

ATTACHMENT III:

**SUMMARY OF SIGNIFICANT GENERAL FUND
EXPENDITURE VARIANCES**

GENERAL FUND EXPENDITURE VARIANCE

Attachment III

Actual expenditures, encumbrances and unencumbered items recommended to be carried over to FY 2007, along with the required Managed Reserve adjustments as a result of these actions, resulted in a balance of \$16,355,718. Outstanding encumbrances required to be carried forward total \$32,910,215. A total of \$8,666,924 for unencumbered but previously budgeted items is required for appropriation in FY 2007 (see Attachment IV). Only General Fund agencies with significant variances are noted in this attachment.

LEGISLATIVE-EXECUTIVE FUNCTIONS/CENTRAL SERVICES

Agency 01, Board of Supervisors

\$431,695

The agency balance of \$431,695 is 9.7 percent of the FY 2006 approved funding level. The balance reflects Personnel Services savings of \$428,984 due primarily to position vacancies, as well as Operating Expenses savings of \$2,711 due lower than anticipated clerical services and supply costs.

District Supervisors' Offices

Supervisory District	FY 2006 Adopted Budget Plan	FY 2006 Actual Expenditures	Balance
Chairman's Office	413,021	356,278	56,743
Braddock	362,021	357,252	4,769
Hunter Mill	362,021	313,441	48,580
Dranesville	362,021	357,245	4,776
Lee	362,021	346,090	15,931
Mason	362,021	335,463	26,558
Mt. Vernon	362,021	319,020	43,001
Providence	362,021	286,889	75,132
Springfield	362,021	319,714	42,307
Sully	362,021	328,260	33,761
Total	3,671,210	3,319,652	351,558

Agency 02, Office of the County Executive

\$489,244

The agency balance of \$489,244 is 6.3 percent of the FY 2006 approved funding level. Of this amount, \$106,797 is included as encumbered carryover in FY 2007. The remaining balance of \$382,447 reflects Personnel Services savings of \$155,769 due primarily to higher than anticipated vacancies in the Office of Internal Audit and the Office of Partnerships and Operating Expenses savings of \$226,678 due primarily to savings in consultant services and training expenses.

Agency 20, Department of Management and Budget

\$417,041

The agency balance of \$417,041 is 13.1 percent of the FY 2006 approved funding level. Of this amount, \$133,298 is included as encumbered carryover in FY 2007. The remaining balance of \$283,743 is primarily attributable to \$236,725 in Personnel Services due to managing position vacancies, as well as difficulty in filling vacant positions. A balance of \$46,572 in Operating Expenses is primarily associated with savings in office supplies, postage, printing and binding, as well as training, while a balance of \$446 in Capital Equipment is due to slightly lower than anticipated costs for computer equipment.

Agency 57, Department of Tax Administration

\$1,009,425

The agency balance of \$1,009,425 is 4.4 percent of the FY 2006 approved funding level. Of this amount, \$787,880 is included as encumbered carryover in FY 2007. The remaining balance of \$221,545 is primarily attributable to savings of \$199,913 in Personnel Services due to managed position vacancies, and savings of \$21,632 in Operating Expenses due primarily to lower than anticipated operating supply costs.

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Agency 70, Department of Information Technology

\$2,068,755

The agency balance of \$2,068,755 is 7.9 percent of the FY 2006 approved funding level. Of this amount, \$1,968,523 is included as encumbered carryover in FY 2007. The remaining balance of \$100,232 is primarily attributable to Personnel Services savings of \$491,102 due to position turnover and vacancies; savings of \$541,531 in Operating Expenses due to lower than anticipated telecommunications charges based on actual usage; and a reduction of \$932,401 in Recovered Costs as the Department receives reimbursement for only the actual telecommunication charges incurred.

JUDICIAL ADMINISTRATION

Agency 80, Circuit Court and Records

\$454,982

The agency balance of \$454,982 is 4.5 percent of the FY 2006 approved funding level. Of this amount, \$423,957 is included as encumbered carryover in FY 2007. The remaining balance of \$31,025 is primarily attributable to Personnel Services savings due to a higher number of vacancies than anticipated.

PUBLIC SAFETY

Agency 81, Juvenile and Domestic Relations District Court

\$773,524

The agency balance of \$773,524 is 3.9 percent of the FY 2006 approved funding level. Of this amount, \$716,917 is included as encumbered carryover in FY 2007. The remaining balance of \$56,607 is primarily attributable to savings in Operating Expenses due to lower than anticipated costs in several categories.

Agency 90, Police Department

\$6,963,910

The agency balance of \$6,963,910 is 4.4 percent of the FY 2006 approved funding level. Of this amount, \$1,608,545 is included as encumbered carryover in FY 2007. The remaining balance of \$5,355,365 is primarily attributable to savings of \$4,914,802 in Operating Expenses, including \$4,433,262 in Local Cash Match funding associated with the Community Oriented Policing Services Universal Hiring Program (COPS UHP) and COPS in Schools grant programs. The Local Cash Match balance reflects requirement previously approved by the Board of Supervisors, including obligations that are tied to grant program years that cross the County's fiscal years. The remaining balance of \$440,563 is primarily attributable to savings in Personnel Services due to higher than anticipated position vacancies.

