

Other Funds Overview

Overview

Other Funds reflect programs, services, and projects funded from non-General Fund revenue sources or a mix of General Fund and non-General Fund sources. These sources include federal or state grants, specific tax districts, proceeds from the sale of bonds, and user fees and charges. Included are the following categories of Other Funds:

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

Other Funds expenditures are supported through a total available balance of \$13,595,295,893 (excluding the General Fund) and total revenues of \$5,239,005,475 (excluding the General Fund). The revenues are a decrease of \$1,364,629,767, or 20.66 percent, from the *FY 2023 Revised Budget Plan* and an increase of \$550,076,839, or 11.73 percent, over the *FY 2023 Adopted Budget Plan*. The decrease from the *FY 2023 Revised Budget Plan* is primarily the result of the carryover of authorized but unissued bonds for capital construction projects, County and regional transportation project revenue, anticipated grant revenue, and various other changes rather than the result of changes in the revenue stream for Other Funds. The net increase in revenues from the *FY 2023 Adopted Budget Plan* is due primarily to increases in Sewer Bond Construction due to anticipated sales of sewer revenue bonds and increases in Health Benefits and the Retirement Trusts. Details concerning significant changes in revenue growth are discussed for each specific fund in Volume 2, Capital Construction and Other Operating Funds, in the *FY 2024 Adopted Budget Plan*. Also, the FY 2024 revenues for Other Funds are summarized by revenue type and by fund type in the *Financial, Statistical and Summary Tables* section of this Overview Volume.

FY 2024 expenditures for Other Funds total \$8,037,846,564 (excluding General Fund direct expenditures), and reflect a decrease of \$3,202,958,724, or 28.49 percent, from the *FY 2023 Revised Budget Plan* funding level of \$11,240,805,288. This decrease is primarily due to significant carryover for capital construction projects, stormwater projects, sewer construction projects, County and regional transportation projects, and grant-funded projects, and should not be perceived as a major change to programs or operations. Excluding adjustments in FY 2023, expenditures increase by \$711,084,857, or 9.71 percent, over the *FY 2023 Adopted Budget Plan* total of \$7,326,761,707. Of this increase, \$230,658,671 reflects an increase to the Public School Operating Fund, \$40,893,400 reflects an increase to Public School Food and Nutrition Services, \$28,756,000 reflects an increase to Public School Construction, \$210,000,000 reflects an increase to Sewer Bond Construction, and \$62,804,601 reflects increases in Retirement Trusts.

The following is a summary of the various fund types. Not included in these discussions are Capital Projects Funds, which are presented in the Capital Projects Overview of this Overview Volume. A complete discussion of funding and program adjustments for all Other Funds is found in Volume 2, Capital Construction and Other Operating Funds in the *FY 2024 Adopted Budget Plan*. Summary information is provided in the *Financial, Statistical and Summary Tables* section of this Overview Volume. It should be noted that Special Revenue funding for FCPS is discussed in further detail in the *Fairfax County School Board's FY 2024 Adopted Budget*.

General Fund Group

The General Fund Group consists of five funds in addition to the General Fund and accounts for revenue and expenditures for the Revenue Stabilization, Economic Opportunity Reserve, Consolidated Community Funding Pool, Contributory, and Information Technology Projects. Prior to the FY 2014 Adopted Budget Plan, all of these funds, with the exception of the Economic Opportunity Reserve, were part of Special Revenue Funds. In FY 2024, General Fund Group expenditures total \$32,719,317 (excluding the General Fund), a decrease of \$126,619,011, or 79.47 percent, from the *FY 2023 Revised Budget Plan* funding level of \$159,338,328 due primarily to the carryover of ongoing IT project funds as well as no appropriated funding in the FY 2024 Adopted Budget Plan for the Economic Opportunity Reserve because its full balance will be appropriated as part of the *FY 2023 Carryover Review*. Excluding adjustments in FY 2023, expenditures increased \$3,851,119, or 13.34 percent, from the FY 2023 Adopted Budget Plan level of \$28,868,198.

