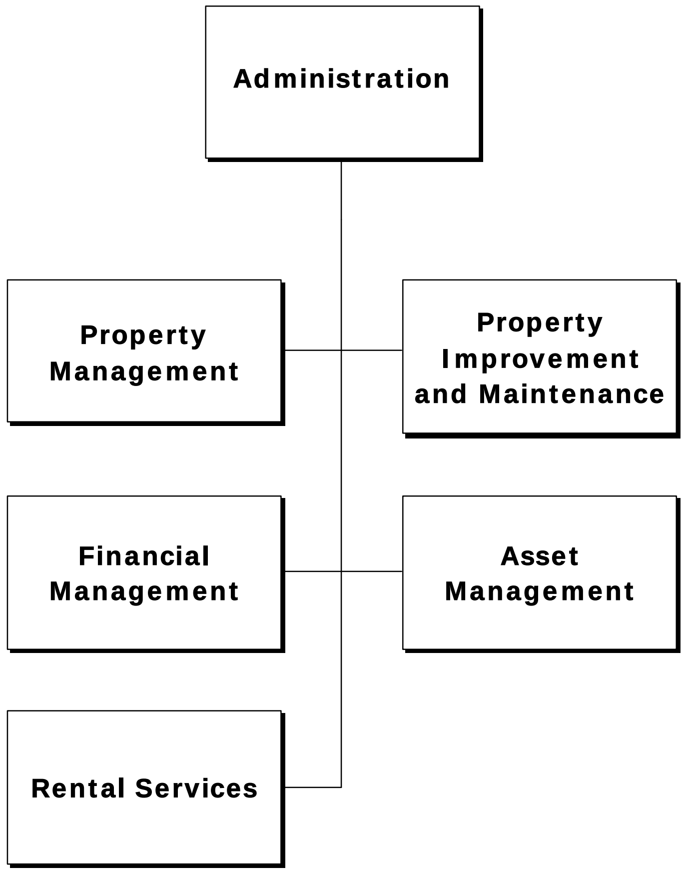
FUND STATEMENT

Fund 81060, FCRHA Internal Service Fund

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	($1,130)	$0	($1,130)	$0	$0
Revenue:					
Reimbursement from Other Funds	$3,681,590	$3,409,540	$4,501,088	$3,795,720	$3,795,720
Total Revenue	$3,681,590	$3,409,540	$4,501,088	$3,795,720	$3,795,720
Total Available	$3,680,460	$3,409,540	$4,499,958	$3,795,720	$3,795,720
Expenditures:					
Operating Expenses	$3,681,590	$3,409,540	$4,499,958	$3,795,720	$3,795,720
Total Expenditures	$3,681,590	$3,409,540	$4,499,958	$3,795,720	$3,795,720
Total Disbursements	$3,681,590	$3,409,540	$4,499,958	$3,795,720	$3,795,720
Ending Balance[1]	($1,130)	$0	$0	$0	$0

[1] The Ending Balance is reserved for inventory and represents goods to be sold. The FY 2016 negative balance was associated with a budget system issue that is being resolved.

Fund 81100
Fairfax County Rental Program



Mission

To manage affordable rental housing acquired by the Fairfax County Redevelopment and Housing Authority (FCRHA) and to maintain and preserve the units for long term rental availability.

Focus

Fund 81100, Fairfax County Rental Program (FCRP) is a local rental-housing program developed and managed by the Department of Housing and Community Development (HCD) for the FCRHA. The FCRP is designed to provide affordable rental housing in the County for low- and moderate-income families. The FCRP includes projects developed by the FCRHA and other privately developed or rehabilitated housing units acquired by the FCRHA or Fairfax County. In FY 2018, Fund 81100, FCRP, will support a total of 1,475 units consisting of multi-family rental properties, senior independent units, and specialized units and beds in FCRHA-owned group homes.

The operation of this program is primarily supported by tenant rents, and the County's General Fund is also charged directly for payments in support of condominium fees. In addition, debt service contributions are received from Fund 40330, Elderly Housing Programs, to provide support for the debt service costs of Little River Glen, an elderly housing development owned by the FCRHA. Accounting procedures require that the debt service for this project be paid out of Fund 81100, Fairfax County Rental Program, although the operating costs are reflected in Fund 40330, Elderly Housing Programs.

Fund 81100
Fairfax County Rental Program

In addition, HCD staff administers contracts between the FCRHA and private firms hired to manage Crescent Apartments, Hopkins Glen, Little River Square, Mt. Vernon Gardens, and Wedgewood Apartments.

The following charts summarize the total number of units in the Rental Program and Group Homes in FY 2018 and the projected operating costs associated with the units:

Project Name	Units	2018 Budget	District
Bryson at Woodland Park	4	$52,432	Hunter Mill
Cedar Lakes	3	30,824	Sully
Charleston Square	1	19,029	Springfield
Chatham Town	10	119,766	Braddock
Coan Pond (Working Singles Housing Program)	19	122,697	Providence
Colchester Towne	24	222,031	Lee
East Market	4	46,515	Springfield
Fair Oaks Landing	3	48,193	Springfield
Faircrest	6	90,714	Sully
Fairfax Ridge Condo	1	7,522	Springfield
Glenwood Mews	9	111,931	Lee
Halstead	4	53,902	Providence
Holly Acres	2	28,860	Lee
Island Creek	8	93,131	Lee
Laurel Hill	6	75,407	Mt. Vernon
Legato Corner Condominiums	13	159,755	Springfield
Little River Glen (Debt Service)		499,087	Braddock
Lorton Valley	2	20,186	Mt. Vernon
Madison Ridge	10	99,805	Sully
McLean Hills	25	273,706	Providence
Metrowest[1]	2	12,462	Providence
Northampton	4	52,082	Lee
ParcReston	23	278,768	Hunter Mill
Penderbrook	48	547,776	Providence
Royal Lytham Drive – ADU[1]	1	0	Sully
Saintsbury Plaza[2]	6	35,452	Providence
Springfield Green	14	167,467	Lee
Stockwell Manor	3	41,005	Dranesville
Stonegate at Faircrest	1	11,159	Springfield
Westbriar	1	5,835	Providence
Westcott Ridge	10	136,841	Springfield
Willow Oaks	7	102,174	Sully
Woodley Hills Estates	115	625,858	Mt. Vernon
Subtotal	**389**	**$4,192,372**	

[1] FCRHA purchased one unit at Metrowest during FY 2016 and added one Affordable Dwelling Unit at Royal Lytham Drive to the rental program pending future status of properties in the ADU program. No budget is planned for FY 2018 as this unit is part of the agency's ADU program housing stock.

[2] The six units at Saintsbury Plaza are age restricted and managed as senior properties. Senior independent properties, other than Saintsbury Plaza, that are directly managed by the FCRHA are reflected under Fund 40330, Elderly Housing Programs.

Third-Party Managed Projects[1]	Units	FY 2018 Budget	District
Crescent Apartments	180	$0	Hunter Mill
Hopkins Glen	91	0	Providence
Little River Square	45	0	Springfield
Mt. Vernon Gardens	36	0	Lee
Wedgewood Apartments	672	0	Braddock
Subtotal	**1,024**	**$0**	
Group Homes	**Units**	**FY 2018 Budget**	**District**
Bath Street Group Home[2]	8	$8,908	Springfield
Dequincey Group Homes	5	8,908	Braddock
First Stop Group Home	8	56,524	Springfield
Leland Group Home	8	32,072	Sully
Minerva Fisher Group Home	12	81,884	Providence
Mount Vernon Group Home	8	11,141	Mt. Vernon
Patrick Street Group Home	8	12,890	Providence
Rolling Road Group Home	5	10,324	Mt. Vernon
Subtotal	**62**	**$222,651**	
Total Units/Fund Expenditures	**1,475**	**$4,415,023**	
Less: Debt Service	**NA**	**($499,087)**	
Net Fund Expenditures		**$3,915,936**	

[1] The units at Crescent Apartments, Hopkins Glen, Little River Square, Mt. Vernon Gardens, and Wedgewood Apartments are part of the FCRP Program. The properties are managed and maintained by private contractors. All funding for these units will be budgeted and reported by the property management firm and reported to the department on a regular basis. It should also be noted that a variety of other FCRP multifamily and senior independent units are owned by FCRHA-controlled partnerships and are either privately managed by third-party entities or are managed directly by the FCRHA under Fund 81200, Housing Partnerships.

[2] Bath Street is an eight bedroom group home facility that was purchased by the FCRHA in FY 2016. In FY 2017, this property was leased to the Fairfax-Falls Church Community Services Board (CSB) and is managed by a third party contractor who will provide operations and maintenance support to the facility.

Fund 81100
Fairfax County Rental Program

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$1,726,487	$1,865,951	$1,867,351	$1,842,151	$1,842,151
Operating Expenses	2,727,324	2,656,340	2,780,537	2,572,872	2,572,872
Capital Equipment	0	0	0	0	0
Total Expenditures	$4,453,811	$4,522,291	$4,647,888	$4,415,023	$4,415,023
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	23 / 23	23 / 23	23 / 23	23 / 23	23 / 23

RENTAL HOUSING PROPERTY MANAGEMENT

1	Housing/Community Developer V	1	Assistant Supervisor Facilities Support	3	General Building Maintenance Workers II
1	Housing/Community Developer IV	1	Chief Building Maintenance Section	2	General Building Maintenance Workers I
1	Housing/Community Developer II	1	Electrician II	1	Administrative Assistant V
1	Housing Services Specialist IV	1	Plumber II	1	Administrative Assistant IV
2	Housing Services Specialists II	1	Engineering Technician II	1	Administrative Assistant II
1	Housing Services Specialist I	1	Material Management Specialist III	2	Human Services Assistants

TOTAL POSITIONS
23 Positions / 23.0 FTE

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Employee Compensation** **$32,486**
  An increase of $32,486 in Personnel Services includes performance-based and longevity increases for non-uniformed merit employees effective July 2017.

- **Other Post-Employment Benefits** **$1,199**
  An increase of $1,199 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

- **Spending Alignments** **($140,953)**
  A net decrease of $140,953 for project-based budgeting adjustments and operating requirements, composed of $57,485 in Personnel Services and $83,468 in Operating Expenses based on an alignment of actual spending trends.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$32,597**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved an increase of $32,597 in Operating Expenses associated with encumbered carryover.

- **Out-of-Cycle Adjustments** **$58,000**
  Funding was increased $58,000 in Operating Expenses, primarily due to $58,000 associated with condominium fees for Springfield Green. Additionally, $1,400 was reallocated from Operating Expenses to Personnel Services for Highland Oaks resulting in no net funding change.

- **Third Quarter Adjustments** **$35,000**
  As part of the *FY 2017 Third Quarter Review,* funding was increased $35,000 due to capital improvement work at the First Stop/Sojourn Group Home.

Fund 81100
Fairfax County Rental Program

FUND STATEMENT

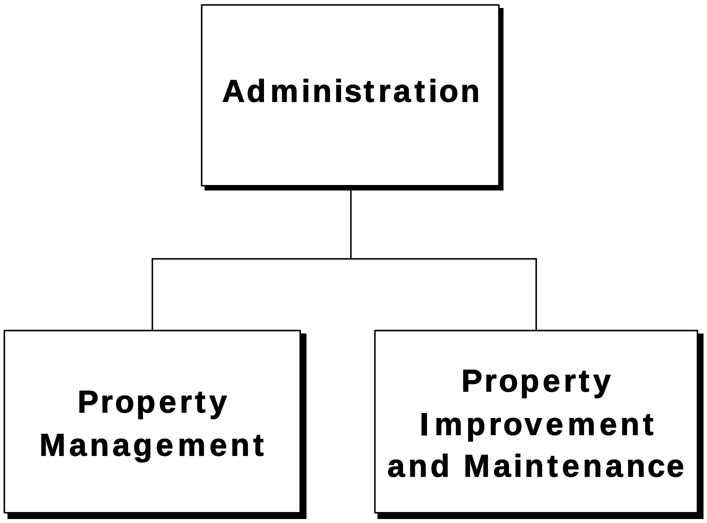
Fund 81100, Fairfax County Rental Program

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$6,275,136	$5,956,461	$6,098,570	$6,028,250	$6,066,301
Revenue:					
Dwelling Rents[1]	$3,527,572	$3,735,661	$3,735,661	$3,602,562	$3,602,562
Investment Income[1]	93,651	94,370	94,370	111,381	111,381
Other Income[1]	147,203	241,769	276,769	206,399	206,399
Debt Service Contribution (Little River Glen)	508,819	508,819	508,819	508,819	508,819
Total Revenue	$4,277,245	$4,580,619	$4,615,619	$4,429,161	$4,429,161
Total Available	$10,552,381	$10,537,080	$10,714,189	$10,457,411	$10,495,462
Expenditures:					
Personnel Services	$1,726,487	$1,865,951	$1,867,351	$1,842,151	$1,842,151
Operating Expenses[1]	2,727,324	2,656,340	2,780,537	2,572,872	2,572,872
Total Expenditures	$4,453,811	$4,522,291	$4,647,888	$4,415,023	$4,415,023
Total Disbursements	$4,453,811	$4,522,291	$4,647,888	$4,415,023	$4,415,023
Ending Balance[2]	$6,098,570	$6,014,789	$6,066,301	$6,042,388	$6,080,439
Replacement Reserve	$5,514,883	$5,431,102	$5,482,614	$5,458,701	$5,496,752
Cash with Fiscal Agent	583,687	583,687	583,687	583,687	583,687
Unreserved Ending Balance	$0	$0	$0	$0	$0

[1] In order to account for revenues and expenditures in the proper fiscal year, audit adjustments have been reflected as an increase of $10,111.87 in FY 2016 revenues and a decrease of $27,938.88 in FY 2016 expenditures to record interest income, payment to bond holders, reclassify expenditures and adjust for cost allocation and leave accrual. These audit adjustments were included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments were included in the FY 2017 Third Quarter Package.

[2] Ending balances fluctuate due to adjustments in revenues and expenditures, as well as the carryover of balances each year.

Fund 81200
Housing Partnerships



Mission

To provide affordable rental housing through partnerships between the Fairfax County Redevelopment and Housing Authority (FCRHA) and private investors.

Focus

Fund 81200, Housing Partnerships, was created in FY 2002 to allow the FCRHA to efficiently track partnership properties in the Federal Low Income Housing Tax Credit program, which promotes private investment in affordable housing through partnerships with nonprofit entities such as the FCRHA. The Housing Partnerships fund supports a portion of the operating expenses for local rental housing programs that are owned by limited partnerships of which the FCRHA is the managing general partner. In FY 2018, the FCRHA will directly manage five partnership properties: Castellani Meadows, The Green, Tavenner Lane, Murraygate Village and Olley Glen. Some operating costs of these five properties are tracked through the County's financial system; however, a separate property management system, Yardi, is required to maintain partnership accounts and meet partnership calendar year reporting schedules. The operation of these developments is primarily supported by tenant rents with a County reimbursement for real estate taxes. The revenue collected from rents and property excess income is also monitored by Yardi and utilized by the partnerships to reimburse the FCRHA for expenses incurred to support salaries, maintenance and other operating expenses as identified in Fund 81200.

Six other partnership properties receive a County reimbursement for real estate taxes, but are managed by a private management company and are not reported in the County's financial system. These other partnership properties include: Herndon Harbor House I & II, Stonegate Village, Cedar Ridge, Morris Glen, and Gum Springs Glen.

The following charts summarize the total number of units of the properties managed by the FCRHA, as well as those third-party managed properties of the Partnership Program in FY 2018 and the projected operating costs associated with the units:

FCRHA Managed Properties	Units	FY 2018 Cost	District(s)
Castellani Meadows	24	$90,709	Sully
The Green[1]	74	524,869	Providence, Hunter Mill, and Sully
Tavenner Lane[2]	24	122,220	Lee
Murraygate Village	200	723,646	Lee
Olley Glen	90	472,128	Braddock
Total Partnership Program	**412**	**$1,933,572**	

[1] Of the 74 units counted as part of The Green, 50 units are part of the federally-assisted Public Housing program and are reflected in Fund 81520, Public Housing Projects Under Management. However, operating expenses for all 74 units are included in Fund 81200 since they are all owned by the FCRHA.

[2] Of the 24 units counted as part of Tavenner Lane, 12 units are part of the federally-assisted Public Housing program and are reflected in Fund 81520, Public Housing Projects Under Management. However, operating expenses for all 24 units are included in Fund 81200 since they are all owned by a limited partnership.