Agency 91, Office of the Sheriff

\$512,689

The agency balance of \$512,689 is 1.0 percent of the FY 2006 approved funding level. Of this amount, \$436,641 is included as encumbered carryover in FY 2007. The remaining balance of \$76,048 is primarily attributable to Personnel Services savings in salary costs resulting from position vacancies. It should be noted however, that salary savings were partially offset by higher than anticipated overtime costs incurred to ensure appropriate staffing levels were maintained as vacancies occurred.

Agency 92, Fire and Rescue Department

\$4,362,534

The agency balance of \$4,362,534 is 2.8 percent of the FY 2006 approved funding level. Of this amount, \$3,734,602 is included as encumbered carryover in FY 2007. The remaining balance of \$627,932 is primarily attributable to savings of \$615,000 in Capital Equipment expenses resulting from a delay in encumbering funding for the Wolf Trap Fire Station's large apparatus due to the complexity of determining the equipment specifications. In addition, the remaining balance reflects savings of \$12,661 in Operating Expenses and \$271 in Personnel Services.

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PUBLIC WORKS

Agency 08, Facilities Management Department **\$922,502**

The agency balance of \$922,502 is 2.3 percent of the FY 2006 approved funding level. Of this amount, \$677,927 is included as encumbered carryover in FY 2007. The remaining balance of \$244,575 reflects Personnel Services savings of \$243,503 due to higher than anticipated position vacancies, Recovered Costs savings of \$720 due to actual reimbursements, and Operating Expenses savings of \$352.

Agency 29, Stormwater Management **\$1,121,408**

The agency balance of \$1,121,408 is 10.8 percent of the FY 2006 approved funding level. Of this amount, \$813,981 is included as encumbered carryover. The remaining balance of \$307,427 reflects savings of \$257,521 in Personnel Services due to higher than anticipated position vacancies, savings of \$258 in Operating Expenses due to vendor discounts for prompt payments, and savings of \$49,648 in Capital Equipment due to lower than anticipated equipment costs.

HEALTH AND WELFARE

Agency 67, Department of Family Services **\$9,983,732**

The agency balance of \$9,983,732 is 5.2 percent of the FY 2006 approved funding level. Of this amount, \$7,546,187 is included as encumbered carryover in FY 2007. The remaining balance of \$2,437,545 is attributable to savings of \$752,595 in Personnel Services primarily due to managing position vacancies, as well as difficulty in filling vacant positions. A balance of \$1,744,910 in Operating Expenses is primarily due to savings in the Child Care Assistance and Referral (CCAR) Program, cost containment strategies in Comprehensive Services Act (CSA), and continued savings in the Cluster Care model in the Adult and Aging cost center. CCAR, which was expected to have a shortfall in funds, ended the year with a balance primarily due to reducing the number of children enrolled through natural attrition. This occurred after the State informed the County that federal and state funds would be reduced by approximately \$10.4 million in FY 2007. CSA's balance is the result of ongoing efforts to manage expenditures and maximize alternative funding sources, such as Medicaid and Title IV-E. The Cluster Care concept is an efficient means of providing services since service delivery is based on tasks rather than an hourly wage and travel time is limited since the worker is traveling to one geographic area rather than multiple sites. This model continues to be very successful, resulting in further savings. These savings are offset by lower than expected Recovered Costs of \$59,960.

Agency 69, Department of Systems Management for Human Services **\$590,550**

The agency balance of \$590,550 is 10.1 percent of the FY 2006 approved funding level. Of this amount, \$202,205 is included as encumbered carryover. The remaining balance of \$388,345 is attributable to Personnel Services savings of \$364,241, due to higher than anticipated position vacancies, as well as Operating Expenses savings of \$24,104 due to lower than anticipated expenditures.

Agency 71, Health Department **\$3,769,454**

The agency balance of \$3,769,454 is 8.4 percent of the FY 2006 approved funding level. Of this amount, \$1,998,182 is included as encumbered carryover. The remaining balance of \$1,771,272 is primarily attributable to Personnel Services savings of \$1,736,528 due to lower expenditures on regular and limited term salaries associated with high turnover and vacancy rates; Operating Expenses savings of \$26,906 due to lower than budgeted expenditures for medical consultants, furniture and professional certifications, offset by higher than budgeted expenditures on medical supplies, renovations and document services; and Capital Equipment savings of \$7,835 due to lower than anticipated expenditures on non-capitalized equipment.

