

ATTACHMENT III:
**SUMMARY OF SIGNIFICANT GENERAL FUND
EXPENDITURE VARIANCE**

GENERAL FUND EXPENDITURE VARIANCE

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Actual expenditures, encumbrances, and unencumbered items recommended to be carried over to FY 2004 resulted in a balance of \$43,345,599. Outstanding encumbrances required to be carried forward total \$19,777,623. A total of \$8,102,987 for unencumbered but previously budgeted items is required for appropriation in FY 2004 (see Attachment IV). Only those General Fund agencies with significant variances are noted in this Attachment.

LEGISLATIVE EXECUTIVE FUNCTIONS/CENTRAL SERVICES

Agency 01, Board of Supervisors

\$360,016

The agency balance of \$360,016 is 8.7 percent of the FY 2003 approved funding level and includes savings from both the Clerk's Office and the District Supervisors' Offices. These savings are primarily attributable to \$304,395 in Personnel Services based on savings in regular salaries and \$55,621 in Operating Expenses based on lower than anticipated costs for advertising, postage, and other miscellaneous operating expenses. The following table represents year-end balances by Supervisory District as compared to the *FY 2003 Revised Budget Plan*.

Supervisory District	FY 2003 Revised Budget Plan	FY 2003 Actual Expenditures	Balance
Chairman	\$382,246	\$323,702	\$58,544
Braddock	331,246	318,695	\$12,551
Hunter Mill	331,246	284,266	\$46,980
Dranesville	331,246	322,467	\$8,779
Lee	331,246	325,601	\$5,645
Mason	331,246	298,327	\$32,919
Mt. Vernon	331,246	308,619	\$22,627
Providence	331,246	300,685	\$30,561
Springfield	331,246	320,554	\$10,692
Sully	331,246	287,614	\$43,632
Total	\$3,363,460	\$3,090,530	\$272,930

Agency 02, Office of the County Executive

\$744,349

The agency balance of \$744,349 is 10.9 percent of the FY 2003 approved funding level. Of this amount, \$302,589 is included as encumbered carryover. The remaining balance of \$441,760 reflects Personnel Services savings of \$229,984 due primarily to vacancies in Internal Audit and the Office of Partnerships, as well as Operating Expenses savings of \$211,776 in professional consultant services and training based on restricted utilization of these services.

Agency 11, Department of Human Resources

\$898,813

The agency balance of \$898,813 is 13.7 percent of the FY 2003 approved funding level. Of this amount, \$645,883 is included as encumbered carryover in FY 2004. The remaining balance of \$252,930 is primarily attributable to \$200,494 in Personnel Services due to position vacancies and \$52,436 in Operating Expenses.

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Agency 13, Office of Public Affairs **\$174,105**

The agency balance of \$174,105 is 15.2 percent of the FY 2003 approved funding level. Of this amount, \$89,219 is included as encumbered carryover in FY 2004. The remaining balance of \$84,886 is primarily attributable to cost savings in the printing and mailing of the bond referendum pamphlet and in advertising expenses.

Agency 15, Electoral Board and General Registrar **\$2,016,050**

The agency balance of \$2,016,050 is 51.4 percent of the FY 2003 approved funding level. Of this amount, \$1,941,802 is included as encumbered carryover in FY 2004 for the purchase, implementation and training associated with the new WINvote touch screen voting machines. The remaining balance of \$74,248 is primarily attributable to savings in Personnel Services due to a reduction in the use of limited term personnel.

Agency 17, Office of the County Attorney **\$617,440**

The agency balance of \$617,440 is 10.5 percent of the FY 2003 approved funding level. Of this amount, \$349,823 is included as encumbered carryover. The remaining balance of \$267,617 is primarily attributable to savings in Operating Expenses, mainly litigation expenses.

Agency 20, Department of Management and Budget **\$461,326**

The agency balance of \$461,326 is 15.3 percent of the FY 2003 approved funding level. Of this amount, \$102,298 is included as encumbered carryover in FY 2004. The remaining balance of \$359,028 is primarily attributable to \$294,022 in Personnel Services due to managed position vacancies and \$64,795 in Operating Expenses mainly due to lower than anticipated printing and office supplies.

Agency 41, Civil Service Commission **\$(11,882)**

The agency shortfall of \$11,882, or 6.1 percent, over the FY 2003 approved funding level is due to Personnel Services expenditures exceeding the budgeted target due to the need to provide adequate staff and management expertise for the agency during the transition to the new Executive Director as well as the final leave payout and other expenses associated with the retirement of the former director. The overall shortfall in Personnel Services totaled \$31,067, and was partially offset by savings in Operating Expenses totaling \$19,185, resulting in the agency shortfall of \$11,882.

