FY 2011 Third Quarter Review

Attachment III – Other Funds Detail

OTHER FUNDS DETAIL

APPROPRIATED FUNDS

Special Revenue Funds

Fund 100, County Transit Systems **$0**

There is no change to the FY 2011 expenditure level for County Transit Systems. However, a reclassification of $2.5 million in State Aid revenue is required in order to fund a critical technology project. This State Aid is held for the County by the Northern Virginia Transportation Commission (NVTC), and is currently used by the County for CONNECTOR operations and one time improvement projects. As a result of savings realized to-date in the CONNECTOR bus operations contract, it is possible to do a one-time realignment of State Aid funds in FY 2011. Total State Aid operating support will be reduced from $18,201,878 to $15,701,878. The resulting $2.5 million will be applied to the CONNECTOR Advanced Public Transportation System (APTS) project, a multi-year effort to implement IT technology for the County's bus system. Several technologies are being evaluated for implementation, including Computer Aided Dispatch (CAD) real-time information on deployed buses, real-time information on street conditions and traffic, automation of bus stop announcements, installation of automated passenger counters, and enhanced automation of management reports.

It is also noted that $200,000 in State Aid held by NVTC will be transferred to the Virginia Railway Express (VRE) as a County contribution toward total project costs associated with the rehabilitation of various elements within the Franconia-Springfield VRE commuter station. The main focus of the project will be to replace the corroded stairs on the eastern side of the VRE platform. Construction will be initiated in spring 2011. Since funding is disbursed directly from NVTC to VRE, there is no impact on the Fund 100 budget.

As a result of the actions noted above, the FY 2011 ending balance remains at $981,250, which continues to be held in balance to meet future County Transit System requirements.

Fund 103, Aging Grants and Programs **($507,854)**

FY 2011 expenditures are recommended to decrease $507,854 or 4.5 percent from the *FY 2011 Revised Budget Plan* total of $11,355,598. Of this amount, $456,802 is due to balances as the result of closing Program Year 2010 grants. In addition, an expenditure decrease of $70,000 is associated with a required funding reduction to meet FY 2012 requirements. This decrease is partially offset by an increase of $18,948 due to additional federal funding for the Virginia Insurance Counseling and Assistance Program (VICAP). This expenditure increase is offset by a commensurate increase in federal revenue.

The FY 2011 General Fund transfer is recommended to decrease $952,071 or 24.3 percent from the *FY 2011 Revised Budget Plan* of $3,913,560. Of this amount, $882,071 is due to the close out of program year 2010, as well as available fund balance due to the close out of program year 2009 included in the *FY 2010 Carryover Review*. The remaining $70,000 is due to the accelerated reductions needed to meet FY 2012 requirements. As a result of the actions noted above, the FY 2011 ending balance is projected to be $250,000.

OTHER FUNDS DETAIL

Fund 104, IT Projects **$6,399,033**

FY 2011 expenditures are required to increase a total of $6,399,033 in three specific Information Technology projects: DIT Tactical Initiatives, Court Modernization Projects, and Child Care Technology Systems. These funding requirements are supported by a General Fund Transfer of $5,800,000 and appropriation of $382,918 in State Technology Trust Fund revenue, $168,512 in Court Public Access Network (CPAN) revenue, and $348,582 in Urban Areas Security Initiative (UASI) program reimbursement, partially offset by a decrease of $300,979 in interest income. It should be noted that $2.0 million of the $5.8 million General Fund transfer is associated with additional revenue received from the state in FY 2011 for the Child Care Assistance and Referral (CCAR) program. The following adjustments are required at this time:

Project Number	Project Name	Increase/ (Decrease)	Comments
IT0022	Tactical Initiatives	$3,847,603	Increases of $3,800,000 to support hardware and infrastructure required for implementation of the FOCUS project and $348,582 related to UASI reimbursement partially offset by a decrease of $300,979 based on lower than budgeted interest income. Funding in this project is used by the Department of Information Technology to respond to out of cycle requests and unanticipated or large-scale County IT requirements.
IT0039	Court Modernization Projects	551,430	Increase to reflect the appropriation of State Technology Trust Fund revenue to support Circuit Court technology modernization projects and CPAN revenue received from the state which supports the Circuit Court's state-mandated redaction project.
IT0059	Child Care Technology Systems	2,000,000	Increase to support replacement of the Department of Family Services' existing Child Care Technology systems to ensure compliance with the state's new automated child care systems. This amount is supported by additional revenue received from the state in FY 2011 for the CCAR program resulting in no net impact to the County.
	Total	**$6,399,033**	

OTHER FUNDS DETAIL

Fund 106, Fairfax-Falls Church Community Services Board **$1,157,918**

FY 2011 expenditures are required to increase $1,157,918 or 0.8 percent over the *FY 2011 Revised Budget Plan* total of $152,428,905. This is due to increases of $814,975 in Federal/State grant awards; $153,783 in Department of Behavioral Health and Development Services (DBHDS) funding for pharmaceutical medications; $100,000 for contracted medical detoxification treatment services; and $89,160 to help transition to an electronic health record (EHR) system.