Third-Party Managed Properties[3]	Units	FY 2018 Cost	District
Herndon Harbor I & II	120	$0	Dranesville
Stonegate Village	240	0	Hunter Mill
Cedar Ridge	198	0	Hunter Mill
Morris Glen	60	0	Lee
Gum Springs Glen	60	0	Mt. Vernon
Total Third-Party Managed	**678**	**$0**	

[3] The properties are managed and maintained by a third-party management company. All funding for these units will be budgeted and reported by the property management firm and reported to HCD on a regular basis.

Fund 81200
Housing Partnerships

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$678,589	$869,590	$857,590	$691,907	$691,907
Operating Expenses	792,230	875,113	1,256,206	1,241,665	1,241,665
Capital Equipment	0	0	0	0	0
Total Expenditures	$1,470,819	$1,744,703	$2,113,796	$1,933,572	$1,933,572
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	8 / 8	8 / 8	7 / 7	7 / 7	7 / 7

	RENTAL HOUSING PROPERTY MANAGEMENT	2	Housing Services Specialists II	1	HVAC II
1	HCD Division Director	1	Housing Services Specialist I	1	General Building Maintenance Worker II
				1	Plumber I

TOTAL POSITIONS
7 Positions / 7.0 FTE

Note: As a result of the FCRHA establishing Fund 81300, Fairfax County Rental Program (FCRP)-Rental Assistance Demonstration (RAD), positions are being transferred to Fund 81300, FCRP-RAD to support the RAD Program. 4/4.0 FTE were transferred to Fund 81300 FCRP-RAD, with 3/3.0 FTE from Fund 81520, Public Housing Projects Under Management and 1/1.0 FTE from Fund 81200, Housing Partnerships.

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Employee Compensation** **$11,520**
An increase of $11,520 in Personnel Services is included for performance-based and longevity increases for non-uniformed merit employees effective July 2017.

♦ **Other Post-Employment Benefits** **($632)**
A decrease of $632 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

- **Project-Based Budgeting Adjustments** **$177,981**
  A net increase of $177,981 comprises an increase of $366,552 in Operating Expenses due to project-based contractual services and repair and maintenance requirements, partially offset by a decrease of $189,203 in Personnel Services due to salary and fringe benefit adjustments associated with project-based budgeting based on U.S. Department of Housing and Urban Development (HUD) policy guidelines and County accounting systems. The agency is continuing to properly align positions with duties and responsibilities and is aligning costs to correlate with these adjustments.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$519,093**
  Funding of $203,898 was included as encumbered carryover as part of the *FY 2016 Carryover Review*, consisting primarily of building maintenance and repair projects and ongoing contractual obligations, as well as $315,195 for resident services and planned major repairs and maintenance projects at various Partnership properties.

- **Third Quarter Adjustments** **($150,000)**
  As part of the *FY 2017 Third Quarter Review*, revenues and expenditures are to decrease $150,000 due to scheduled major property maintenance at Olley Glen not occurring. In addition, to better align budget to actual expenditures, $12,000 was reallocated from Personnel Services to Operating Expenses.

Fund 81200
Housing Partnerships

FUND STATEMENT

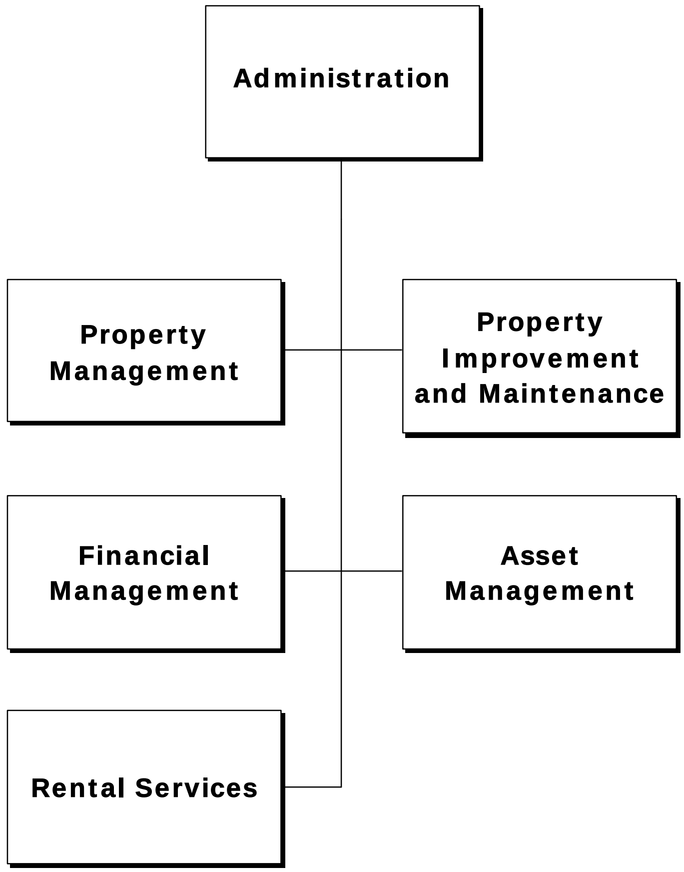
Fund 81200, Housing Partnerships

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$54,920	$54,920	$36,446	$54,920	$36,446
Revenue:					
FCRHA Reimbursements	$1,452,345	$1,744,703	$2,113,796	$1,933,572	$1,933,572
Total Revenue	$1,452,345	$1,744,703	$2,113,796	$1,933,572	$1,933,572
Total Available	$1,507,265	$1,799,623	$2,150,242	$1,988,492	$1,970,018
Expenditures:					
Personnel Services	$678,589	$869,590	$857,590	$691,907	$691,907
Operating Expenses[1]	792,230	875,113	1,256,206	1,241,665	1,241,665
Total Expenditures	$1,470,819	$1,744,703	$2,113,796	$1,933,572	$1,933,572
Total Disbursements	$1,470,819	$1,744,703	$2,113,796	$1,933,572	$1,933,572
Ending Balance[2]	$36,446	$54,920	$36,446	$54,920	$36,446
Replacement Reserve	$36,446	$54,920	$36,446	$54,920	$36,446
Unreserved Ending Balance	$0	$0	$0	$0	$0

[1] In order to account for revenues and expenditures in the proper fiscal year, an audit adjustment has been reflected as an increase of $18,473.70 in FY 2016 expenditures to record an expenditure accrual adjustment. This audit adjustment was included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustment were included in the FY 2017 Third Quarter Package.

[2] The Housing Partnerships fund maintains fund balances at adequate levels relative to projected operating and maintenance requirements. These costs change annually, therefore, funding is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

Fund 81300
RAD-Fairfax County Rental Program



Mission

To manage affordable rental housing acquired by the Fairfax County Redevelopment and Housing Authority (FCRHA) and to maintain and preserve the units for long term rental availability.

Focus

Fund 81300, Rental Assistance Demonstration (RAD)-Fairfax County Rental Program (FCRP) is a local rental-housing program that evolved from the Department of Housing and Urban Development's (HUD) RAD initiative, which allows housing authorities to convert traditional Public Housing units to a Housing Choice Voucher (HCV) Project-Based Voucher subsidy model. In FY 2017, Phase I of the project included the conversion of 299 units from Public Housing subsidized units to Fairfax County Redevelopment and Housing Authority (FCRHA) owned units that have been designated as Project-Based Vouchers where the voucher and subsidy funds are attached to the unit. This means the Housing Assistance Payment (HAP) subsidy is attached to the unit and not the tenant. The tenant will be responsible for a portion of the monthly unit rent with the remainder being disbursed from the HCV program as a HAP to property. If a tenant chooses to move from one of these units, they would be issued a tenant-based voucher, if the voucher is available and the tenant still qualifies under the guidelines of the HCV program. The FCRHA is currently working with HUD to convert its remaining Public Housing stock or 766 units under the RAD program. The final settlement date for the remaining properties will be based on HUD's approval of the agency's conversion and financing plans.

Fund 81300
RAD-Fairfax County Rental Program

Converting Public Housing units under the RAD program has a number of advantages, including providing more mobility for residents that is currently not available in the Public Housing program. For the FCRHA, a major advantage of the RAD program is that subsidies can be used to leverage private equity to secure resources needed to address critical capital improvements that could not be supported with Public Housing resources.

The FCRP portion of this program is designed to provide affordable rental housing in the County for low- and moderate-income families. In FY 2018, Fund 81300 will support a total of 299 units consisting of multi-family rental properties and scattered units throughout the County.

The operation of this program is primarily supported by tenant rents, HAP subsidy from the HCV program and the County's General Fund is also charged directly for payments in support of condominium fees for a portion of the RAD properties.

The following charts summarize the total number of units in the RAD-FCRP fund and the projected operating costs associated with the units for FY 2018:

Project Name	Units	2018 Budget	District
Audubon	46	$318,798	Lee
Belleview	40	407,440	Mt. Vernon
Barkley Square	3	21,827	Providence
Briarcliff II	20	198,336	Providence
Colchester Town	8	49,250	Lee
Greenwood II	4	29,203	Lee
Heritage Woods I	19	195,939	Braddock
Heritage Woods North	12	73,829	Braddock
Heritage Woods South	13	105,104	Braddock
Newington Station	36	279,009	Springfield
The Park	24	209,241	Lee
Shadowood	16	75,933	Hunter Mill
Sheffield Village	8	91,107	Mt. Vernon
Springfield Green	5	30,869	Lee
Villages at Falls Church	36	349,800	Mason
Waters Edge	9	90,341	Springfield
	299	**$2,526,026**	

Fund 81300
RAD-Fairfax County Rental Program

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$0	$0	$127,885	$776,575	$776,575
Operating Expenses	0	0	336,527	1,749,451	1,749,451
Capital Equipment	0	0	0	0	0
Total Expenditures	$0	$0	$464,412	$2,526,026	$2,526,026
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	0 / 0	0 / 0	4 / 4	4 / 4	4 / 4

RENTAL HOUSING PROPERTY MANAGEMENT

2	Housing Services Specialists II	2	General Building Maintenance Workers II

TOTAL POSITIONS
4 Positions / 4.0 FTE

Note: As a result of the FCRHA establishing Fund 81300, FCRP-RAD, positions are being transferred to Fund 81300, FCRP-RAD to support the RAD Program. 4/4.0 FTE were transferred to Fund 81300 FCRP-RAD, with 3/3.0 FTE from Fund 81520, Public Housing Projects Under Management and 1/1.0 FTE from Fund 81200, Housing Partnerships.

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Full Year Funding for Phase I Conversion of Public Housing units to RAD** **$2,526,026**
An increase of $2,526,026 comprises $776,575 in Personnel Services and $1,749,451 in Operating Expenses to support full year funding for the Phase I conversion of Public Housing units to RAD.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$1,393,237**

  As part of the *FY 2016 Carryover Review*, an amount of $1,393,237 was approved to establish Fund 81300, RAD-FCRP, to account for the multi-year process of converting Public Housing units to the new project-based subsidy platform RAD. This funding supports partial year funding for the conversion of the Phase I units in FY 2017.

- **Out-of-Cycle Adjustments** **($928,825)**

  Subsequent to the *FY 2017 Third Quarter Review*, an amount of $928,825 was reallocated back to Fund 81520, Public Housing Under Management, due to the delay in closing for Phase I of the conversion to RAD to May 1st, 2017.

FUND STATEMENT

Fund 81300, RAD-Fairfax County Rental Programs

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance[1]	$0	$0	$0	$0	$0
Revenue:[2]					
Rental Income	$0	$0	$223,657	$2,834,449	$2,834,449
Annual Contributions	0	0	178,508	0	0
Investment Income	0	0	1,676	1,755	1,755
Other Income	0	0	60,571	47,303	47,303
Total Revenue	$0	$0	$464,412	$2,883,507	$2,883,507
Total Available	$0	$0	$464,412	$2,883,507	$2,883,507
Expenditures:					
Personnel Services	$0	$0	$127,885	$776,575	$776,575
Operating Expenses	0	0	336,527	1,749,451	1,749,451
Total Expenditures	$0	$0	$464,412	$2,526,026	$2,526,026
Total Disbursements	$0	$0	$464,412	$2,526,026	$2,526,026
Ending Balance	$0	$0	$0	$357,481	$357,481

[1] Beginning Balance for FY 2018 will reflect the transfer of Public Housing reserves from Fund 81520 to the RAD-FCRP fund for 299 units of Public Housing stock that will convert under HUD's Rental Assistance Demonstration (RAD) program during FY 2017.

[2] Revenue is based on projected rental income from tenants plus Housing Assistance Payments (HAP) on behalf of the Project Based Voucher holders residing in RAD units and Other Income includes tenant charges for tenant reimbursable maintenance repairs.

Fund 81500
Housing Grants and Projects

Grants Management

Mission

To provide the residents of the County with safe, decent, and more affordable housing for low- and moderate-income households.

Focus

Fund 81500, Housing Grants and Projects, separately tracks grants and projects which are awarded to the Fairfax County Redevelopment and Housing Authority (FCRHA). This fund currently provides accounting for two different grants and the one project displayed in the following table.

Fund 81500 Housing Grants and Projects	
Anticipated Grant	
Residential Opportunity and Self Sufficiency (ROSS) Grant	The ROSS Grant is a three-year grant that provides and coordinates supportive services that help public housing residents move toward self-sufficiency.
Family Self Sufficiency - Residential Opportunity Self Sufficiency (FSS ROSS) Grant	The FSS ROSS Grant supports HUD's Public Housing Self-Sufficiency Program which leverages public and private support services for selected Public Housing Families to help them achieve economic independence and self-sufficiency.
State Rental Assistance Program (SRAP)	The SRAP serves individuals with developmental disabilities and is designed to provide rental assistance to single person families, providing them with the means to lease private market rental housing that meets their needs.

In FY 2018, the Department of Housing and Community Development (HCD) is administering two ROSS programs, the Public Housing Family Self-Sufficiency Program, and the Partnership for Resident Opportunities, Growth, Resources and Economic Self-Sufficiency (PROGRESS) Center.

Funded by both the ROSS Grant and the FSS ROSS Grant, HCD established the PROGRESS Center in FY 2011 to focus on a number of critical areas including crisis intervention, employment and training opportunities and services related to affordable health insurance, emergency medical intervention, adult protective services, mental health services, and physical and sensory disabilities for program residents. The key to connecting FCRHA residents to these services and resources is through partnership with County agencies and the community. For example, the Northern Virginia Workforce Investment Board and its non-profit employment training and job placement services, the SkillSource Group, Inc. (SkillSource), are important partners. Similarly, the PROGRESS Center collaborates with the Department of Family Services, the Department of Neighborhood and Community Services, and the Fairfax-Falls Church Community Services Board.

Fund 81500
Housing Grants and Projects

No FY 2018 funding is included for Fund 81500, Housing Grants and Projects at this time. Funding will be allocated once official notification of award is received from both HUD and the State.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$206,774	$0	$442,973	$0	$0
Operating Expenses	44,452	0	800,495	0	0
Capital Equipment	0	0	0	0	0
Total Expenditures	$251,226	$0	$1,243,468	$0	$0
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Grant	2 / 2	2 / 2	2 / 2	2 / 2	2 / 2

GRANTS MANAGEMENT

1	Housing Services Specialist III	1	Housing Services Specialist II

TOTAL POSITIONS
2 Grant Positions / 2.0 Grant FTE

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Employee Compensation** **$0**
It should be noted that no funding is included for performance-based and longevity increases for non-uniformed merit employees in FY 2018, as the grants will absorb the impact within the existing award authorizations.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$391,025**

  Funding of $391,025 was included as encumbered carryover as part of the *FY 2016 Carryover Review* due to unexpended FY 2016 grant balances.

- **State Rental Assistance Program (SRAP) Award** **$714,443**

  Funding of $714,443 was awarded by the Virginia Department of Behavioral Health and Developmental Services. This funding provides rental assistance to individuals with developmental disabilities.

- **Out-of-Cycle Adjustments** **$138,000**

  Subsequent to the *FY 2016 Carryover Review*, an award from the U.S. Department of Housing and Urban Development provided funding for the FCRHA Family Self-Sufficiency Program in the amount of $138,000.