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PARKS, RECREATION AND LIBRARIES

Agency 50, Department of Community and Recreation Services **\$1,559,474**

The agency balance of \$1,559,474 is 9.6 percent of the FY 2006 approved funding level. Of this amount, \$1,024,192 is included as encumbered carryover in FY 2007. The remaining balance of \$535,282 is primarily attributable to Personnel Services savings due to higher than anticipated position vacancies, partially offset by higher limited term salary requirements associated with the opening of three new computer clubhouses and coverage for vacant positions. Additional savings in Operating Expenses resulted from savings in the FASTRAN operating budget and lower than projected expenses for furniture and fixtures at the new Southgate Community Center.

Agency 52, Fairfax County Public Library **\$5,369,683**

The agency balance of \$5,369,683 is 14.2 percent of the FY 2006 approved funding level. Of this amount, \$5,366,025 is included as encumbered carryover in FY 2007. The remaining balance of \$3,658 is primarily attributable to lower than anticipated Operating Expenses for postage and office supplies.

COMMUNITY DEVELOPMENT

Agency 31, Land Development Services **\$1,555,200**

The agency balance of \$1,555,200 is 6.3 percent of the FY 2006 approved funding level. Of this amount, \$1,258,711 is included as encumbered carryover in FY 2007. The remaining balance of \$296,489 is primarily attributable to Personnel Services savings of \$273,424 due to unanticipated vacancies and position turnover, as well as Operating Expenses savings of \$17,728. In addition, there is a \$5,337 balance in Capital Equipment due to the actual cost of equipment being less than anticipated.

Agency 35, Department of Planning and Zoning **\$972,691**

The agency balance of \$972,691 is 9.7 percent of the FY 2006 approved funding level. Of this amount, \$713,837 is included as encumbered carryover. The remaining balance of \$258,854 reflects savings of \$258,728 in Personnel Services due to higher than anticipated position vacancies and savings of \$126 in Operating Expenses.

Agency 38, Housing and Community Development **\$251,022**

The agency balance of \$251,022 is 4.0 percent of the FY 2006 approved funding level. Of this amount, \$155,166 is included as encumbered carryover in FY 2007. The remaining balance of \$95,856 is attributable to Personnel Services savings of \$94,109 due primarily to the vacancy of several management positions, as well as Operating Expenses savings of \$1,747 due to lower than expected expenditures.

Agency 39, Office of Human Rights **\$142,873**

The agency balance of \$142,873 is 11.3 percent of the FY 2006 approved funding level. Of this amount, \$12,188 is included as encumbered carryover in FY 2007. The remaining balance of \$130,685 is primarily attributable to Personnel Services savings due to higher than anticipated position vacancies.

Agency 40, Department of Transportation **\$3,267,596**

The agency balance of \$3,267,596 is 37.3 percent of the FY 2006 approved funding level. Of this amount, \$1,564,018 is included as encumbered carryover in FY 2007. The remaining balance of \$1,703,578 reflects Personnel Services savings of \$24,502 due to greater than anticipated vacancies, Operating Expenses savings of \$1,248,289 due primarily to the multi-year scope of many projects resulting in less than expected costs for consulting services in FY 2006, and increased Recovered Costs of \$430,787 due to a higher than expected Personnel Services reimbursement.

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NONDEPARTMENTAL

Agency 87, Unclassified Administrative Expenses - Nondepartmental

\$486,361

The agency balance of \$486,361 is 90.6 percent of the FY 2006 approved funding level. The balance is primarily attributable to the one-time carryover of funds into FY 2006 for anticipated General Fund requirements associated with the consultant services to assist in the redesign of the Special Education Graduate program. Based on the current status of the development of the consumer-directed program and the actual numbers of special education graduates in the program, expenditures were significantly lower than anticipated. These funds are no longer required for the program and do not need to be carried forward into FY 2007.

Agency 89, Employee Benefits \$9,071,547

The agency balance of \$9,071,547 is 5.2 percent of the FY 2006 approved funding level. Of this amount, \$471,698 is included as encumbered carryover in FY 2007. The remaining balance of \$8,599,849 is primarily attributable to lower than anticipated health insurance premiums, lower than anticipated contributions to the retirement systems, and savings in FICA. Savings of \$1.8 million in health insurance is primarily due to the actual premium increases being lower than originally budgeted. The FY 2006 budget was built assuming 12-15 percent premium increases, based on previous cost growth experience. Actual premium increases were 4.43 percent for the self-insured plan, 7.04 percent for Kaiser, and 4.90 percent for CIGNA. Savings of \$4.0 million were realized through lower than anticipated contributions to the retirement systems, primarily due to the timing of the creation of new positions and savings attributable to the decrease in the salary base against which employer contributions are calculated resulting from the implementation of the DROP program for the Employees' Retirement System. Additional savings of \$2.0 million are primarily due to lower than anticipated employer contributions for FICA based on actual employee salaries. A balance of \$0.5 million in group life insurance expenditures is due to lower than anticipated premium increases. An additional \$0.5 million in savings was achieved in dental insurance, unemployment compensation, and training, offset by a shortfall of \$0.2 million due to lower than projected reimbursements.