FY 2011 non-County revenues are projected to increase $1,368,758 or 2.5 percent over the *FY 2011 Revised Budget Plan* total of $55,137,678. This is due to increases of $814,975 in Federal/State grant awards; $400,000 in increased Medicaid Waiver; and $153,783 in new DBHDS revenue for pharmacies.

The FY 2011 General Fund transfer is required to decrease a net $210,840 or 0.2 percent from the *FY 2011 Revised Budget Plan* of $93,337,947 to reflect $400,000 in savings as a result of increased revenue, offset by an increase of $189,160 for contracted medical detoxification treatment services and assistance to transition to an EHR system. As a result of the actions noted above, the ending balance is projected to remain the same as the *FY 2011 Revised Budget Plan* amount of $500,000. However, all of the ending balance of $500,000 is held in reserve for implementation requirements associated with Josiah H. Beeman Commission recommendations.

Fund 109, Refuse Collection **$175,003**

FY 2011 expenditures are required to increase $175,003 or 0.8 percent over the *FY 2011 Revised Budget Plan* total of $20,733,313. This is to appropriate grant funding of $115,003 received for litter prevention costs and recycling program activities and funding of $60,000 from a proffer for the expansion of a landfill to support additional outreach and education for recycling requirements in the County. This expenditure increase is entirely offset by revenue increases in State Litter Grant funding approved by the Virginia Department of Environmental Quality and the proffer.

As a result of the actions noted above, the FY 2011 ending balance is projected to be $8,059,886, the same as the *FY 2011 Revised Budget Plan* amount.

Fund 121, Dulles Rail Phase I Transportation Improvement District **$16,000,000**

FY 2011 expenditures are required to increase $16,000,000 or 32.0 percent over the *FY 2011 Revised Budget Plan* total of $50,000,000. This is primarily due to cash funding rather than borrowing increased amounts of funds in order to pay the District’s share of the project expenditures for the Metrorail expansion.

FY 2011 revenues are not changed from the *FY 2011 Revised Budget Plan* total of $23,768,271.

As a result of the actions noted above, the FY 2011 ending balance is projected to be $47,868,264, a decrease of $16,000,000 or 25.1 percent from the *FY 2011 Revised Budget Plan* amount of $63,868,264.

OTHER FUNDS DETAIL

Fund 142, Community Development Block Grant (CDBG) ($27)

FY 2011 expenditures are required to decrease $27 due to an accounting correction to the *FY 2011 Revised Budget Plan Review*. The following adjustment is required at this time:

Project Number	Project Name	Increase/ (Decrease)	Comments
013845	Moderate Income Direct Sales (MIDS) Resale Project	($27)	Decrease of $27 due to an accounting correction to the *FY 2011 Revised Budget Plan Review*.
	Total	**($27)**	

Fund 144, Housing Trust Fund ($150,000)

FY 2011 expenditures are required to decrease $150,000 due to revised estimates for proffer income which are less than originally projected. In addition, the following adjustment is required at this time:

Project Number	Project Name	Increase/ (Decrease)	Comments
013906	Undesignated Project	($150,000)	A decrease of $150,000 due to revised estimates for proffer income which are less than originally projected.
	Total	**($150,000)**	

Fund 145, HOME Investment Partnership Grant $0

FY 2011 expenditures remain unchanged. However, the following adjustments are required at this time:

Project Number	Project Name	Increase/ (Decrease)	Comments
013974	HOME Development Costs	($32,224)	A decrease of $32,224 due to a reallocation to Project 014191, Rehabilitation of FCRHA Properties to fund expenditure of Program Year 15 program income.
014129	Senior/Disabled Housing Development	32,224	An increase of $32,224 due to a reallocation from Project 014191, Rehabilitation of FCRHA Properties to provide for the expenditure of a Program Year 18 U.S. Department of Housing and Urban Development (HUD) award.