Fund 81500
Housing Grants and Projects

FUND STATEMENT

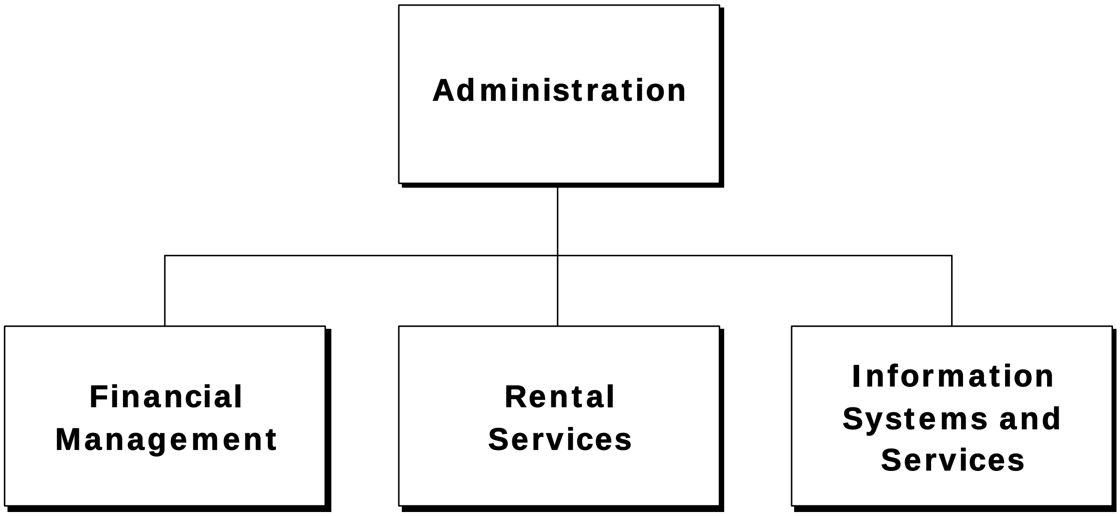
Fund 81500, Housing Grants and Projects

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	($1,473)	$0	$0	$0	$0
Revenue:					
ROSS Grant[1]	$252,699	$0	$529,025	$0	$0
SRAP	0	0	714,443	0	0
Total Revenue	$252,699	$0	$1,243,468	$0	$0
Total Available	$251,226	$0	$1,243,468	$0	$0
Expenditures:					
ROSS Grant[1]	$251,226	$0	$529,025	$0	$0
SRAP	0	0	644,388	0	0
SRAP Program Reserve[2]	0	0	70,055	0	0
Total Expenditures	$251,226	$0	$1,243,468	$0	$0
Total Disbursements	$251,226	$0	$1,243,468	$0	$0
Ending Balance	$0	$0	$0	$0	$0

[1] Grant projects are based on total grant costs. Most grants span multiple years, therefore funding for grant projects is carried forward each fiscal year.

[2] Funding for the SRAP Program Reserve will not be spent in FY 2017, and will be used to fund a reserve as required by the grantor. The FCRHA is required by the Virginia Department of Behavioral Health and Developmental Services to earmark 10 percent of the approved annual budget each fiscal year as program reserve funds. This earmark shall occur for ten years or until the capitalization funding goal is met, whichever occurs sooner.

Fund 81510
Housing Choice Voucher Program



Mission

To ensure that participants in the Federal Housing Choice Voucher program are provided with decent, safe and affordable private market housing.

Focus

The Housing Choice Voucher (HCV) program is a Federal Housing Assistance Program for lower income families seeking housing in the private market place. As of FY 2017, the Fairfax County Redevelopment and Housing Authority (FCRHA) has 4,173 authorized vouchers. In FY 2014, the FCRHA was designated as a Moving to Work (MTW) agency. This designation includes the majority of the HCV program and the agency's federal Public Housing program (Fund 81520, Public Housing Under Management). Under the MTW designation, funds between the HCV and Public Housing programs are fungible. However, there are benchmarks within each program that must be met for program compliance and performance evaluation. Therefore, a decision to use the fungible nature of this program would only be considered once each program has met its annual benchmarks. HCV programs excluded from the MTW program are post-2008 Family Unification Program (FUP), Non-Elderly Disabled (NEDS), and Veterans Affairs Supportive Housing (VASH).

The goal of the MTW program is to provide participants with the necessary tools through supportive services that will help them move along the housing continuum to self-sufficiency. The FCRHA implements the MTW program through the THRIVE initiative (Total Housing Reinvention for Individual Success, Vital Services, and Economic Empowerment), allowing families to not only find an affordable and safe place to call home, but also be connected to services and supports that will help families succeed and become self-sufficient. In addition to providing housing options made available by the FCRHA, the THRIVE initiative will link families to services and programs offered by other County agencies or nonprofit organizations. These programs are designed to help families better manage their money, train for a new job, pursue college or other training, become a better parent, learn English, and perhaps even purchase a home.

Fund 81510
Housing Choice Voucher Program

The FCRHA will continue to receive HCV annual funding from the United States Department of Housing and Urban Development (HUD). For the HCV portion of the program, HUD provides housing assistance subsidies to pay a portion of the family's rent to a private sector landlord. In most cases, the housing assistance subsidy provided for each tenant is the difference between 35 percent of the eligible family's income and a HUD-approved Fair Market Rent (FMR) for a housing unit, although FMRs are different for the HCV program and the project-based components of the program. The rent subsidy payments are made pursuant to a Housing Assistance Payments (HAP) Contract with the owner of the housing. Housing authorities administer the contract for these subsidy funds on behalf of HUD, which involves making the monthly subsidy payments, verifying that those benefiting from the subsidy are eligible and monitoring compliance with federal regulations. This is done pursuant to an Annual Contribution Contract between the FCRHA and HUD. In some cases, the subsidies are associated with a particular housing development known as project-based rental assistance (PBRA). In other cases, they are transferable with the tenant known as tenant-based rental assistance (TBRA). Private developers, local housing authorities and state housing finance agencies all participate in different aspects of the HCV program.

The Annual Contribution Contract between the FCRHA and HUD provides HUD established administrative fees for managing the program. The administrative fee earned is used to cover expenses associated with administering the HCV program. Within the Portability Program, one aspect of the HCV program, a tenant from another locality finds housing in Fairfax County and the FCRHA pays the subsidy portion of the rent on behalf of the originating housing authority. A subsequent reimbursement from the originating housing authority is received by the FCRHA as Portability Program Revenue to cover the subsidy payment as well as the lesser of 80 percent of the originating Housing Authority's administrative fee or 100 percent of the receiving Housing Authority's administrative fee to cover administrative costs.

During FY 2017, the agency converted 299 Public Housing units to HCV PBRA based units under the Rental Assistance Demonstration (RAD) program. Under PBRA guidelines, the subsidy from the HCV program is associated with the units leased to clients and stays at the property level when units are vacated. An additional 766 units will convert under the RAD program to HCV PBRA late FY 2017 or early FY 2018. The FY 2018 operating budget for the 299 converted units is included in Fund 81300, FCRP-RAD. Payments made from the HCV program for unit subsidy or PBRA is reflected in the revenue budget for Fund 81300, FCRP-RAD Operating Budget. The Housing Choice Voucher Program FY 2018 budget includes $1,001,136 to support HAP subsidy for the 299 Public Housing units that converted to PBRA under the RAD program in FY 2017.

The FY 2018 funding level of $63,483,502 consists of housing assistance payments of $59,189,052 and administrative expenses of $4,294,450. The FY 2018 request for this program is based on 100% Utilization of the projected Calendar Year 2017 funding levels for a MTW agency.

The FY 2018 revenue projection of $63,747,933, an increase of $4,734,129 over the FY 2017 Adopted Budget Plan, is primarily the result of a $2.78 million increase in the Annual Contributions from HUD, partially offset by a $1.95 million increase in Portability leasing. The FY 2018 request is based on the projected Calendar Year 2017 funding level for Appropriations for Housing Assistance Payments and the current Calendar Year 2016 proration factors and anticipated leasing for Administration Fees earned.

Subsequent to final federal approval of Fairfax County's actual award that will include phase one and potentially phase two of the RAD conversion of Public Housing units to PBRA vouchers, the appropriate revisions to the FY 2018 budget will be made as part of the *FY 2017 Carryover Review* or a future quarterly review.

The current income limits for most components of the HCV Program as established by HUD, effective March 28, 2016 and currently in effect, are shown below:

Household Size	Very Low Income	Low Income
1	$38,050	$49,150
2	$43,450	$56,150
3	$48,900	$63,150
4	$54,300	$70,150
5	$58,650	$75,800
6	$63,000	$81,400
7	$67,350	$87,000
8+	$71,700	$92,600

FY 2018 SUMMARY OF PROJECTS	
PROJECTS	**NUMBER OF UNITS**
Consolidated Vouchers[1]	4,173
Total Contract P-2509	**4,173**

[1] Actual number of vouchers issued may be lower than HUD-approved count due to local market conditions and funding limitations.

Fund 81510, Housing Choice Voucher Program, covers the following components in FY 2018:

- **Housing Choice Vouchers – 4,173 issued through the FCRHA**
  Under this component of the HCV housing program, local or state housing authorities contract with HUD for housing assistance payment subsidy funds and issue vouchers to eligible households who may lease any appropriately sized, standard quality rental unit from a participating landlord. The ability to fully lease authorized vouchers is contingent upon annual federal funding levels. In FY 2016, FCRHA initiated a competitive solicitation of Project-Based Rental Assistance in order to create efficiencies in the HCV program, as well as provide financial stability to participating landlords and tenants.

- The housing authority maintains a waiting list of those seeking a Housing Choice Voucher, verifies applicant income eligibility before issuing a voucher, inspects the unit the family selects to ensure compliance with HCV Housing Quality Standards, computes the portion of rent the family must pay or the maximum subsidy, contracts with the landlord to pay the subsidy, maintains required financial records and reports, and recertifies eligibility every three years for elderly and disabled clients and every two years for remaining clients. The owner of the housing (landlord), not the housing authority, selects the families to whom the landlord will rent, and renews or terminates the family's lease in accordance with the terms of the lease.

Fund 81510
Housing Choice Voucher Program

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$3,406,056	$3,585,154	$3,812,387	$3,576,498	$3,576,498
Operating Expenses	55,119,842	55,579,813	57,633,713	59,907,004	59,907,004
Total Expenditures	$58,525,898	$59,164,967	$61,446,100	$63,483,502	$63,483,502
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Grant	42 / 42	42 / 42	42 / 42	42 / 42	42 / 42

AFFORDABLE RENTAL HOUSING SUBSIDIES

3	Housing Services Specialists V	1	Financial Specialist II	3	Administrative Assistants IV
1	Housing Services Specialist IV	1	Accountant I	3	Administrative Assistants III
4	Housing Services Specialists III	1	Fraud Investigator	1	Administrative Assistant II
24	Housing Services Specialists II				

TOTAL POSITIONS
42 Grant Positions / 42.0 Grant FTE

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Employee Compensation** **$68,002**
An increase of $68,002 in Personnel Services is included for performance-based and longevity increases for non-uniformed merit employees effective July 2017.

♦ **Housing Assistance Program** **$4,201,208**
An increase in the Housing Assistance Program of $4,201,208 is primarily due to an increase associated with the conversion of Public Housing units to RAD coupled with an increase in the Portability Program.

♦ **Other Post-Employment Benefits** **$9,530**
An increase of $9,530 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

♦ **Other Operating Adjustments** **$39,795**
A net increase of $39,795 is comprised of an increase of $125,983 in Operating Expenses primarily associated with changing project requirements, partially offset by a decrease of $86,188 in Personnel Services due to actual spending experience.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$4,079,593**

As part of the *FY 2016 Carryover Review*, funding of $4,079,593 was approved, including an encumbered amount of $43,173, and an increase of $4,036,420 in Housing Assistance Payments (HAP) primarily associated with increased leasing activity due to additional vouchers, additional funding for the conversion of Public Housing units to the RAD program, as well as an increase in Ongoing Administrative Expenses due to Moving to Work initiatives and ongoing contractual obligations.

♦ **Third Quarter Adjustments** **($1,798,460)**

As part of the *FY 2017 Third Quarter Review*, expenditures are required to decrease $1,798,460 due to decreases in the Moving to Work, Housing Choice Voucher and Veterans Affairs Supportive Housing (VASH) programs, partially offset by an increase due to real-time entry of time and attendance.

Fund 81510
Housing Choice Voucher Program

FUND STATEMENT

Fund 81510, Housing Choice Voucher Program

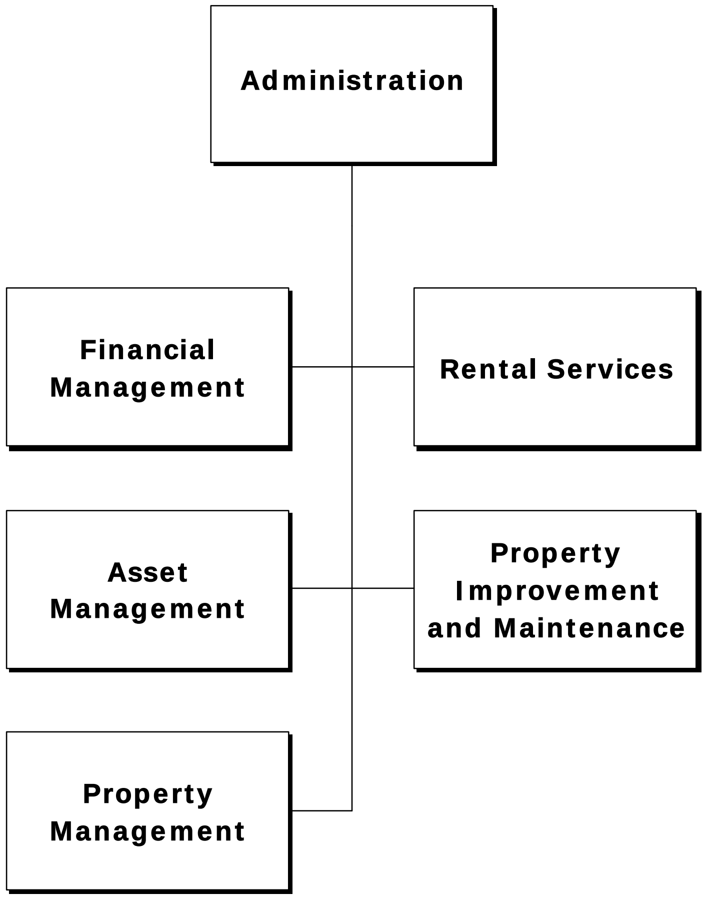
	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$5,404,077	$5,141,746	$5,478,787	$5,500,725	$4,263,144
Revenue:					
Annual Contributions	$53,394,296	$52,555,381	$52,660,406	$55,333,854	$55,333,854
Investment Income[1]	5,069	7,276	7,276	7,583	7,583
Portability Program	5,115,064	6,355,646	6,814,906	8,311,302	8,311,302
Miscellaneous Revenue[1]	86,179	95,501	747,869	95,194	95,194
Total Revenue	$58,600,608	$59,013,804	$60,230,457	$63,747,933	$63,747,933
Total Available	$64,004,685	$64,155,550	$65,709,244	$69,248,658	$68,011,077
Expenditures:					
Housing Assistance Payments	$54,804,174	$54,987,844	$56,773,749	$59,189,052	$59,189,052
Ongoing Admin. Expenses	3,721,724	4,177,123	4,672,351	4,294,450	4,294,450
Total Expenditures	$58,525,898	$59,164,967	$61,446,100	$63,483,502	$63,483,502
Total Disbursements	$58,525,898	$59,164,967	$61,446,100	$63,483,502	$63,483,502
Ending Balance[2]	$5,478,787	$4,990,583	$4,263,144	$5,765,156	$4,527,575
HAP Reserve[3]	$3,013,630	$824,275	$0	$0	$0
Operating Reserve	2,465,157	4,166,308	4,263,144	5,765,156	4,527,575
Unreserved Ending Balance	$0	$0	$0	$0	$0

[1] In order to account for revenues and expenditures in the proper fiscal year, audit adjustments have been reflected as a decrease of $645.00 in FY 2016 revenues to record annual HUD contributions. These audit adjustments were included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments were included in the FY 2017 Third Quarter Package.

[2] The fluctuations in the Ending Balance are primarily a result of projected adjustments in leasing trends and corresponding administrative expenses.

[3] Based on the agency's Moving to Work status, there is no longer a requirement to separately track the Net Restricted Asset balance, also known as Housing Assistance Payment (HAP) Reserve. However, any unused funding for HAP for the non-Moving to Work vouchers such as Family Unification Program (FUP), Non-Elderly Disabled (NEDs), and Veterans Affairs Supportive Housing (VASH) continue to be restricted and will continue to be reported as HAP Reserve.

