

FY 2016 CARRYOVER REVIEW

September 13, 2016

County of Fairfax, Virginia

FY 2016 Carryover: Summary

- **Revenue balance of \$24.18 million or 0.63 percent of General Fund Revenues**
 - Less than 1 percent on a base of \$3.86 billion
 - Small improvements in multiple categories, including real estate and personal property taxes, other local taxes, permits, fees and regulatory licenses, charges for services, and revenue from the Commonwealth and the Federal Government
 - Renewed concern regarding the state budget both in the current and future years
- **Disbursement balance of \$52.64 million or 1.35 percent of General Fund Disbursements**
 - Encumbrances of \$31.40 million
 - Unencumbered carryover of \$4.10 million, primarily resulting from action taken as part of the *FY 2016 Third Quarter Review*
 - **Remaining balance of \$13.39 million, after reserve adjustments**
- **Available balance (including revenues and disbursements) of \$37.57 million**

FY 2016 Carryover: Board Directives

- **Board Directives - \$5.29 million**
 - \$1.50 million for land acquisition for the relocation of the Baileys Shelter.
 - \$1.23 million to complete the General Fund contribution for the Laurel Hill Adaptive Reuse project as identified in the July 29, 2014 Board Action item.
 - \$1.20 million and 10/10.0 FTE new positions for the CSB to provide eligibility assessments and case management services to individuals with developmental disabilities.
 - \$0.61 million in partial-year funding and 6/6.0 FTE new positions to meet the requirements of the amended and unfunded FOIA-related law.
 - \$0.14 million in partial-year funding to increase the County's living wage from \$13.13 per hour to \$14.50 per hour.
 - \$0.11 million to cover costs associated with the preparation and distribution of an informational pamphlet regarding the Meals Tax Referendum.
 - Net zero adjustment reflecting the realignment of the Animal Shelter as a separate agency effective January 1, 2017.

FY 2016 Carryover: Reserves/Capital

- **Allocations for Reserves/Capital - \$20.81 million**

- \$12.91 million or 40 percent of the balance is allocated to the County's Managed Reserve and Revenue Stabilization Fund in support of the County's triple AAA bond rating.
 - Consistent with the Board's policy on funding reserves which was approved on April 21, 2015.
 - In addition to this allocation, all other Carryover adjustments have been accompanied with contributions to the two reserves as well, consistent with the Board policy of allocating 10 percent of disbursement increases to reserves.
 - As a result, the total contributions to the reserves at Carryover is \$18.73 million and results in funded percentages of 2.59 percent for the Managed Reserve and 4.34 percent for the Revenue Stabilization Fund.
- \$6.46 million or 20 percent of the balance is allocated as a contribution to the Infrastructure Sinking Reserve Fund to address outstanding capital infrastructure requirements.
 - Consistent with the recommendations of the Infrastructure Financing Committee.
 - As part of the *FY 2016 Third Quarter Review*, the Board of Supervisors approved the allocation formula of 55 percent for the Facilities Management Department (FMD), 20 percent for parks, 10 percent for walkways, 10 percent for County-maintained roads and service drives, and 5 percent for revitalization maintenance.

FY 2016 Carryover: Other Adjustments

- **All Other Requirements - \$0.48 million**
 - Small number of other adjustments that are also necessary at this time.
 - \$0.23 million to support prevention efforts in the community.
 - \$0.14 million as a contribution to the Northern Virginia Emergency Response System (NVERS) including a one-time equity contribution of \$125,000 and annual membership dues of \$15,000.
 - Net zero adjustments to appropriate revenue received from the state for the Healthy Families Fairfax program and the John Hudson Internship Program.
- **Reserve of \$10.99 million net available for the Board for future non-recurring priorities**