OTHER FUNDS DETAIL

Project Number	Project Name	Increase/ (Decrease)	Comments
014191	Rehabilitation of FCRHA Properties	0	An increase of $32,224 due to a reallocation from Project 013974, HOME Development Costs to fund expenditure of Program Year 15 program income and a decrease of $32,224 due to a reallocation to Project 014129, Senior/Disabled Housing Development to provide for the expenditure of a Program Year 18 HUD award.
	Total	**$0**	

Debt Service Funds

Fund 200/201, Consolidated Debt Service Fund **($451,318)**

FY 2011 expenditures are required to decrease $451,318 or 0.2 percent from the *FY 2011 Revised Budget Plan* total of $299,437,880. This is primarily due to a decrease of $714,491 in debt service requirements related to interest rate savings associated with the Series 2011A General Obligation and Refunding bond sale held on January 25, 2011. This decrease is partially offset by increased expenditures of $250,939 associated with the transfer in of this amount from Fund 314, Neighborhood Improvement Program, for debt service requirements. Fund 314 is being eliminated and the remaining funding will be used to pay debt service expenditures. Expenditures are also increased $12,234 due to the net impact of two audit adjustments.

FY 2011 total funds available are decreased $451,318 or 0.2 percent from the *FY 2011 Revised Budget Plan* total of $300,031,380. This is primarily due to a decrease of $714,491 in the General Fund Transfer with a decrease of $214,347 for County and $500,144 for School debt service requirements. This is partially offset by the transfer in of $250,939 from Fund 314, Neighborhood Improvement Program due to the elimination of this fund. The net impact of two audit adjustments results in an increase of $12,234 in beginning balance for FY 2011.

As a result of the actions noted above, the FY 2011 ending balance is projected to be $0, which is no change from the *FY 2011 Revised Budget Plan*.

OTHER FUNDS DETAIL

Capital Project Funds

Fund 301, Contributed Roadway Improvements **$10,816**

FY 2011 expenditures are required to increase $10,816 to properly account for revenues received in FY 2010. This revenue was previously reflected in Fund 304, Transportation Improvements. The following adjustment is required at this time:

Project Number	Project Name	Increase/ (Decrease)	Comments
009900	Miscellaneous Contributions	$10,816	Increase necessary to properly account for revenues received in FY 2010 which were previously reflected in Fund 304, Transportation Improvements.
	Total	**$10,816**	

Fund 302, Library Construction **$0**

FY 2011 expenditures remain unchanged. However, the following adjustments are required at this time:

Project Number	Project Name	Increase/ (Decrease)	Comments
004842	Thomas Jefferson Community Library	($1,200,000)	Decrease due to project completion. Based on the extremely favorable bid climate for construction projects, identified savings in this project are redirected to support construction costs associated with the renovation of Woodrow Wilson Library.
004843	Richard Byrd Community Library	(1,000,000)	Decrease due to project completion. Based on the extremely favorable bid climate for construction projects, identified savings in this project are redirected to support construction costs associated with the renovation of Woodrow Wilson Library.
004845	Martha Washington Community Library	(2,700,000)	Decrease due to project completion. Based on the extremely favorable bid climate for construction projects, identified savings in this project are redirected to support construction costs associated with the renovation of Woodrow Wilson Library.

OTHER FUNDS DETAIL

Project Number	Project Name	Increase/ (Decrease)	Comments
004848	Woodrow Wilson Community Library	5,547,000	Increase necessary to support the renovation of the Woodrow Wilson Library. As part of the *FY 2010 Carryover Review*, the Board of Supervisors approved a reallocation of $1.0 million in library bond savings to this project to fund the design associated with the renovation of Woodrow Wilson Library. Woodrow Wilson Library was built in 1965 and does not meet the electronic and technological needs of the community due to the limited capacity of available power and other utilities. This library serves as a multi-cultural community center, with special collections in Spanish and Vietnamese and numerous community groups use the library's three meeting rooms to offer programs to the public. A renovated facility will provide for more efficient layout and use of the available space, upgrade the building systems for operations and energy efficiency, and provide updated power and technology capacity for more public access computers and wireless networking. Funding of $5,547,000 will provide for construction costs to complete the renovation project.
004850	Feasibility Studies	(647,000)	Decrease due to lower than anticipated costs for feasibility studies associated with older library facilities. Identified savings in this project are redirected to support construction costs associated with the renovation of Woodrow Wilson Library.
	Total	**$0**	