Fund 81520
Public Housing Projects Under Management



Mission

To ensure that all tenants of Fairfax County Redevelopment and Housing Authority's (FCRHA) owned and operated public housing units are provided with decent, safe and adequate housing; maintenance and management; social services referrals; and housing counseling.

Focus

The Federal Public Housing Program is administered by the U.S. Department of Housing and Urban Development (HUD) to provide funds for rental housing serving low-income households owned and operated by local housing authorities such as the FCRHA. There are two components of this program with each having separate funding for operations and capital improvements. Fund 81520, Public Housing Projects Under Management, is for management and maintenance of public housing properties and includes an annual federal operating subsidy from HUD. Fund 81530, Public Housing Projects Under Modernization, provides funds for capital improvements and repairs of existing public housing through an annual Capital Fund Grant (formerly the Comprehensive Grant).

Revenues are derived from dwelling rents, HUD provided contributions and subsidies, payments for utilities in excess of FCRHA established standards, investment income, and maintenance charges. Projected FY 2018 revenues of $7,780,518 represent a decrease of $2,582,293, or 25 percent, from the FY 2017 Adopted Budget Plan primarily due to the conversion of 299 units to the Rental Assistance Demonstration (RAD) subsidy platform (see Fund 81300, FCRP-RAD). In addition there is a slight decrease in the projected HUD Operating Subsidy. The HUD Operating Subsidy calculation is based on HUD's Final Rule (Revisions to Public Housing Operating Fund) published on September 19, 2005, using a formula developed by HUD to provide a mechanism to align expenditures and revenues for Public Housing Authorities.

The FCRHA is required by HUD to be in compliance with Project Based Accounting and Budgeting, which requires separate reporting for the County's Public Housing properties. The Public Housing properties are grouped into 11 Asset Management Projects (AMPs) for HUD Reporting purposes. In addition to the project reporting requirement, Public Housing Authorities are also required to track and report activities of the Central Office for various types of expenses including indirect administrative costs, which are covered by HUD prescribed management fees. The expenses for the AMPs are covered by program revenues, which are mainly Dwelling Rental Income and the HUD Operating Subsidy.

In addition to the public housing support provided in this fund, FY 2018 funds are provided in the General Fund, Agency 38, Department of Housing and Community Development, in support of townhouse/condominium-association fees for a portion of these properties.

The current income limits for the program as established by HUD effective March 28, 2016 and currently in effect, are shown below:

INCOME LIMITS[1]		
Household Size	**Very Low Income**	**Low Income**
1	$38,050	$49,150
2	$43,450	$56,150
3	$48,900	$63,150
4	$54,300	$70,150
5	$58,650	$75,800
6	$63,000	$81,400
7	$67,350	$87,000
8	$71,700	$92,600

[1]Based on area median income of $108,600.

The Public Housing projects, as reflected in the following chart, are located throughout the County.

Project Name	HUD Number	Number of Units	Supervisory District
Rosedale Manor[1]	VA 19-03	97	Mason
Atrium Apartments	VA 19-13	37	Lee
Robinson Square	VA 19-27	46	Braddock
Greenwood	VA 19-30	138	Mason
West Ford II	VA 19-32	22	Mt. Vernon
West Ford I	VA 19-33	24	Mt. Vernon
West Ford III	VA 19-34	59	Mt. Vernon
Barros Circle	VA 19-35	44	Sully
Kingsley Park[1]	VA 19-38	108	Providence
Reston Town Center	VA 19-40	30	Hunter Mill
Old Mill Site	VA 19-42	48	Lee
Ragan Oaks	VA 19-45	51	Sully
Tavenner Lane[2]	VA 19-51	12	Lee

Project Name	HUD Number	Number of Units	Supervisory District
The Green[2, 3]	VA 19-55	50	Hunter Mill
Total Units[4,5]		**766**	

[1] This HUD project includes one unit used as an office.

[2] Properties are owned by limited partnerships of which the FCRHA is the managing general partner of Tavenner Lane and the managing and limited partner for The Green. Therefore, rental revenue and other expenses for these properties are not reported in Fund 81520.

[3] This project includes six units at VA Station, four units at Copper Mill, six units at Walney Oaks, five units at Woodlawn Glen, three units at Monroe Chase and twenty-six units at Westglade.

[4] There are projected to be 766 units of Public Housing; however, only 764 are income producing. Two units are off-line and used as office space and community rooms as allowed under HUD guidelines. Tavenner Lane and The Green are reported separately when reporting to HUD, since they are partnership properties and have different reporting requirements.

[5] There were 1,065 units of Public Housing units; however, 299 have been converted to the Rental Assistance Demonstration Program.

On November 7, 2013, HUD executed the FCRHA Moving to Work (MTW) agreement. This designation includes the majority of the Housing Choice Voucher (HCV) program and the agency's federal Public Housing program. Under the MTW designation, funds between the HCV and Public Housing programs are fungible. However, there are benchmarks within each program that must be met for program compliance and performance evaluation. Therefore, a decision to use the fungible nature of this program would only be considered once each program has met its annual benchmarks. The FCRHA MTW Plan is designed to ensure that individuals and families are provided not only affordable and attractive housing, but are connected to services and support that help them succeed and become self-sufficient. The Public Housing program will serve extremely and very low-income households that need assistance in attaining an intermediate self-sufficiency skill set, provide individual job-skill development, address transportation needs, and ensure ongoing participation in health care services.

Rental Assistance Demonstration (RAD), beginning in FY 2017, provides a new subsidy platform, similar to project-based Housing Choice Vouchers, which can leverage private financing for planned capital improvements. In the FY 2015 federal budget, the U.S. Congress appropriated the expansion of the RAD program to include Fairfax County. In 2016, the FCRHA explored ways to reposition the public housing assets which would entail rehabilitation and potential redevelopment of the properties. The FCRHA selected 299 units for "phase one" of the conversion, which converted the units' funding sources from public housing programs to project-based vouchers in FY 2017, and is currently working with HUD to convert its remaining Public Housing stock or 766 units under the RAD program.

Admissions and Occupancy policies for this program are governed by the Quality Housing and Work Responsibility Act of 1998 (which amended the United States Housing Act of 1937) and are consistent with the objectives of Title VI of the Civil Rights Act of 1964. Eligibility for admission and occupancy to Low-Income Housing requires the applicants to fulfill the following general criteria: (1) qualify as a family, (2) have annual income which does not exceed the income limits for admission to a designated development, and (3) qualify under the Local Preference if head of household or spouse is employed, attending school or participating in a job training program, a combination thereof at least 30 hours per week; or is 62 or older; or is a primary caretaker of a disabled dependent; or meets HUD's definition of being disabled. In addition, the FCRHA approved a new income policy on May 1, 2008, to support the FCRHA's mission to serve low-income households. Eligible applicants for Public Housing who live or work in Fairfax County, City of Fairfax, City of Falls Church or Town of Herndon can have household income above 50 percent of the AMI and must be from households that pay more than 35 percent of gross income for rent and utilities for the past 90 days (excluding telephone and cable costs), or have household incomes at or below 50 percent of AMI.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$3,680,581	$3,882,881	$3,724,021	$3,350,220	$3,350,220
Operating Expenses	5,796,443	6,479,461	6,429,290	4,368,298	4,368,298
Capital Equipment	0	0	0	0	0
Total Expenditures	$9,477,024	$10,362,342	$10,153,311	$7,718,518	$7,718,518
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Grant	48 / 48	48 / 48	45 / 45	45 / 45	45 / 45

RENTAL HOUSING PROPERTY MANAGEMENT

1	Housing/Community Developer V	1	Financial Specialist IV	1	Chief Building Maintenance Section
3	Housing Services Specialists V	1	Financial Specialist III	1	Plumber II
1	Housing Services Specialist IV	1	Management Analyst I	1	Preventative Maintenance Specialist
5	Housing Services Specialists III	1	Human Services Coordinator II	4	HVACs I
9	Housing Services Specialists II	2	Administrative Assistants IV	5	General Building Maintenance Workers II
2	Housing Services Specialists I	1	Administrative Assistant III	4	General Building Maintenance Workers I
				1	Locksmith II

TOTAL POSITIONS
45 Grant Positions / 45.0 Grant FTE

Note: As a result of the FCRHA establishing Fund 81300, FCRP-RAD, positions are being transferred to Fund 81300, FCRP-RAD to support the RAD Program. 4/4.0 FTE were transferred to Fund 81300 FCRP-RAD, with 3/3.0 FTE from Fund 81520, Public Housing Projects Under Management and 1/1.0 FTE from Fund 81200, Housing Partnerships.

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Employee Compensation** **$0**

  It should be noted that no funding is included for performance-based and longevity increases for non-uniformed merit employees in FY 2018, as the fund will absorb the impact within the existing HUD award authorization.

- **Other Post-Employment Benefits** **$3,550**

  An increase of $3,550 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

- **Conversion of Public Housing units to RAD** **($2,526,026)**
  A decrease of $2,526,026 in both personnel and operating expenses is attributed to both a reallocation of $1,393,237 to Fund 81300, Fairfax County Rental Program - Rental Assistance Demonstration (FCRP-RAD) as part of the *FY 2016 Carryover Review,* as well as a reallocation of $1,132,789 to Fund 81300 as a continuation of the conversion of Public Housing units to the RAD program for FY 2018.

- **Project-Based Budgeting Adjustments and Operating Requirements** **($121,348)**
  A decrease of $121,348 in Personnel Services reflects an adjustment based on project-based budgeting efforts which conform to HUD policy guidelines.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **($1,137,856)**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved a decrease of $1,137,856 due to a reallocation of $1,393,237 to Fund 81300, Rental Assistance Demonstration (RAD) as a result of the conversion of 253 Public Housing units to the new RAD program, with a corresponding decrease to revenues, partially offset by an increase of $255,381 due to encumbrances primarily associated with contractual services.

- **Out-of-Cycle Adjustments** **$928,825**
  Subsequent to the *FY 2017 Third Quarter Review*, an amount of $928,825 was reallocated from Fund 81300, RAD back to Fund 81520, Public Housing Under Management, due to the delay in closing for Phase I of the conversion to RAD to May 1st, 2017.

Fund 81520
Public Housing Projects Under Management

FUND STATEMENT

Fund 81520, Projects Under Management

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$1,785,358	$1,281,736	$2,433,914	$2,179,924	$2,179,002
Revenue:					
Dwelling Rental Income[1]	$5,939,438	$5,783,994	$4,719,845	$4,106,600	$4,106,600
Excess Utilities	178,133	221,718	195,792	137,900	137,900
Interest on Investments	1,527	8,859	122,183	1,530	1,530
Other Operating Receipts	159,991	139,294	493,774	127,033	127,033
Management Fee - Capital Fund[2]	1,143,102	1,162,041	1,503,040	1,153,663	1,153,663
HUD Operating Subsidy[3]	2,703,389	3,046,905	2,863,765	2,253,792	2,253,792
Total Revenue	$10,125,580	$10,362,811	$9,898,399	$7,780,518	$7,780,518
Total Available	$11,910,938	$11,644,547	$12,332,313	$9,960,442	$9,959,520
Expenditures:[4]					
Administration[1]	$2,165,430	$2,495,973	$2,853,104	$2,028,427	$2,028,427
Central Office[1]	1,348,198	1,535,119	1,601,013	1,546,208	1,546,208
Tenant Services	59,354	48,803	48,803	24,400	24,400
Utilities	2,229,909	2,527,255	2,114,819	1,378,900	1,378,900
Ordinary Maintenance and Operation	3,668,153	3,705,033	3,434,224	2,716,883	2,716,883
General Expenses	66	33,569	85,206	17,700	17,700
Non-Routine Expenditures	5,914	16,590	16,142	6,000	6,000
Total Expenditures	$9,477,024	$10,362,342	$10,153,311	$7,718,518	$7,718,518
Total Disbursements	$9,477,024	$10,362,342	$10,153,311	$7,718,518	$7,718,518
Ending Balance[5]	$2,433,914	$1,282,205	$2,179,002	$2,241,924	$2,241,002

[1] In order to account for revenues and expenditures in the proper fiscal year, audit adjustments have been reflected as a decrease of $55,547.02 in FY 2016 revenues and a decrease of $54,625.09 in FY 2016 expenditures to reclassify and properly record revenues, to record accrued leave, to record adjustments to payroll accruals, to reclassify expenditures for reporting purposes and adjust operating expense accruals to report expenditures in the proper fiscal period. These audit adjustments were included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments were included in the FY 2017 Third Quarter Package.

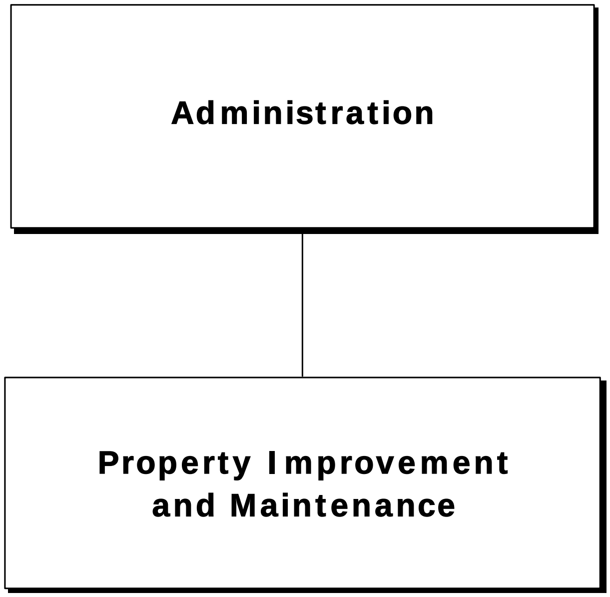
[2] Revenue is associated with fees received for the oversight and management of the Central Office. Management Fee revenues that are based on U.S. Department of Housing and Urban Development (HUD) prescribed fees consist of property management, bookkeeping and asset management fees. Fees from Fund 81530, Public Housing Projects Under Modernization, are also included.

[3] HUD Operating Subsidy is based on revenue and expenditures criteria developed by HUD under the Final Rule that was effective January 1, 2007. The FY 2017 HUD Operating Subsidy is based on the HUD-approved *CY 2015 Operating Subsidy Final Eligibility Report* for Fairfax County Redevelopment and Housing Authority.

[4] Expenditure categories reflect HUD required cost groupings. Decrease in expenditures is primarily associated with costs for the oversight and management of the fund, repair and maintenance expenses and increased utility expenses.

[5] The Ending Balance fluctuates due primarily to revenue adjustments for Dwelling Rental Income, as well as expenditure adjustments related to the oversight and management of the fund.

Fund 81530
Public Housing Projects Under Modernization



Focus

Fund 81530, Public Housing Projects Under Modernization, receives an annual federal grant, determined by formula, to be used for major physical and management improvements to public housing properties owned by the Fairfax County Redevelopment and Housing Authority (FCRHA). This grant program fund, which was called the Comprehensive Grant Program (CGP) or the Modernization Program, is now referred to as the Capital Fund Program (CFP). It is one of the two components of the Public Housing Program. The other fund supporting this program is Fund 81520, Public Housing Projects Under Management, which supports the daily maintenance and management of public housing properties.

Local public housing authorities submit a five-year comprehensive capital and management improvement plan to the U.S. Department of Housing and Urban Development (HUD) as part of the FCRHA's Five-Year Plan. The plan is updated each year as part of the Annual Plan. HUD reviews the plan and releases the annual capital grant amount that supports administrative and planning expenses as well as improvements to one or more projects. Housing authorities may revise the annual plan/budget to substitute projects as long as they are part of the Five-Year Plan.

The FCRHA submitted an improvement plan for Program Year 45 (FY 2017) funding and received HUD approval for $1,628,992. Program Year 45 provides for staff administration and capital improvements for Grant 3380037, Kingsley Park; Grant 3380039, Heritage Woods North; Grant 3380042, Old Mill Site; Grant 3380051, Newington Station; Grant 3380052, Villages at Falls Church; Grant 3380053, Heritage Woods; and Grant 3380054, Heritage Woods South.

No FY 2018 funding is included for Fund 81530 at this time. Funding will be allocated at the time of the official award from HUD and will provide Program Year 46 funding for new and ongoing projects.

Fund 81530
Public Housing Projects Under Modernization

It should be noted that the federal FY 2015 budget included an action which lifted the cap on Public Housing units which can be converted under the Rental Assistance Demonstration (RAD) program. In 2016, the FCRHA explored ways to reposition the public housing assets which would entail rehabilitation and potential redevelopment of the properties. In FY 2017, Phase I of the project included the conversion of 299 units from Public Housing subsidized units to Fairfax County Redevelopment and Housing Authority (FCRHA) owned units that have been designated as Project-Based Vouchers where the voucher and subsidy funds are attached to the unit. The FCRHA is currently working with HUD to convert its remaining Public Housing stock or 766 units under the RAD program. The final settlement date for the remaining properties will be based on HUD's approval of the agency's conversion and financing plans.