Agency 57, Department of Tax Administration **\$667,407**

The agency balance of \$667,407 is 3.3 percent of the FY 2003 approved funding level. Of this amount, \$255,426 is included as encumbered carryover in FY 2004. The remaining balance of \$411,981 is primarily attributable to \$390,213 in Personnel Services due to managed position vacancies in anticipation of FY 2004 position reductions.

Agency 70, Department of Information Technology **\$1,314,567**

The agency balance of \$1,314,567 is 6.0 percent of the FY 2003 approved funding level. Of this amount, \$1,061,928 is included as encumbered carryover in FY 2004. The remaining balance of \$252,639 is primarily attributable to managed position vacancies.

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JUDICIAL ADMINISTRATION

Agency 80, Circuit Court and Records **\$631,071**

The agency balance of \$631,071 is 7.0 percent of the FY 2003 approved funding level. Of this amount, \$444,786 is included as encumbered carryover in FY 2004. The remaining balance of \$186,285 is primarily attributable to a savings of \$210,628 in Operating Expenses including \$114,418 due to lower than anticipated jury fees, \$56,977 in lower software costs, and \$27,114 due to lower than anticipated costs for office equipment. There is a savings of \$2,399 in Capital Equipment due to lower than anticipated costs. These savings are partially offset by a shortfall of \$26,742 in Personnel Services primarily due to unanticipated leave payoffs.

Agency 82, Office of the Commonwealth's Attorney **\$308,626**

The agency balance of \$308,626 is 15.5 percent of the FY 2003 approved funding level. Of this amount, \$1,666 is included as encumbered carryover in FY 2004. The remaining balance of \$306,960 is primarily attributable to a savings of \$305,454 in Personnel Services due to higher than anticipated position turnover and managed position vacancies.

PUBLIC SAFETY

Agency 31, Land Development Services **\$1,183,768**

The agency balance of \$1,183,768 is 6.0 percent of the FY 2003 approved funding level. Of this amount, \$319,196 is included as encumbered carryover in FY 2004. The remaining balance of \$864,572 is primarily attributable to a savings of \$598,706 in Personnel Services due to the management of position vacancies in anticipation of FY 2004 reductions and a higher than anticipated rate of position turnover. A savings of \$252,815 in Operating Expenses is primarily attributable to lower than anticipated costs for the court-ordered repairs to a residence, lower than anticipated costs for office equipment, and other operating costs. A savings of \$13,051 in Capital Equipment is due to lower than anticipated costs for an engineer plans copier.

Agency 90, Police Department **\$6,866,398**

The agency balance of \$6,866,398 is 5.1 percent of the FY 2003 approved funding level. Of this amount, \$1,779,839 is included as encumbered carryover in FY 2004. The remaining balance of \$5,086,559 is primarily due to savings of \$3,889,448 in Operating Expenses including \$3,652,988 in local cash match funding associated with the COPS UHP and COPS In School grants. The local cash match balance reflects requirements previously approved by the Board of Supervisors including obligations that are tied to grant program years that cross the County's fiscal years. The balance in Operating Expenses includes savings in various other operating costs totaling \$236,460. In addition, savings of \$1,182,952 in Personnel Services is primarily due to lower than anticipated overtime expenditures, and savings of \$17,679 in Capital Equipment is due to lower than anticipated equipment costs. These savings are partially offset by a decrease of \$3,520 in Recovered Costs due to actual collections associated with police services to other agencies.

Agency 91, Office of the Sheriff **\$1,351,680**

The agency balance of \$1,351,680 is 2.8 percent of the FY 2003 approved funding level. Savings result primarily from high turnover in the agency due to retirements and other separations, in addition to delays in filling the FY 2003 new position authorization of 16/16.0 SYE deputies approved by the Board of Supervisors as part of the *FY 2002 Carryover Review* to provide additional merit staff resources for the Adult Detention Center and for the Booking/Lockups operation. Delays resulted from the timing of Academy classes requiring identified candidates to wait for training, the loss of some hired recruits to the war in Iraq, and continuing competition for qualified candidates among all Public Safety agencies in the metropolitan region, limiting the number of candidates recruited. A portion of the FY 2003 balance will be required to support FY 2004 overtime requirements related to covering for vacant positions and for positions that have not completed Academy and on-the-job training. FY 2004 overtime

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originally had been budgeted at a reduced level assuming lower turnover and assuming that new positions would have been fully trained and able to replace deputies working overtime.