Debt Service Funds

The Consolidated Debt Service Fund accounts for the general obligation bond debt service of the County as well as general obligation bond debt for the FCPS. In addition, debt service expenditures are included for the Economic Development Authority Lease Revenue bonds associated with County government and School facilities and payments for Fairfax County Redevelopment and Housing Authority (FCRHA) Lease Revenue bonds. Revenues for the debt service funds are derived principally from a transfer from the General Fund. Debt service on sewer revenue bonds is reflected in the Enterprise Funds. FY 2024 Debt Service expenditures total \$344,211,866.

Special Revenue Funds

Special Revenue Funds account for the proceeds from specific sources that are legally restricted to expenditures for a specific purpose. These proceeds include state and federal aid, income derived through activities performed by the Division of Solid Waste, special levies, program activity revenue, and operation of the public school system. In FY 2024, Special Revenue Fund expenditures total \$4,733,910,359, a decrease of \$1,394,355,130, or 22.75 percent, from the *FY 2023 Revised Budget Plan* funding level of \$6,128,265,489 due primarily due to the significant carryover of unexpended project balances in the County and Regional Transportation Projects Fund, the Dulles Rail Phase II Transportation Improvement District Fund, the Sewer Bond Construction Fund, and the Stormwater Services Fund as well as the carryover of unexpended grant balances previously approved by the Board of Supervisors in the Federal/State Grant Fund. Excluding adjustments in FY 2023, expenditures increased \$370,727,295, or 8.50 percent, over the FY 2023 Adopted Budget Plan level of \$4,363,183,064.

Internal Service Funds

Internal Service Funds account for services commonly used by most agencies, and for which centralized organizations have been established in order to achieve economies of scale necessary to minimize costs. These internal agencies provide services to other agencies on a cost reimbursement basis. Such services consist of vehicle operations, maintenance, and replacement; insurance coverage (health, workers compensation, automobile liability, and other insurance); data communications and processing; and document services. Where possible, without degradation of quality, joint County and School service delivery (printing and vehicle maintenance) or joint procurement (health insurance) activities are conducted in order to achieve economies of scale and to minimize costs. FY 2024, Internal Service expenditures total \$999,609,931, a decrease of \$48,752,857, or 4.65 percent, from the *FY 2023 Revised Budget Plan* level of \$1,048,362,788 primarily due to decreases in the County Insurance and Health Benefits Funds. Excluding adjustments in FY 2023, expenditures increased \$11,126,653, or 1.13 percent, over the FY 2023 Adopted Budget Plan level of \$988,483,278.

Enterprise Funds

Fairfax County's Enterprise Funds consist of five funds within the Wastewater Management Program (WWM) which account for the construction, maintenance, and operational aspects of the countywide sewer system. The cost of providing sewer service to County citizens and businesses is financed or recovered primarily from user charges. FY 2024 Enterprise Funds expenditures for sewer operation and maintenance, construction and sewer debt service total \$488,295,901, an increase of



\$4,025,926 or 0.83 percent, over the *FY 2023 Revised Budget Plan* total of \$484,269,975 primarily due to an increase in Sewer Bond Construction to support reinvestments in Noman M. Cole, Jr. Pollution Control Plant and other Treatment Plants operated by Interjurisdictional Partners in order to maintain regulatory compliance requirements. Excluding adjustments in FY 2023, expenditures increased \$224,073,251, or 84.80 percent, over the FY 2023 Adopted Budget Plan level of \$264,222,650, mainly due to an anticipated bond sale in FY 2024 of \$227.1 million.

Custodial and Trust Funds

Custodial and Trust Funds account for assets held by the County in a trustee or custodial capacity and include the four pension trust funds administered by the County and Schools, as well as County and Schools trust funds to pre-fund other post-employment benefits. FY 2024 Custodial and Trust Funds combined expenditures total \$1,045,957,713, an increase of \$10,938,164, or 1.06 percent, over the *FY 2023 Revised Budget Plan* funding level of \$1,035,019,549. This increase is primarily due to increases in the four existing retirement funds. Excluding adjustments in FY 2023, combined Custodial and Trust Funds expenditures increase by \$64,812,172, or 6.61 percent, from the FY 2023 Adopted Budget Plan level of \$981,145,541.