	RENTAL HOUSING PROPERTY MANAGEMENT
1	Housing/Community Developer III

TOTAL POSITIONS
1 Grant Position / 1.0 Grant FTE

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Employee Compensation** **$0**

  It should be noted that no funding is included for performance-based and longevity increases for non-uniformed merit employees in FY 2018, as the fund will absorb the impact within the existing HUD award authorization.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$1,011,815**

  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $1,011,815 due to the carryover of unexpended project balances from FY 2016.

- **Out-of-Cycle Adjustments** **$1,628,992**

  Subsequent to the approval of the *FY 2016 Carryover Review*, an allocation of $1,628,992 was provided by HUD for Program Year 45 staff administration and capital improvements for Grant 3380037, Kingsley Park; Grant 3380039, Heritage North; Grant 3380042, Old Mill Site; Grant 3380051, Newington Station; Grant 3380052, Villages at Falls Church; Grant 3380053, Heritage Woods; and Grant 3380054, Heritage Woods South.

A Fund Statement and a Summary of Grant Funding are provided on the following pages.

Fund 81530
Public Housing Projects Under Modernization

FUND STATEMENT

Fund 81530, Projects Under Modernization

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$2,173,573	$1,214,923	$2,173,573	$1,214,923	$1,214,923
Revenue:					
HUD Authorizations[1]	$0	$0	$1,630,436	$0	$0
HUD Reimbursements[2]	1,799,443	0	53,165	0	0
Total Revenue	$1,799,443	$0	$1,683,601	$0	$0
Total Available	$3,973,016	$1,214,923	$3,857,174	$1,214,923	$1,214,923
Expenditures:					
Administration[1]	$167,873	$0	$406,288	$0	$0
Capital/Related Improvements	1,631,570	0	2,235,963	0	0
Total Expenditures	$1,799,443	$0	$2,642,251	$0	$0
Total Disbursements	$1,799,443	$0	$2,642,251	$0	$0
Ending Balance[3]	$2,173,573	$1,214,923	$1,214,923	$1,214,923	$1,214,923

[1] In order to account for revenues and expenditures in the proper fiscal year, audit adjustments have been reflected as a decrease of $1,444.12 in FY 2016 revenues and a decrease of $1,444.06 in FY 2016 expenditures to reclassify revenue and expenditure accruals. This impacts the amount carried forward, resulting in an increase of $1,444.12 in revenues and $1,444.06 in expenditures. These audit adjustments were included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments were included in the FY 2017 Third Quarter Package.

[2] This represents the HUD reimbursements for capital improvements, major repairs/maintenance and modernization of public housing properties.

[3] Capital projects are budgeted based on the total project costs. Most projects span multiple years from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year and ending balances fluctuate, reflecting the carryover of these funds.

FY 2018 Summary of Grant Funding

Fund 81530, Public Housing Projects Under Modernization

Grant #	Description	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
3380010	Rosedale Manor	$38,911.68	$0.00	$0	$0
3380013	The Park	43,926.02	0.00	0	0
3380025	Greenwood Apartments	(5,531.11)	0.00	0	0
3380027	Briarcliff II	(1,868.15)	0.00	0	0
3380034	Barros Circle	(29,021.68)	0.00	0	0
3380037	Kingsley Park	1,076,937.63	1,665,407.00	0	0
3380039	Heritage North	80,777.68	64,168.00	0	0
3380042	Old Mill Site	61,382.70	369,108.00	0	0
3380044	Ragan Oaks	313,270.25	3,699.32	0	0
3380049	Greenwood II	24,444.00	0.00	0	0
3380051	Newington Station	(444.54)	274,656.00	0	0
3380052	Villages at Falls Church	5,161.00	5,190.00	0	0
3380053	Heritage Woods	88,220.84	97,914.00	0	0
3380054	Heritage Woods South	61,932.00	62,304.00	0	0
3380056	Westford II	1,333.63	0.00	0	0
3380058	Reston Towne Center	40,011.10	99,805.00	0	0
Total		$1,799,443.05	$2,642,251.32	$0	$0

FY 2018 ADOPTED REVENUE & RECEIPTS BY FUND
SUMMARY OF NON-APPROPRIATED FUNDS

Fund	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
HUMAN SERVICES							
Special Revenue Funds							
83000 Alcohol Safety Action Program	$1,167,239	$1,430,701	$1,430,701	$1,245,936	$1,245,936	($184,765)	(12.91%)
NORTHERN VIRGINIA REGIONAL IDENTIFICATION SYSTEM (NOVARIS)							
Agency Funds							
10031 Northern Virginia Regional Identification System	$18,771	$18,799	$18,799	$18,799	$18,799	$0	0.00%
HOUSING AND COMMUNITY DEVELOPMENT							
Other Housing Funds							
81000 FCRHA General Operating	$2,867,151	$3,082,975	$3,524,263	$2,884,666	$2,884,666	($639,597)	(18.15%)
81020 Non-County Appropriated Rehabilitation Loan	679	381	381	699	699	318	83.46%
81030 FCRHA Revolving Development	17,721	6,154	6,154	8,875	8,875	2,721	44.22%
81050 FCRHA Private Financing	32,053	4,103	4,103	3,861	3,861	(242)	(5.90%)
81060 FCRHA Internal Service	3,681,590	3,409,540	4,501,088	3,795,720	3,795,720	(705,368)	(15.67%)
81100 Fairfax County Rental Program	4,277,245	4,580,619	4,615,619	4,429,161	4,429,161	(186,458)	(4.04%)
81200 Housing Partnerships	1,452,345	1,744,703	2,113,796	1,933,572	1,933,572	(180,224)	(8.53%)
81300 RAD-Fairfax County Rental Program	0	0	464,412	2,883,507	2,883,507	2,419,095	520.89%
81500 Housing Grants and Projects	252,699	0	1,243,468	0	0	(1,243,468)	(100.00%)
Total Other Housing Funds	$12,581,483	$12,828,475	$16,473,284	$15,940,061	$15,940,061	($533,223)	(3.24%)
Annual Contribution Contract							
81510 Housing Choice Voucher Program	$58,600,608	$59,013,804	$60,230,457	$63,747,933	$63,747,933	$3,517,476	5.84%
81520 Public Housing Projects Under Management	10,125,580	10,362,811	9,898,399	7,780,518	7,780,518	(2,117,881)	(21.40%)
81530 Public Housing Projects Under Modernization	1,799,443	0	1,683,601	0	0	(1,683,601)	(100.00%)
Total Annual Contribution Contract	$70,525,631	$69,376,615	$71,812,457	$71,528,451	$71,528,451	($284,006)	(0.40%)
TOTAL HOUSING AND COMMUNITY DEVELOPMENT	$83,107,114	$82,205,090	$88,285,741	$87,468,512	$87,468,512	($817,229)	(0.93%)
FAIRFAX COUNTY PARK AUTHORITY							
Special Revenue Funds							
80000 Park Revenue and Operating	$46,316,035	$48,377,877	$48,377,877	$49,200,800	$49,200,800	$822,923	1.70%
Capital Projects Funds							
80300 Park Improvement	$2,357,740	$0	$144,795	$0	$0	($144,795)	(100.00%)
TOTAL FAIRFAX COUNTY PARK AUTHORITY	$48,673,775	$48,377,877	$48,522,672	$49,200,800	$49,200,800	$678,128	1.40%
TOTAL NON-APPROPRIATED FUNDS	$132,966,899	$132,032,467	$138,257,913	$137,934,047	$137,934,047	($323,866)	(0.23%)
Appropriated from (Added to) Surplus	$987,595	$25,759	$24,413,174	($945,405)	($945,405)	($25,358,579)	(103.87%)
TOTAL AVAILABLE	$133,954,494	$132,058,226	$162,671,087	$136,988,642	$136,988,642	($25,682,445)	(15.79%)

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. The "Total Available" matches the expenditure totals by fiscal year on the "Expenditure by Fund/Summary of Non-Appropriated Funds," net of any transfers between funds.

FY 2018 ADOPTED EXPENDITURES BY FUND
SUMMARY OF NON-APPROPRIATED FUNDS

Fund	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
HUMAN SERVICES							
Special Revenue Funds							
83000 Alcohol Safety Action Program	$1,710,753	$2,003,006	$2,003,156	$1,818,497	$1,818,497	($184,659)	(9.22%)
NORTHERN VIRGINIA REGIONAL IDENTIFICATION SYSTEM (NOVARIS)							
Agency Funds							
10031 Northern Virginia Regional Identification System	$26,690	$18,799	$38,204	$18,799	$18,799	($19,405)	(50.79%)
HOUSING AND COMMUNITY DEVELOPMENT							
Other Housing Funds							
81000 FCRHA General Operating	$3,843,903	$3,515,829	$5,015,766	$3,241,942	$3,241,942	($1,773,824)	(35.36%)
81020 Non-County Appropriated Rehabilitation Loan	0	0	0	0	0	0	-
81030 FCRHA Revolving Development	53,029	0	378,731	0	0	(378,731)	(100.00%)
81050 FCRHA Private Financing	128,012	4,103	1,865,897	0	0	(1,865,897)	(100.00%)
81060 FCRHA Internal Service	3,681,590	3,409,540	4,499,958	3,795,720	3,795,720	(704,238)	(15.65%)
81100 Fairfax County Rental Program	4,453,811	4,522,291	4,647,888	4,415,023	4,415,023	(232,865)	(5.01%)
81200 Housing Partnerships	1,470,819	1,744,703	2,113,796	1,933,572	1,933,572	(180,224)	(8.53%)
81300 RAD-Fairfax County Rental Program	0	0	464,412	2,526,026	2,526,026	2,061,614	443.92%
81500 Housing Grants and Projects	251,226	0	1,243,468	0	0	(1,243,468)	(100.00%)
Total Other Housing Funds	$13,882,390	$13,196,466	$20,229,916	$15,912,283	$15,912,283	($4,317,633)	(21.34%)
Annual Contribution Contract							
81510 Housing Choice Voucher Program	$58,525,898	$59,164,967	$61,446,100	$63,483,502	$63,483,502	$2,037,402	3.32%
81520 Public Housing Projects Under Management	9,477,024	10,362,342	10,153,311	7,718,518	7,718,518	(2,434,793)	(23.98%)
81530 Public Housing Projects Under Modernization	1,799,443	0	2,642,251	0	0	(2,642,251)	(100.00%)
Total Annual Contribution Contract	$69,802,365	$69,527,309	$74,241,662	$71,202,020	$71,202,020	($3,039,642)	(4.09%)
TOTAL HOUSING AND COMMUNITY DEVELOPMENT	$83,684,755	$82,723,775	$94,471,578	$87,114,303	$87,114,303	($7,357,275)	(7.79%)
FAIRFAX COUNTY PARK AUTHORITY							
Special Revenue Funds							
80000 Park Revenue and Operating	$44,097,488	$46,208,518	$46,208,518	$46,929,235	$46,929,235	$720,717	1.56%
Capital Projects Funds							
80300 Park Improvement	$3,300,492	$0	$18,845,503	$0	$0	($18,845,503)	(100.00%)
TOTAL FAIRFAX COUNTY PARK AUTHORITY	$47,397,980	$46,208,518	$65,054,021	$46,929,235	$46,929,235	($18,124,786)	(27.86%)
TOTAL NON-APPROPRIATED FUNDS	$132,820,178	$130,954,098	$161,566,959	$135,880,834	$135,880,834	($25,686,125)	(15.90%)

FY 2018 ADOPTED CHANGES IN FUND BALANCE
SUMMARY OF NON-APPROPRIATED FUNDS

Fund	Balance 6/30/15	Balance 6/30/16	Balance 6/30/17	Balance 6/30/18	From/ (Added to) Surplus
HUMAN SERVICES					
Special Revenue Funds					
83000 Alcohol Safety Action Program	$177,026	$120,190	$92,906	$92,906	$0
NORTHERN VIRGINIA REGIONAL IDENTIFICATION SYSTEM (NOVARIS)					
Agency Funds					
10031 Northern Virginia Regional Identification System	$60,112	$52,193	$32,788	$32,788	$0
HOUSING AND COMMUNITY DEVELOPMENT					
Other Housing Funds					
81000 FCRHA General Operating	$15,196,815	$14,220,063	$12,728,560	$12,371,284	$357,276
81020 Non-County Appropriated Rehabilitation Loan	235,314	235,993	236,374	237,073	(699)
81030 FCRHA Revolving Development	4,610,113	4,574,805	4,202,228	4,211,103	(8,875)
81050 FCRHA Private Financing	5,986,393	5,890,434	4,028,640	4,032,501	(3,861)
81060 FCRHA Internal Service	(1,130)	(1,130)	0	0	0
81100 Fairfax County Rental Program	6,275,136	6,098,570	6,066,301	6,080,439	(14,138)
81200 Housing Partnerships	54,920	36,446	36,446	36,446	0
81300 RAD-Fairfax County Rental Program	0	0	0	357,481	(357,481)
81500 Housing Grants and Projects	(1,473)	0	0	0	0
Total Other Housing Funds	$32,356,088	$31,055,181	$27,298,549	$27,326,327	($27,778)
Annual Contribution Contract					
81510 Housing Choice Voucher Program	$5,404,077	$5,478,787	$4,263,144	$4,527,575	($264,431)
81520 Public Housing Projects Under Management	1,785,358	2,433,914	2,179,002	2,241,002	(62,000)
81530 Public Housing Projects Under Modernization	2,173,573	2,173,573	1,214,923	1,214,923	0
Total Annual Contribution Contract	$9,363,008	$10,086,274	$7,657,069	$7,983,500	($326,431)
TOTAL HOUSING AND COMMUNITY DEVELOPMENT	$41,719,096	$41,141,455	$34,955,618	$35,309,827	($354,209)
FAIRFAX COUNTY PARK AUTHORITY					
Special Revenue Funds					
80000 Park Revenue and Operating	$4,617,647	$4,044,851	$3,984,911	$4,576,107	($591,196)
Capital Project Funds					
80300 Park Improvement	$20,101,037	$20,328,634	$2,207,926	$2,207,926	$0
TOTAL FAIRFAX COUNTY PARK AUTHORITY	$24,718,684	$24,373,485	$6,192,837	$6,784,033	($591,196)
TOTAL NON-APPROPRIATED FUNDS	$66,674,918	$65,687,323	$41,274,149	$42,219,554	($945,405)