Agency 92, Fire and Rescue Department **\$1,454,804**

The agency balance of \$1,454,804 is 1.3 percent of the FY 2003 approved funding level. Of this amount, \$1,392,814 is included as encumbered carryover in FY 2004. The remaining balance of \$61,990 is primarily attributable to savings of \$38,644 in Operating Expenses.

PUBLIC WORKS

Agency 08, Facilities Management Division **\$1,443,248**

The agency balance of \$1,443,248 is 4.1 percent of the FY 2003 approved funding level. Of this amount \$1,421,308 is included as encumbered carryover in FY 2004 for financial obligations for utilities, energy performance contracts, security, building and grounds maintenance, HVAC systems replacements, and leases. The remaining balance of \$21,940 is primarily attributable to Personnel Services savings due to managed position vacancies.

Agency 29, Stormwater Management **\$795,525**

The agency balance of \$795,525 is 9.2 percent of the FY 2003 approved funding level. Of this amount, \$636,626 is included as encumbered carryover in FY 2004. The remaining balance of \$158,899 is primarily attributable to a savings of \$197,887 in Personnel Services due to higher than anticipated position vacancies partially offset by a shortfall of \$39,923 in Recovered Costs due to vacancies for which salaries could not be billed.

HEALTH AND WELFARE

Agency 05, Office for Women **\$65,821**

The agency balance of \$65,821 is 13.7 percent of the FY 2003 approved funding level and is primarily attributable to savings in Personnel Services due to managed position vacancies. It should be noted that as part of the FY 2004 Adopted Budget Plan, Agency 05, Office for Women was eliminated and support for the Commission for Women will be provided by 2/2.0 SYE positions transferred to the Department of Family Services, including 1/1.0 SYE Executive Director and 1/1.0 SYE Administrative Assistant IV.

Agency 67, Department of Family Services **\$8,608,698**

The agency balance of \$8,608,698 is 5.2 percent of the FY 2003 approved funding level. Of this amount, \$4,004,097 is included as encumbered carryover in FY 2004. The remaining balance of \$4,604,601 is primarily attributable to savings of \$469,681 in Personnel Services in the School-Age Child Care (SACC) Program and savings of \$3,681,054 in Operating Expenses primarily in the Comprehensive Services Act (CSA) Program and the Child Care Assistance and Referral (CCAR) Program. Savings in the SACC Program are due primarily to managed position vacancies and a decision by Fairfax County Public Schools to make up snow days using previously scheduled teacher workdays rather than extending the school year. Savings of \$2,353,451 in the CSA Program are due primarily to initiatives implemented in late FY 2002 and throughout FY 2003 to reduce costs for special education private day and residential placements and foster care prevention home-based services. Cost saving strategies included reviewing all special education private day and residential placements to determine the feasibility of less restrictive and less costly placements, pursuing Medicaid as an alternative funding source for residential placements, and revising guidelines for authorization of home-based care services. It should be noted that savings of approximately \$2.4 million in the CSA Program represent savings to the General Fund of approximately \$1.1 million due to the unrealized State revenue match of approximately \$1.3 million. Savings of \$921,025 in the CCAR Program are due primarily to fluctuations in enrollment as well as the State's failure to implement an anticipated market rate increase for service providers. It should be noted that the agency anticipates increased enrollment in

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FY 2004 due to the restoration of \$2.0 million in FY 2004 funding, partially offset with \$1.0 million in State revenue, to the CCAR Program at the *FY 2003 Carryover Review*.

Agency 68, Department of Administration for Human Services **\$414,257**

The agency balance of \$414,257 is 3.4 percent of the FY 2003 approved funding level. Of this amount, \$98,834 is included as encumbered carryover. The remaining balance of \$315,423 is primarily due to Personnel Services savings related to higher than anticipated position turnover and managed position vacancies.

Agency 69, Department of Systems Management for Human Services **\$696,155**

The agency balance of \$696,155 is 13.2 percent of the FY 2003 approved funding level. Of this amount \$112,276 is included as encumbered carryover in FY 2004. The remaining balance of \$583,879 is primarily attributable to Personnel Services savings due to managed position vacancies, as well as restricted use of limited term funding.

Agency 71, Health Department **\$1,727,646**

The agency balance of \$1,727,646 is 4.4 percent of the FY 2003 approved funding level. Of this amount \$1,619,862 is included as encumbered carryover in FY 2004. The remaining balance of \$107,784 is primarily attributable to Personnel Services savings due to managed position vacancies.

PARKS, RECREATION AND CULTURAL

Agency 50, Department of Community and Recreation Services **\$544,803**

The agency balance of \$544,803 is 4.3 percent of the FY 2003 approved funding level. Of this amount, \$361,569 is included as encumbered carryover in FY 2004. The remaining balance of \$183,234 is primarily attributable to savings in Operating Expenses associated with efficiencies identified in FASTRAN service operations, resulting in reductions in contract costs. The FASTRAN program is migrating toward the utilization of buses within geographic zones identified throughout the County. With this initiative, FASTRAN is able to match citizens with services available within their designated zone, thereby reducing travel time and expenses associated with fuel and bus maintenance.

COMMUNITY DEVELOPMENT

Agency 35, Department of Planning and Zoning **\$557,823**

The agency balance of \$557,823 is 6.3 percent of the FY 2003 approved funding level. Of this amount, \$66,676 is included as encumbered carryover in FY 2004. The remaining balance of \$491,147 is primarily attributable to savings of \$467,785 in Personnel Services resulting from higher than anticipated position turnover and delays in filling vacancies and savings of \$23,362 in Operating Expenses due primarily to lower than projected expenditures in commercial printing services, advertising, and DVS charges.

Agency 38, Department of Housing and Community Development **\$324,998**

The agency balance of \$324,998 is 5.8 percent of the FY 2003 approved funding level. Of this amount, \$316,146 is included as encumbered carryover in FY 2004.

Agency 40, Department of Transportation **\$2,707,172**

The agency balance of \$2,707,172 is 35.9 percent of the FY 2003 approved funding level. Of this amount, \$1,427,233 is included as encumbered carryover in FY 2004. The remaining balance of \$1,279,939 includes \$254,408 in Personnel Services savings due to managed position vacancies associated with the completion of the *FY 2003 Carryover Review*

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Department of Transportation internal reorganization. A balance of \$767,204 in Operating Expenses is available due in part to unanticipated delays in getting permits and final approval to install 75 "Yield to Pedestrians in Crosswalks" signs approved and funded in FY 2003. Additional savings in Operating Expenses were achieved through lower than anticipated expenditures for the Photo Red Light Monitoring Program and the *Seniors on the Go* taxi cab reimbursement program. In addition, an increase in the charge-out for Work Performed for Others produced a balance of \$245,387 in Recovered Costs due primarily to additional staff hours being billed to Fund 100, County Transit Systems, for work with the new CONNECTOR vendor in the Huntington Division as well as time spent on the selection process for the new CONNECTOR vendor contract for the Reston/Herndon Division. The remaining balance of \$12,940 is associated with lower than anticipated Capital Equipment costs.

NON-DEPARTMENTAL

Agency 87, Unclassified Administrative Expenses - Nondepartmental **\$3,550,778**

The agency balance of \$3,550,778 is 39.2 percent of the FY 2003 approved funding level. Of this amount, \$183,968 is included as encumbered carryover in FY 2004. The remaining balance of \$3,366,810 is primarily attributable to balances in local cash match and accrued leave funding. A balance of \$3,004,215 in local cash match funding reflects local cash match requirements previously approved by the Board of Supervisors including obligations which cross fiscal years and which will be expended in FY 2004, as well as balances for grants that were anticipated in FY 2003 but which were either delayed until FY 2004 or which did not materialize. The remaining balance of \$350,094 in accrued leave funding is the result of implementing GASB 34 which changed the requirements regarding compensated absences. The General Fund is no longer required to record an adjustment for accrued leave. An amount of \$5.6 million was recorded as an audit adjustment for the General Fund in FY 2002 to recognize the impact of the change on prior years. This amount represents the one-time savings in FY 2003 as a result of the accounting adjustment.

Agency 89, Employee Benefits **\$1,581,525**

The agency balance of \$1,581,525 is 1.1 percent of the FY 2003 approved funding level. Of this amount, \$336,984 is included as encumbered carryover in FY 2004. The remaining balance of \$1,244,541 is primarily attributable to a shift in enrollment from self-insured to the lower cost HMO plans at the last open enrollment. These savings are partially offset by higher than anticipated payments to the retirement systems based on actual salaries and the required contribution rates.