FY 2018 ADOPTED SUMMARY OF EXPENDITURES FOR PROGRAMS WITH APPROPRIATED AND NON-APPROPRIATED FUNDS

Fund	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
HOUSING AND COMMUNITY DEVELOPMENT							
APPROPRIATED FUNDS							
General Fund							
Department of Housing and Community Development	$5,778,538	$6,366,067	$6,539,096	$6,370,366	$6,370,366	($168,730)	(2.58%)
Capital Project Funds							
30010 General Construction and Contributions	$0	$0	$248,526	$0	$0	($248,526)	(100.00%)
30300 The Penny for Affordable Housing Fund	12,165,986	12,251,850	46,783,387	17,627,927	17,627,927	(29,155,460)	(62.32%)
30310 Housing Assistance Program	19,785	0	6,567,734	0	0	(6,567,734)	(100.00%)
Total Capital Project Funds	$12,185,771	$12,251,850	$53,599,647	$17,627,927	$17,627,927	($35,971,720)	(67.11%)
Special Revenue Funds							
40300 Housing Trust Fund	$1,114,980	$484,155	$9,126,480	$557,932	$557,932	($8,568,548)	(93.89%)
40330 Elderly Housing Programs	3,171,843	3,580,904	3,276,065	3,233,344	3,233,344	(42,721)	(1.30%)
40360 Homeowner and Business Loan Programs	1,685,610	2,331,087	4,005,576	2,080,081	2,080,081	(1,925,495)	(48.07%)
50800 Community Development Block Grant	5,836,869	4,873,926	9,578,783	4,923,230	4,923,230	(4,655,553)	(48.60%)
50810 Home Investment Partnerships Program	2,092,925	1,431,830	3,717,547	1,509,811	1,509,811	(2,207,736)	(59.39%)
Total Special Revenue Funds	$13,902,227	$12,701,902	$29,704,451	$12,304,398	$12,304,398	($17,400,053)	(58.58%)
TOTAL APPROPRIATED HOUSING AUTHORITY	$31,866,536	$31,319,819	$89,843,194	$36,302,691	$36,302,691	($53,540,503)	(59.59%)
NON-APPROPRIATED FUNDS							
Other Housing Funds							
81000 FCRHA General Operating	$3,843,903	$3,515,829	$5,015,766	$3,241,942	$3,241,942	($1,773,824)	(35.36%)
81020 Non-County Appropriated Rehabilitation Loan	0	0	0	0	0	0	-
81030 FCRHA Revolving Development	53,029	0	378,731	0	0	(378,731)	(100.00%)
81050 FCRHA Private Financing	128,012	4,103	1,865,897	0	0	(1,865,897)	(100.00%)
81060 FCRHA Internal Service	3,681,590	3,409,540	4,499,958	3,795,720	3,795,720	(704,238)	(15.65%)
81100 Fairfax County Rental Program	4,453,811	4,522,291	4,647,888	4,415,023	4,415,023	(232,865)	(5.01%)
81200 Housing Partnerships	1,470,819	1,744,703	2,113,796	1,933,572	1,933,572	(180,224)	(8.53%)
81300 RAD-Fairfax County Rental Program	0	0	464,412	2,526,026	2,526,026	2,061,614	443.92%
81500 Housing Grants and Projects	251,226	0	1,243,468	0	0	(1,243,468)	(100.00%)
Total Other Housing Funds	$13,882,390	$13,196,466	$20,229,916	$15,912,283	$15,912,283	($4,317,633)	(21.34%)
Annual Contribution Contract							
81510 Housing Choice Voucher Program	$58,525,898	$59,164,967	$61,446,100	$63,483,502	$63,483,502	$2,037,402	3.32%
81520 Public Housing Projects Under Management	9,477,024	10,362,342	10,153,311	7,718,518	7,718,518	(2,434,793)	(23.98%)
81530 Public Housing Projects Under Modernization	1,799,443	0	2,642,251	0	0	(2,642,251)	(100.00%)
Total Annual Contribution Contract	$69,802,365	$69,527,309	$74,241,662	$71,202,020	$71,202,020	($3,039,642)	(4.09%)
TOTAL NON-APPROPRIATED HOUSING AUTHORITY	$83,684,755	$82,723,775	$94,471,578	$87,114,303	$87,114,303	($7,357,275)	(7.79%)
TOTAL HOUSING AND COMMUNITY DEVELOPMENT	$115,551,291	$114,043,594	$184,314,772	$123,416,994	$123,416,994	($60,897,778)	(33.04%)

FY 2018 ADOPTED SUMMARY OF EXPENDITURES FOR PROGRAMS WITH APPROPRIATED AND NON-APPROPRIATED FUNDS

Fund	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
FAIRFAX COUNTY PARK AUTHORITY							
APPROPRIATED FUNDS							
General Fund							
Fairfax County Park Authority	$23,445,623	$24,142,901	$24,611,490	$24,604,681	$24,604,681	($6,809)	(0.03%)
Capital Project Funds							
30400 Park Authority Bond Construction	$10,987,638	$0	$139,551,823	$0	$0	($139,551,823)	(100.00%)
TOTAL APPROPRIATED PARK AUTHORITY	$34,433,261	$24,142,901	$164,163,313	$24,604,681	$24,604,681	($139,558,632)	(85.01%)
NON-APPROPRIATED FUNDS							
Special Revenue Funds							
80000 Park Revenue and Operating	$44,097,488	$46,208,518	$46,208,518	$46,929,235	$46,929,235	$720,717	1.56%
Capital Project Funds							
80300 Park Improvement	$3,300,492	$0	$18,845,503	$0	$0	($18,845,503)	(100.00%)
TOTAL NON-APPROPRIATED PARK AUTHORITY	$47,397,980	$46,208,518	$65,054,021	$46,929,235	$46,929,235	($18,124,786)	(27.86%)
TOTAL FAIRFAX COUNTY PARK AUTHORITY	$81,831,241	$70,351,419	$229,217,334	$71,533,916	$71,533,916	($157,683,418)	(68.79%)
TOTAL EXPENDITURES	$197,382,532	$184,395,013	$413,532,106	$194,950,910	$194,950,910	($218,581,196)	(52.86%)

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Overview

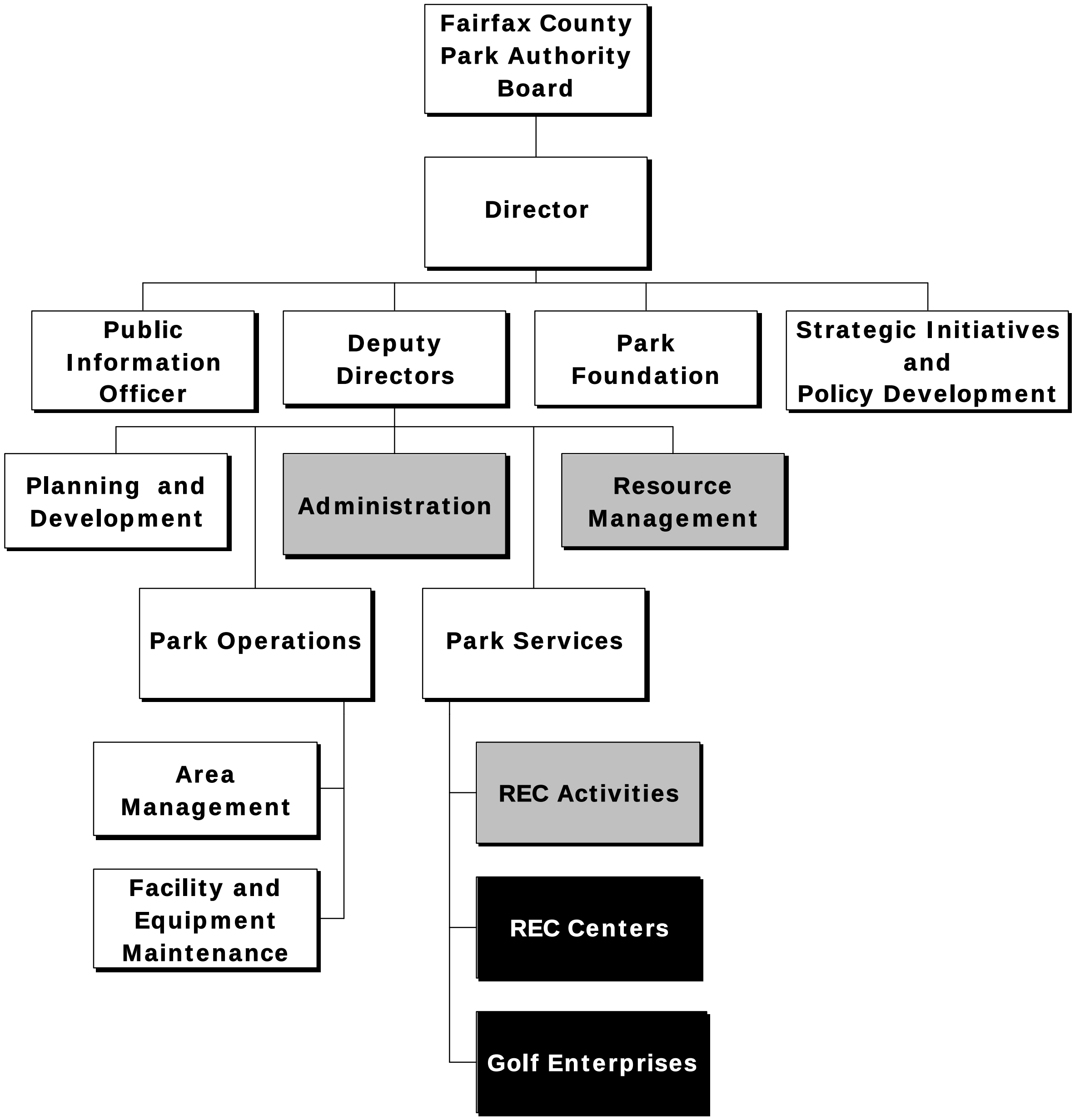
The Fairfax County Park Authority operates two separate and distinct Trust Funds. All funds received by the Park Authority Board under these Trust Funds are held and applied solely to expenditures determined by the Park Authority Board as authorized under the Commonwealth's Park Authorities Act. These funds provide support for the Park Authority which currently maintains and operates 427 parks, and 23,372 acres of park land, including recreation centers, historic sites, nature centers, and golf courses.

The Park Authority, in its memorandum of agreement with the Fairfax County Board of Supervisors, adopted budgeting and reporting procedures for its Trust Funds which are used by the General County Government. These two Trust Funds are being published in accordance with this agreement.

- **Fund 80000 - Park Revenue and Operating Fund**

- **Fund 80300 - Park Improvement Fund**

Fund 80000
Park Revenue and Operating Fund



Denotes Cost Centers that are included in both the General Fund and Fund 80000, Park Revenue and Operating Fund.

Denotes Cost Center that is only in Fund 80000, Park Revenue and Operating Fund.

Fund 80000
Park Revenue and Operating Fund

Mission

To set aside public spaces for and assist citizens in the protection and enhancement of environmental values, diversity of natural habitats and cultural heritage; to guarantee that these resources will be available to both present and future generations; and to create and sustain quality facilities and services that offer citizens opportunities for recreation, improvement of their physical and mental well-being and enhancement of their quality of life.

Focus

The Fairfax County Park Authority (the Authority), created by legislative action in 1950, serves the most populous jurisdiction in both the Virginia and Washington D.C. metropolitan area with over 1 million people. Under the direction of a Board of Supervisors' appointed 12-member Park Authority Board, the Authority works collaboratively with constituents, partners, stakeholders, and government leaders, and appointees to implement Board policies, champion the preservation and protection of natural and cultural resources, and facilitate the development of park and recreation programs and facilities. The Authority oversees the operation and management of a county park system with 23,372 acres, 427 parks, nine RECenters centers, eight golf courses, an ice skating rink, 210 playgrounds, 668 public garden plots, five nature centers, three equestrian facilities, 420 Fairfax County Public Schools athletic fields, 40 synthetic turf athletic fields, 268 Park Authority-owned athletic fields, 10 historic sites, two waterparks, a horticultural center, and more than 324 miles of trails. The Authority has balanced the dual roles of providing recreational, fitness and wellness opportunities to citizens and serving as stewards and interpreters of Fairfax County's natural and cultural resources.

The Park Revenue Fund supports the following County Vision Elements:

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

The Authority, a three-time National Gold Medal Award winner and a nationally accredited agency, is one of the largest, most diverse park systems in the nation. The agency offers leisure and recreational opportunities through an array of programmed and un-programmed resources which enrich the quality of life for all County residents. This enrichment is accomplished through the protection and preservation of open space and natural areas, nature centers, RECenters, historic sites, golf courses, athletic fields, public gardens, horticulture sites, trails, and neighborhood, community, district and countywide parks, as well as stewardship education, park programs, classes, camps, and tours. Delivering high-quality inclusive service in parks is an important focus for the Park Authority as demand and usage continue to grow.

Fund 80000
Park Revenue and Operating Fund

Fund 80000, Park Revenue and Operating Fund, is supported by user fees and charges from admissions, pass sales, retail sales, equipment and facility rentals, classes and events generated at the Authority's revenue-supported facilities, and is supplemented by donations and grants. Revenue-generating facilities and programs include RECenters, golf courses, nature centers, historic sites and various other major parks. Fees offer a mechanism to offer programs and services that the General Fund does not provide and are generally applied in areas serving an individual's benefit. As per the Financial Management Principles, revenue received is applied towards fully recovering the annual operating and maintenance costs of programs and services at these facilities. The Authority also strives to achieve an overall positive net cost recovery in order to contribute to capital renewal, maintenance, and repairs for revenue generating facilities to meet County residents' service expectations.

Some park operations are funded from both the General Fund and the Park Revenue and Operating Fund. For example, the General Fund supports some camps, trips and tours, lakefront park operations, and resource management sites and programs. The General Fund pays for the leadership, policy, and communication activities of the Director's office, the requirements of the public information office, and administrative costs for purchasing, accounting, budgeting, and payroll, and risk management procedural compliance.

Park Board

The Authority operates under the policy oversight of a Board of Supervisors' appointed 12-member Park Authority Board, in accordance with a Memorandum of Understanding with the County's Board of Supervisors. The Authority manages acquisition, preservation, development, maintenance, and operation of its assets and activities through five funds: the Parks General Fund Operating Budget, Park Revenue and Operating Fund, General Construction and Contributions Fund, Park Authority Bond Construction Fund and Park Improvement Fund. The Park Authority Board has direct fiduciary responsibility for the Park Revenue and Operating Fund and the Park Improvement Fund, while the County has fiduciary responsibility for the three other funds. The Authority persistently pursues partnerships and alternate funding sources to sustain the delivery of quality services and facilities.

Maintaining economic vitality and sustainability are longstanding components of the Board of Supervisors' vision for Fairfax County. In order to address the increasing challenges, the Authority created a Financial Sustainability Plan (FSP) in December 2011. This plan focuses on core services and identifies opportunities for improving the overall cost recovery of the organization. It contains clearly defined recommendations that, when collectively implemented, will assist the Authority with becoming more self-sustainable. Most recently completed projects in the FSP include the expansion of the Water Mine Family Swimmin' Hole at Lake Fairfax and replacement of the irrigation system at Greendale Golf Course. The replacement of the Burke Lake Golf Course clubhouse and expansion of the driving range facility is currently under construction. In addition, the Park Board approved the FY 2017 – FY 2019

Financial Management Plan. The Financial Management Plan provides the overall Park Revenue and Operating Fund business strategy, outlines financial projections for three years, and elaborates on the challenges facing the agency that are uncontrollable such as weather, employee compensation, employee benefits, aging equipment, indirect costs, and most recently, Fairfax County Public Schools programmatic changes that will impact the services and revenue potential of this fund.

Current Trends

A comprehensive Park and Recreation Needs Assessment is conducted every 5 to 10 years to address a growing population and evolving recreation needs of County residents. The most recent Needs Assessment was completed in FY 2016. A valuable aspect of this Needs Assessment process is that the resulting community facility needs form the basis for a 10-year phased Capital Improvement Framework (CIF). The CIF provides the overall long-range framework with recommended allocation of capital resources by facility type to meet the projected citizen's park and recreation needs. The plan is a guide for decision-makers for use in creating future bond programs and allocating other capital funding sources. Priority criteria were developed and used in scheduling projects within the CIF timeframe and tied directly to the demonstrated citizen needs. The total projected need for the ten year period reflected in the CIF is $941,042,100. This total amount is broken out into three strategic areas of improvement: Critical (repairing the existing parks system), Sustainable (upgrading the existing parks system) and Visionary (new, significant upgrades). The Needs Assessment will be a significant part of the justification for future park bond referenda.

The needs assessment is complemented by "Great Parks, Great Communities," a comprehensive long-range park plan adopted in 2011 that examines needs within 14 planning districts. This plan uses data from the Needs Assessment and serves as a decision making guide for future park land use, service delivery and resource protection to better address changing needs and growth forecasts through 2020. The Great Parks, Great Communities Plan will be updated in 2017 to reflect the data, findings and recommendations of the Needs Assessment completed in FY 2016.

Although revenues are projected to increase in FY 2017, the Park Revenue and Operating Fund will continue to face financial challenges. This is primarily due to the general economic downturn that has reduced participation in key revenue-generating activities and created stagnation for participation in other activities. Market pressure and the economic conditions that the community is facing are exerting downward pressure on the pricing of services, which limits the ability to generate additional revenue through fee increases. On the cost side of the equation, projected program offerings and staff to support them have placed additional cost recovery pressure on the fund. In FY 2018, the Revenue and Operating Fund will transfer an $820,000 indirect cost payment to the General Fund. The Indirect Cost payment is designed to partially offset central support services provided by the County's General Fund. In addition, the Park Revenue and Operating Fund experiences many uncontrollable factors that may impact its business (weather, facility closures, local economy, etc.), and the Park Authority is concerned about potential impacts to users if the Authority should experience some difficult times.

To further safeguard and align with County practices, a Park Revenue and Operating Fund Stabilization Reserve and a Capital Sinking Fund were established with certain criteria for use. Annual Net Revenue is designed to be transferred to these reserves to contribute to ongoing needs; however, there are increasing demands that decrease the realization of any available net revenue. Recent analysis identified an unfunded annual need for lifecycle/capital renewal maintenance at revenue supported facilities. This critical funding element of sustainability cannot be realized through charging of fees. Funding for lifecycle/capital renewal maintenance of the revenue facilities will need to be a combined and collaborative effort between the Authority and Fairfax County to ensure park and recreation services will be available into the future.

Resident demand for services continues to grow due to an increasing population, changing needs, and diversity of the community. Visiting parks and park programs has been a popular community recreational outlet during the economic downturn. The Authority must quickly respond to changing expectations in order to maintain customer loyalty and stability in the revenue base. Recent or near-term initiatives include enabling customer-oriented services such as online pass sales/renewals, e-mail classes and camp surveys, electronic distribution of camp registration packets, updated concert series web pages that include new search capability for citizens to find programs, and development of an enhanced Parktakes online web portal.

Strategic Plan

On June 26, 2013, the Park Authority Board approved the FY 2014 – FY 2018 Strategic Plan and Balanced Scorecard. The Strategic Plan is a tool that is designed to help the agency focus on the mission critical, most pressing concerns and opportunities over the next five years. In light of increasing demands and limited and shrinking resources, it is more important than ever that priorities be strategically determined and focused. Key focus areas include:

- Emphasizing and communicating the park system's value and benefits
- Encouraging park users to utilize the park system from generation to generation
- Inspiring tomorrow's stewards
- Investing in aging infrastructure and natural capital
- Strengthening community partnerships
- Stabilizing funding resources and prioritizing core services
- Building leadership capacity to champion innovative solutions

Using the Balanced Scorecard approach and incorporating input from park leadership, staff, stakeholders, and the general public, the strategic plan is structured around four important perspectives: Customer, Financial, Business Process and Learning and Growth.

Fund 80000
Park Revenue and Operating Fund

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$29,071,794	$30,541,392	$30,541,392	$30,286,442	$30,286,442
Operating Expenses	14,957,511	15,460,324	15,460,324	16,578,600	16,578,600
Capital Equipment	160,916	455,000	455,000	315,000	315,000
Bond Expenses	804,088	805,117	805,117	802,508	802,508
Subtotal	$44,994,309	$47,261,833	$47,261,833	$47,982,550	$47,982,550
Less:					
Recovered Costs	($896,821)	($1,053,315)	($1,053,315)	($1,053,315)	($1,053,315)
Total Expenditures	$44,097,488	$46,208,518	$46,208,518	$46,929,235	$46,929,235
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	245 / 245	245 / 245	245 / 245	245 / 245	245 / 245

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

♦ **Employee Compensation** **$255,721**

An increase of $255,721 in Personnel Services includes performance-based and longevity increases for non-uniformed merit employees effective July 2017.

♦ **Other Post-Employment Benefits** **$12,767**

An increase of $12,767 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEB) to retirees, including the Retiree Health Benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2018 Adopted Budget Plan.

♦ **Operational Requirements** **$594,838**

An increase of $594,838 includes an adjustment to Personnel Services and Operating Expenses primarily associated with projected growth in program attendance and participation as a result of facility expansions at the Oak Marr and Spring Hill RECenters, and the Lake Fairfax Water Mine. This adjustment also includes additional costs associated with the expansion of the Burke Lake Golf driving range and clubhouse, and annual software licensing costs associated with the new recreation management software system. Revenue is expected to be sufficient to fund these increases.

♦ **Capital Equipment** **$315,000**

Funding in the amount of $315,000 is included for Capital Equipment. An amount of $35,000 is for the replacement of mission critical mowers, and a utility vehicle that support the operations of the Golf Enterprises cost center. In addition, $280,000 is for the replacement of exercise equipment that is necessary for the successful business operations of the self-supporting RECenters in order to meet customer expectations and minimize waiting time. These replacement items have all exceeded their useful life and are required to be replaced based on age, usage, frequency of costly repairs, and overall condition.

♦ **Bond Expenses** **($2,609)**
A decrease of $2,609 in Bond Expenses is consistent with principal and interest requirements for FY 2018.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

♦ **Carryover Adjustments** **$0**
There were no adjustments to expenditures as part of the *FY 2016 Carryover Review*. The Transfers Out to Fund 80300, Park Improvement Fund, was increased by $580,000 to support both unplanned and emergency repairs at park facilities and the purchase of critical capital equipment. The adjustment will fund planned, long-term, life-cycle maintenance of revenue facilities.

Cost Centers

The five cost centers of the Park Revenue and Operating Fund are Administration, Golf Enterprises, REC Activities, RECenters and Resource Management. The cost centers work together to fulfill the mission of the Fund and carry out the key initiatives for the fiscal year.

Administration

The Administration Division implements Park Authority Board policies and provides high quality administrative business support to all levels of the Park Authority in order to assist the other Divisions in achieving Park Authority mission related objectives.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$2,024,671	$2,156,399	$2,156,399	$2,026,253	$2,026,253
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	15 / 15	15 / 15	15 / 15	15 / 15	15 / 15

1	Human Resources Generalist II	4	Engineers III
1	Network/Telecom Analyst II	3	Construction/Maintenance Project Managers II
1	Network/Telecom Analyst I	1	Material Management Specialist III
1	Internet/Intranet Architect I	1	Senior Right-of-Way Agent
2	Engineers IV		

TOTAL POSITIONS
15 Positions / 15.0 FTE

Golf Enterprises

The Golf Enterprises Division operates and maintains eight golf courses in Fairfax County. This division's primary functions and responsibilities include facility operations, maintenance, programming, agencywide support and customer service.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$9,504,659	$9,757,272	$9,757,272	$9,794,679	$9,794,679
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	80 / 80	80 / 80	80 / 80	80 / 80	80 / 80

3	Park/Rec Specialists IV	1	Maintenance Crew Chief	4	Motor Equip. Operators
4	Park/Rec Specialists III	5	Facility Attendants II	2	Vehicle and Equipment Techicians II
3	Park/Rec Specialists II	1	Park Management Specialist II	3	Golf Course Superintendents III
7	Park/Rec Specialists I	10	Senior Maintenance Workers	1	Golf Course Superintendent II
9	Park/Rec Assistants	22	Maintenance Workers	4	Golf Course Superintendents I
1	Administrative Assistant III				

TOTAL POSITIONS
80 Positions / 80.0 FTE

REC Activities

The REC Activities Division seeks to enrich the community by promoting active, fun, and healthy lifestyles for all.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$4,593,147	$5,123,694	$5,123,694	$5,464,023	$5,464,023
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	26 / 26	26 / 26	26 / 26	26 / 26	26 / 26

1	Producer/Director	2	Park Management Specialists I	1	Communications Specialist II
1	Park/Rec Assistant	1	Custodian II	3	Communications Specialists I
3	Park/Rec Specialists III	1	Management Analyst III	1	Contract Analyst II
1	Park/Rec Specialist II	3	Management Analysts II	1	Administrative Assistant V
2	Park/Rec Specialists I	1	Business Analyst III	3	Administrative Assistants III
		1	Publications Assistant		

TOTAL POSITIONS
26 Positions / 26.0 FTE

REC Centers

The Rec Centers Division operates and manages nine RECenters in Fairfax County that provide a wide variety of recreational, aquatic and fitness programs and classes to both citizens and visitors.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$25,991,515	$26,873,681	$26,873,681	$27,414,874	$27,414,874
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	108 / 108	108 / 108	108 / 108	108 / 108	108 / 108

2	Park Management Specialists II	8	Park/Rec Specialists I	8	Prevent. Maintenance Specs.
2	Park Management Specialists I	23	Park/Rec Assistants	1	Electronic Equipment Tech. II
9	Park/Rec Specialists IV	1	Facility Attendant I	7	Custodians II
2	Park/Rec Specialists III	8	Administrative Assistants III	4	Custodians I
30	Park/Rec Specialists II	1	Naturalist/Historian Senior Interpreter	1	Painter II
1	Administrative Assistant V				

TOTAL POSITIONS
108 Positions / 108.0 FTE

Resource Management

The Resource Management Division interprets and preserves Fairfax County's natural and cultural resources for the enjoyment, health and inspiration of current and future generations.

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
EXPENDITURES					
Total Expenditures	$1,983,496	$2,297,472	$2,297,472	$2,229,406	$2,229,406
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	16 / 16	16 / 16	16 / 16	16 / 16	16 / 16

1	Historian II	2	Park/Rec Specialists I	1	Administrative Assistant III
2	Historians I	2	Naturalists I	2	Facility Attendants II
1	Park/Rec Specialist IV	4	Park/Rec Assistants		
1	Park/Rec Specialist II				

TOTAL POSITIONS
16 Positions / 16.0 FTE

Key Performance Measures

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Administration					
Percent of annual work plan objectives achieved	71%	71%	75%/71%	75%	75%
Golf Enterprises					
Percent change in rounds played	(3.1%)	(3.3%)	6.1%/3.7%	2.3%	0.0%
Cost recovery percentage	108.25%	105.71%	112.35%/105.74%	108.79%	111.97%
Resource Management					
Percent change in number of visitor contacts	(7.2%)	7.7%	3.5%/2.2%	3.5%	3.5%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/80000.pdf

Performance Measurement Results

The Park Authority Administrative workload has continued to increase as a result of the opening of a number of facilities over the last several years as well as increased audit requirements. The Administrative Division accomplished 71 percent of its work plan objectives in FY 2016 and will work to achieve an objective target of 75 percent in both FY 2017 and FY 2018. In FY 2016, golf rounds increased by 3.7 percent from FY 2015, reversing a recent downward trend. The target number of total rounds played has been held constant in recognition that the goal is still higher than any figure achieved since FY 2013. The actual cost recovery in golf for FY 2016 was virtually unchanged, though it is expected to improve both in FY 2017 and FY 2018 as a new golf information system was implemented in the second half of FY 2016 and a new golf marketing specialist was hired. In addition, improvements to the Burke Golf driving range and clubhouse are expected to significantly improve net revenue in FY 2018. Lastly, in the Resource Management Division, there was a 2.2 percent increase in the number of visitor contacts over FY 2015. This is a slight decrease over the anticipated visitation growth, largely due to the transfer of the Historic Property Rental program to the Park Services Division. The Park Authority will strive to maintain the goal of increasing visitor contacts by at least 3.5 percent in FY 2017 and FY 2018.

Fund 80000
Park Revenue and Operating Fund

FUND STATEMENT

Fund 80000, Park Revenue and Operating Fund

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$4,617,647	$3,697,671	$4,044,851	$3,984,911	$3,984,911
Revenue:					
Park Fees	$45,433,147	$47,382,443	$47,382,443	$48,176,593	$48,176,593
Interest	18,297	46,137	46,137	46,137	46,137
Sale of Vehicles and Salvage Equipment	46,960	32,459	32,459	32,459	32,459
Donations and Miscellaneous Revenue	817,631	916,838	916,838	945,611	945,611
Total Revenue	$46,316,035	$48,377,877	$48,377,877	$49,200,800	$49,200,800
Total Available	$50,933,682	$52,075,548	$52,422,728	$53,185,711	$53,185,711
Expenditures:					
Personnel Services	$29,071,794	$30,541,392	$30,541,392	$30,286,442	$30,286,442
Operating Expenses[1]	14,957,511	15,460,324	15,460,324	16,578,600	16,578,600
Recovered Costs	(896,821)	(1,053,315)	(1,053,315)	(1,053,315)	(1,053,315)
Capital Equipment	160,916	455,000	455,000	315,000	315,000
Subtotal Expenditures	$43,293,400	$45,403,401	$45,403,401	$46,126,727	$46,126,727
Debt Service:					
Fiscal Agent Fee	$3,000	$3,233	$3,233	$3,233	$3,233
Bond Payments[2]	801,088	801,884	801,884	799,275	799,275
Total Expenditures	$44,097,488	$46,208,518	$46,208,518	$46,929,235	$46,929,235
Transfers Out:					
General Fund (10001)[3]	$820,000	$820,000	$820,000	$820,000	$820,000
County Debt Service (20000)[4]	800,994	829,299	829,299	860,369	860,369
Park Improvement Fund (80300)[5]	1,170,349	0	580,000	0	0
Total Transfers Out	$2,791,343	$1,649,299	$2,229,299	$1,680,369	$1,680,369
Total Disbursements	$46,888,831	$47,857,817	$48,437,817	$48,609,604	$48,609,604
Ending Balance[6]	$4,044,851	$4,217,731	$3,984,911	$4,576,107	$4,576,107
Reserve[7]	$2,212,966	$2,255,594	$2,311,170	$2,333,912	$2,333,912
Donation/Deferred Revenue[8]	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000
Set Aside Reserve[9]	481,885	612,137	323,741	892,195	892,195
Unreserved Ending Balance	$0	$0	$0	$0	$0

[1] In order to account for expenditures in the proper fiscal year, an audit adjustment in the amount of $13,636.82 has been reflected as an increase to Operating Expenses in FY 2016. This audit adjustment has been included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustment were included in the FY 2017 Third Quarter Package.

[2] Debt service represents principle and interest on Park Revenue Bonds which supported the construction of the Twin Lakes and Oak Marr Golf Courses.

[3] Funding in the amount of $820,000 is transferred to the General Fund to partially offset central support services supported by the General Fund, which benefit Fund 80000. These indirect costs include support services such as Human Resources, Purchasing, Budget and other administrative services.

[4] Debt service payments which support the development of the Laurel Hill Golf Club are made from Fund 20000, County Debt Service.

[5] Periodically, funding is transferred from Fund 80000, Park Revenue and Operating Fund, to Fund 80300, Park Improvement Fund, to support unplanned and emergency repairs, the purchase of critical capital equipment and planned, long-term, life-cycle maintenance of revenue facilities.

[6] The Park Revenue and Operating Fund maintains fund balances at adequate levels relative to projected operation and maintenance expenses. These costs change annually; therefore, funding is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

[7] The Revenue and Operating Fund Stabilization Reserve includes set aside cash flow and emergency reserves for operations as a contingency for unanticipated operating expenses or a disruption in the revenue stream.

[8] The Donation/Deferred Revenue Reserve includes donations that the Park Authority is obligated to return to donors in the event the donation cannot be used for its intended purpose. It also includes a set aside to cover any unexpected delay in revenue from sold but unused Park passes.

[9] The Set Aside Reserve is used to fund renovations and repairs at various park facilities as approved by the Park Authority Board.

Fund 80300
Park Improvement Fund

Focus

Fund 80300, Park Improvement Fund, was established under the provisions of the Park Authority Act to provide for improvements to the agency's revenue-generating facilities and parks, as well as to various park sites. Through a combination of grants, proffers, and donations, this fund provides for specific park improvements. Funding is also derived through lease payments and revenue bonds for golf course development. In addition, transfers from Fund 80000, Park Revenue and Operating Fund, often support improvements to park facilities; however, the amount of funding received from Fund 80000 fluctuates from year to year.

No funding is included for Fund 80300 in FY 2018. Work will continue on existing and previously funded projects.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$18,715,777**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved funding of $18,715,777 due to the carryover of unexpended project balances in the amount of $15,778,037 and an adjustment of $2,937,740. This increase was due to the appropriation of $2,357,740 in easement fees, donations and Park proffers received in FY 2016, and a transfer of $580,000 from Fund 80000, Park Revenue and Operating Fund, to support long-term life-cycle maintenance of revenue facilities and unplanned emergency facility repairs.

- **Third Quarter Adjustments** **$144,795**
  As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved funding of $144,795 due to the appropriation of revenues received in FY 2017 from the Park Foundation associated with Turner Farm Observatory and Eakin Park.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 80300
Park Improvement Fund

FUND STATEMENT

Fund 80300, Park Improvement Fund

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$20,101,037	$2,207,926	$20,328,634	$2,207,926	$2,207,926
Revenue:					
Interest	$60,816	$0	$0	$0	$0
Other Revenue[1]	2,296,924	0	144,795	0	0
Total Revenue	$2,357,740	$0	$144,795	$0	$0
Transfers In:					
Park Revenue and Operating Fund (80000)[2]	$1,170,349	$0	$580,000	$0	$0
Total Transfers In	$1,170,349	$0	$580,000	$0	$0
Total Available	$23,629,126	$2,207,926	$21,053,429	$2,207,926	$2,207,926
Total Expenditures[3]	$3,300,492	$0	$18,845,503	$0	$0
Total Disbursements	$3,300,492	$0	$18,845,503	$0	$0
Ending Balance[4]	$20,328,634	$2,207,926	$2,207,926	$2,207,926	$2,207,926
Lawrence Trust Reserve[5]	$1,507,926	$1,507,926	$1,507,926	$1,507,926	$1,507,926
Repair and Replacement Reserve[6]	700,000	700,000	700,000	700,000	700,000
Unreserved Ending Balance	$18,120,708	$0	$0	$0	$0

[1] Other revenue reflects easements, donations, monopole revenue, and proffer revenue.

[2] In FY 2017, an amount of $580,000 is transferred from Fund 80000, Park Revenue and Operating Fund, to Fund 80300, Park Improvement Fund. This funding will support unplanned and emergency repairs not funded by the annual operating budget, the purchase of critical capital equipment in Project PR-000057, General Park Improvements, and the planned, long-term, life-cycle maintenance of revenue facilities in Project PR-000101, Revenue Facilities Capital Sinking Fund.

[3] In order to account for expenditures in the proper fiscal year, an audit adjustment in the amount of $15,068.22 has been reflected as an increase to FY 2016 Total Expenditures. This impacts the amount carried forward and results in a decrease of $15,608.22 to the *FY 2017 Revised Budget Pla*n. The projects affected by this adjustment are 2G51-011-000, Restitutions for VDOT Takings; PR-000037, Mt Vernon Districtwide Parks; PR-000101, Countywide Park Improvements. The audit adjustment has been included in the FY 2016 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustment were included in the FY 2017 Third Quarter package.

[4] Capital Projects are budgeted based on total project cost. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year and ending balances fluctuate, reflecting the carryover of these funds.

[5] This Reserve separately accounts for the Ellanor C. Lawrence monies received for maintenance and renovation to this site. In accordance with the Fairfax County Park Authority Board, the principal amount of $1,507,926 received from the donation will remain intact, and any interest earned will be used according to the terms of the Trust.

[6] The Golf Revenue Bond Indenture requires that a repair and replacement security reserve be maintained in the Park Improvement Fund for repairs to park facilities.

FY 2018 Summary of Capital Projects

Fund 80300, Park Improvement

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Archaeology Proffers (2G51-022-000)	$174,732	$2,572.03	$48,577.20	$0	$0
Braddock Districtwide (Wakefield) Telecommunications (PR-000055)	2,004,338	0.00	10,499.65	0	0
Catastrophic Events (2G51-038-000)	250,000	0.00	250,000.00	0	0
Colvin Run Mill Visitors Center (PR-000102)	140,000	0.00	140,000.00	0	0
Countywide Park Improvements (PR-000100)	149,711	127,363.99	22,347.32	0	0
Countywide Trails (PR-000026)	102,137	0.00	25,615.89	0	0
Dranesville Districtwide (Pimmit) Telecommunications (PR-000029)	310,369	95,183.08	116,560.19	0	0
Dranesville Districtwide (Riverbend) Telecommunications (PR-000050)	101,071	2,252.00	13,259.04	0	0
Dranesville Districtwide-Pimmit Run (PR-000094)	172,053	56,742.55	109,690.88	0	0
E.C. Lawrence Trust (2G51-025-000)	505,940	608.03	299,737.49	0	0
Eakin Community Park Picnic Shelter (PR-000107)	69,795	0.00	69,795.15	0	0
Gabrielson Gardens (2G51-027-000)	2,000	0.00	2,000.00	0	0
General Park Improvements (PR-000057)	16,630,931	918,194.87	1,309,801.10	0	0
Grants and Contributions (2G51-026-000)	869,928	15,749.75	48,786.17	0	0
Grants Match (PR-000104)	250,000	10,621.00	239,379.00	0	0
Green Spring Farm Park (PR-000053)	110,000	18,280.13	661.72	0	0
Grist Mill Park-Smith Synthetic Turf Field (PR-000098)	209,019	209,019.00	0.00	0	0
Historic Artifacts Collections (2G51-019-000)	52,382	0.00	4,043.58	0	0
Historic Huntley (PR-000062)	479,195	0.00	463,303.83	0	0
Hunter Mill Districtwide (Clark Cross) Telecommunications (PR-000041)	133,458	65,000.00	48,834.13	0	0
Hunter Mill Districtwide (Frying Pan) Telecommunications (PR-000049)	501,570	60,308.36	67,127.66	0	0
Hunter Mill Districtwide (Stratton) Telecommunications (PR-000051)	2,550,234	86,849.73	335,258.59	0	0
Hunter Mill Districtwide (Stuart) Telecommunications (PR-000073)	141,357	4,999.99	53,983.34	0	0
Lee District Land Acquisition & Develop (PR-000025)	795,301	47,764.57	25,894.43	0	0
Lee Districtwide (Byron Avenue) Telecommunications (PR-000040)	748,065	55,256.58	369,688.92	0	0
Lee Districtwide (Lee District Park) Telecommunications (PR-000028)	440,218	50,000.00	53,093.47	0	0
Lewinsville Park-Field #2 Synthetic Turf (PR-000088)	2,395,619	0.00	10,687.21	0	0
Mason District Park (PR-000054)	940,621	112,419.04	249,134.91	0	0

FY 2018 Summary of Capital Projects

Fund 80300, Park Improvement

Project	Total Project Estimate	FY 2016 Actual Expenditures	FY 2017 Revised Budget	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Mastenbrook Volunteer Grant Program (PR-000061)	594,499	10,988.90	129,991.73	0	0
Merrilee Park (PR-000027)	17,139	0.00	17,139.00	0	0
Mt. Air Park (PR-000060)	46,701	0.00	3,059.92	0	0
Mt. Vernon Districtwide (So Run SV) Telecommunications (PR-000069)	71,170	17,926.77	53,243.23	0	0
Mt. Vernon Districtwide Parks (PR-000037)	520,690	188,483.41	116,476.54	0	0
Oakton Community Park (PR-000038)	100,000	0.00	93,784.40	0	0
Open Space Preservation (PR-000063)	777,009	0.00	93,844.00	0	0
Park Authority Resource Management Plans (2G51-035-000)	693,183	64,538.22	501,508.08	0	0
Park Easement Administration (2G51-018-000)	4,142,457	262,160.00	490,214.30	0	0
Park Rental Building Maintenance (2G51-021-000)	1,593,558	16,812.41	0.00	0	0
Park Revenue Proffers (PR-000058)	14,192,057	246,789.16	5,163,055.66	0	0
ParkNet (PR-000084)	3,327,000	11,136.79	1,142,808.39	0	0
Restitutions For VDOT Takings (2G51-011-000)	316,541	8,023.39	95,171.17	0	0
Revenue Facilities Capital Sinking Fund (PR-000101)	3,489,426	159,592.57	3,329,833.43	0	0
Robert E Lee Recreation Center (PR-000047)	554,636	0.00	26,255.80	0	0
Springfield Districtwide (Confed Fort) Telecommunications (PR-000030)	149,163	36,642.32	75,700.51	0	0
Springfield Districtwide (So Run) Telecommunications (PR-000045)	358,524	70,511.68	18,834.39	0	0
Stewardship Education (2G51-010-000)	137,314	0.00	32,600.21	0	0
Stewardship Exhibits (2G51-024-000)	13,325	0.00	3,496.35	0	0
Stewardship Publications (2G51-023-000)	78,491	0.00	41,175.33	0	0
Sully Districtwide (Cub Run SV) Telecommunications (PR-000048)	399,140	29,567.05	34,185.35	0	0
Sully Districtwide Parks (PR-000044)	142,718	21,566.88	30,727.89	0	0
Sully Plantation (PR-000052)	951,734	5,598.72	595,735.40	0	0
Telecommunications-Administration (2G51-016-000)	38,000	0.00	12,000.00	0	0
Turner Farm Observatory (PR-000031)	88,025	0.00	75,000.00	0	0
Vulcan (PR-000032)	3,678,055	210,968.55	2,281,901.50	0	0
Total	$67,700,599	$3,300,491.52	$18,845,503.45	$0	$0

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Fund 83000
Alcohol Safety Action Program

Alcohol Safety Action Program

Mission

To improve driver and resident safety in Fairfax County by reducing the incidence of crashes caused by driving under the influence of alcohol and other drugs, as well as through other dangerous driving behaviors. Alcohol Safety Action Program (ASAP) accomplishes these objectives through alcohol, drug, aggressive driver, and driver improvement education programs as well as through case management, public education, and referral to alcohol or drug treatment programs as needed.

Focus

The Alcohol Safety Action Program supports the following County Vision Elements:

Maintaining Safe and Caring Communities

Creating a Culture of Engagement

Exercising Corporate Stewardship

Fund 83000, ASAP, serves a probationary function for the Fairfax County Circuit and General District Courts under the supervision of the ASAP Policy Board and the Commission on Virginia Alcohol Safety Action Program (VASAP). Fairfax ASAP is one of 24 ASAPs in Virginia. Clients are either court ordered, Department of Motor Vehicle (DMV) referred, or enrolled voluntarily. Core programs are state mandated and include: intake, client assessment, rehabilitative alcohol and drug education, referral to treatment service programs, and case management for individuals charged with, or convicted of, driving while intoxicated (DWI). In addition, ASAP provides: alcohol/drug education programs for habitual offenders, a drug education program for first-time drug possession offenders, programs for adolescent substance abusers, and Virginia DMV-required classes for non-alcohol related driving offenses. ASAP also participates in outreach activities to educate the community about its mission. Programs are available in both English and Spanish. ASAP's primary focuses are the supervision of DWI offenders and enforcing the Code of Virginia. The agency also continues to rely on partnerships with the courts, the Office of the Commonwealth Attorney and treatment providers.

The County is the fiscal agent for the Fairfax ASAP which is administered through the Department of Administration for Human Services (DAHS). ASAP is expected to be a self-supporting agency, funded primarily through client fees. The State imposes a service fee ceiling of $300 per client as well as a $100 charge per client for the state-mandated core program. However, in spite of efforts to reduce expenditures and maximize fee collection, the actual cost in recent years to operate the ASAP program has exceeded the revenue generated. Expenditures have increased primarily due to higher salary costs associated with market rate adjustments and performance-based scale and salary increases. Rising fringe benefit costs, primarily related to health insurance premiums, have also increased expenditures. Client fee revenues have decreased substantially, due to reduced client referrals, as well as a substantial number of referred clients who do not possess established residences or addresses. This makes it challenging to enforce payment through traditional collection methods. As a result, in FY 2018, the County is continuing to provide direct support for administrative costs, as well as indirect support through office space and utilities. The FY 2018 General Fund Transfer is increasing $27,390 from $545,171 to $572,561 to support employee compensation adjustments, and now supports 32 percent of the cost of the Fairfax ASAP program.

On December 1st, 2017, the Fairfax County Police Department introduced a new DWI task force. The main goal of this unit is to reduce impaired-related crashes through aggressive enforcement and prosecution of DWI cases. Fairfax County's court system is anticipating an increase in DWI defendants, which should increase the number of referrals to the ASAP program.

Budget and Staff Resources

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Revised	FY 2018 Advertised	FY 2018 Adopted
FUNDING					
Expenditures:					
Personnel Services	$1,627,132	$1,868,006	$1,868,006	$1,718,497	$1,718,497
Operating Expenses	83,621	135,000	135,150	100,000	100,000
Capital Equipment	0	0	0	0	0
Total Expenditures	$1,710,753	$2,003,006	$2,003,156	$1,818,497	$1,818,497
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	21 / 21	21 / 21	21 / 21	21 / 21	21 / 21

1	Program Manager	1	Probation Counselor III	2	Administrative Assistants IV
1	Probation Supervisor I	9	Probation Counselors II	4	Administrative Assistants III
1	Financial Specialist II	1	Administrative Associate	1	Administrative Assistant II

TOTAL POSITIONS
21 Positions / 21.0 FTE

FY 2018 Funding Adjustments

The following funding adjustments from the FY 2017 Adopted Budget Plan are necessary to support the FY 2018 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on May 2, 2017.

- **Employee Compensation** **$27,390**
  An increase of $27,390 in Personnel Services includes $20,604 for performance-based and longevity increases for non-uniformed merit employees, effective July 2017. In addition, there is an increase of $6,786 to support anticipated FY 2018 fringe benefits requirements.

- **Spending Realignment Due to Lower Revenues** **($211,899)**
  A decrease of $211,899 is necessary to maintain a balance between the fund's revenues and expenditures in response to significantly lower referrals. This decrease comprises $176,899 in Personnel Services and $35,000 in Operating Expenses.

Changes to FY 2017 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2017 Revised Budget Plan since passage of the FY 2017 Adopted Budget Plan. Included are all adjustments made as part of the FY 2016 Carryover Review, FY 2017 Third Quarter Review, and all other approved changes through April 30, 2017.

- **Carryover Adjustments** **$150**
  As part of the *FY 2016 Carryover Review*, the Board of Supervisors approved encumbered carryover of $150.

Key Performance Measures

Indicator	Prior Year Actuals FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate/Actual	Current Estimate FY 2017	Future Estimate FY 2018
Alcohol Safety Action Program					
Percent of individuals successfully completing the education program	75%	75%	75%/85%	85%	85%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2018/adopted/pm/83000.pdf

Performance Measurement Results

For FY 2016, ASAP had 85 percent of clients successfully complete DWI and reckless driving related education programming. This occurred even with the number of individuals in education-based programs being down due to a reduction in referrals to the program. The number of clients in education based program in FY 2016 was 2,298 which was down from 2,673 in FY 2015 and 3,127 in FY 2014.

Education programming is only one of several services that ASAP provides Fairfax County residents. The total number of clients referred to ASAP in FY 2016 was 4,069 which is down from 4,951 in FY 2015 and 5,498 in FY 2014. For FY 2017, ASAP anticipates a level of overall referrals similar to that seen in FY 2016.

ASAP's cost per individual continued to increase in FY 2016 with an increased number of staff working with a smaller pool of clients. ASAP's revenue stream is entirely dependent upon client fees and fewer referrals equates to less revenue. However, the pool of clients staff manage are still at a level that exceeds the VASAP recommended threshold of 300 per probation officer. The cost per client served has exceeded what Fairfax ASAP may charge clients per the Code of Virginia, a trend which started in FY 2013. However, ASAP anticipates better client education outcomes as a result of this increased investment. More clients successfully completing the program is an indicator of the program's effectiveness in curbing the levels of drinking and driving in Fairfax County.

Clients who participated in ASAP provided classes exhibited a very high level of satisfaction for the past three fiscal years. In client satisfaction surveys, individuals have expressed that classes are informative, helpful, and engaging. High satisfaction rates indicate that course materials and objectives are contributing to ASAP's mission to improve the safety of Fairfax County's roads.

Fund 83000
Alcohol Safety Action Program

FUND STATEMENT

Fund 83000, Alcohol Safety Action Program

	FY 2016 Actual	FY 2017 Adopted Budget Plan	FY 2017 Revised Budget Plan	FY 2018 Advertised Budget Plan	FY 2018 Adopted Budget Plan
Beginning Balance	$177,026	$184,906	$120,190	$92,906	$92,906
Revenue:					
Client Fees	$1,088,990	$1,321,219	$1,321,219	$1,167,300	$1,167,300
ASAP Client Transfer In	12,557	22,203	22,203	12,557	12,557
ASAP Client Transfer Out	(23,571)	(26,394)	(26,394)	(23,571)	(23,571)
Interest Income	1,149	163	163	1,150	1,150
Interlock Monitoring Income	88,114	113,510	113,510	88,500	88,500
Total Revenue	$1,167,239	$1,430,701	$1,430,701	$1,245,936	$1,245,936
Transfers In:					
General Fund (10001)	$486,678	$545,171	$545,171	$572,561	$572,561
Total Transfers In	$486,678	$545,171	$545,171	$572,561	$572,561
Total Available	$1,830,943	$2,160,778	$2,096,062	$1,911,403	$1,911,403
Expenditures:					
Personnel Services	$1,627,132	$1,868,006	$1,868,006	$1,718,497	$1,718,497
Operating Expenses	83,621	135,000	135,150	100,000	100,000
Total Expenditures	$1,710,753	$2,003,006	$2,003,156	$1,818,497	$1,818,497
Total Disbursements	$1,710,753	$2,003,006	$2,003,156	$1,818,497	$1,818,497
Ending Balance[1]	$120,190	$157,772	$92,906	$92,906	$92,906

[1] Ending Balance fluctuations are the result of the uncertain nature of client referrals to ASAP-sponsored programs. The agreement between the ASAP Policy Board and the Board of Supervisors provides that ASAP will endeavor to develop a reserve fund balance sufficient to avoid deficit status during periods where referrals, and therefore client fee revenues to ASAP, decline.