OTHER FUNDS DETAIL

Fund 303, County Construction **($17,200,000)**

FY 2011 expenditures are required to decrease $17,200,000 due to a decrease in appropriation authority of $18,200,000 to properly account for previous actions taken to fulfill the County's obligation to contribute to the construction of the South County High School. This decrease is offset by an increase of $1,000,000 for the Developer Streetlight Program. This Program is being reinstituted based on notification from Virginia (VA) Power that they will no longer accept third party payment from developers for installation of streetlights. Fairfax County is the only jurisdiction in the State where developers currently make payments directly to VA Power. Effective July 1, 2011, the County will return to coordinating between VA Power and the developers and developers will make direct payments to the County. Anticipated revenues are increased by a like amount. The following adjustments are required at this time:

Project Number	Project Name	Increase/ (Decrease)	Comments
009461	Public Facilities at Laurel Hill	($18,200,000)	Decrease necessary to properly account for previous actions taken to fulfill the County's obligation to contribute to the construction of the South County High School. On June 5, 2003, funding of $18,200,000 associated with the sale of approximately 46 acres of redevelopment property in the Laurel Hill area was deposited into a trust account and was to be transferred to the Fairfax County Public Schools (FCPS) as a contribution to the High School project. As part of the FY 2004 Adopted Budget Plan, the Board of Supervisors approved an appropriation of $18.2 million for this purpose. Subsequently, the contribution was made to the FCPS directly from the trust account and the appropriation in Fund 303 is no longer necessary. All obligations to FCPS have been fulfilled. This action results in a decrease to Fund 303 expenditures and a corresponding decrease in fund balance.
Z00002	Developer Streetlight Program	1,000,000	Increase necessary to appropriate anticipated revenues and expenditures associated with a change in the requirements for the Developer Streetlight Program, effective July 1, 2011. Prior to 1993, the County served as a coordinator between developers and the utility companies for streetlight installations. In October 1993, the Public Facilities Manual (PFM) was changed and all coordination has taken place directly between the

OTHER FUNDS DETAIL

Project Number	Project Name	Increase/ (Decrease)	Comments
			developers and VA Power, since that time. This change was based on feedback from the development community as a way to try to streamline the process. During the past year, VA Power has indicated that they will no longer accept third party (developers) payments for installation of streetlights. Fairfax County is the only jurisdiction in the State where developers make payments directly to VA Power. The necessary procedural changes to the PFM are in the process of being prepared. Specifically, the County will return to coordinating with VA Power to obtain a cost estimate for the installation of the streetlights. The developer will make a direct payment to the County, and after payment is received, the County will authorize VA Power to install the required streetlights. After the streetlights have been installed, the County will provide final payment to VA Power and the streetlights will be incorporated into the Fairfax County Streetlight Program inventory.
	Total	**($17,200,000)**	

Fund 304, Transportation Improvements **($10,816)**

FY 2011 expenditures are required to decrease $10,816 to properly account for revenues received in FY 2010 which should have been reflected in Fund 301, Contributed Roadway Improvements. The following adjustments are required at this time:

Project Number	Project Name	Increase/ (Decrease)	Comments
006490	Construction Reserve	($635,816)	Decrease based on adjustments noted herein. In addition, a decrease of $10,816 is reflected to properly account for revenues received and appropriated in FY 2010 which should have been reflected in Fund 301, Contributed Roadway Improvements.
064249	Planning for 4 Year Transportation Plan	(400,000)	Decrease necessary to reallocate funding to Project 4YP210, Poplar Tree Road, to meet current project requirements.

OTHER FUNDS DETAIL

Project Number	Project Name	Increase/ (Decrease)	Comments
064273	Silverbrook/Hooes Road Intersection	425,000	Increase necessary to fund additional construction and installation costs to meet VDOT requirements associated with new traffic signals at the intersection. The intersection is being improved to include a right turn lane from Silverbrook Road onto Hooes Road and a pedestrian crosswalk.
4YP200	Planning for 2nd 4 Year Transportation Plan	(100,000)	Decrease necessary to reallocate funding to Project 4YP210, Poplar Tree Road, to meet current project requirements.
4YP210	Poplar Tree Road Widening	700,000	Increase necessary to fund higher than anticipated construction costs. This project includes the widening of Poplar Tree Road from two lanes to four lanes. Increases in construction costs are required to complete the project and to meet VDOT paving requirements for the existing level of traffic and to include the necessary storm drainage, curbs, and gutters.
	Total	**($10,816)**	

Fund 307, Pedestrian Walkway Improvements **($264,021)**

FY 2011 expenditures are required to decrease $264,021, primarily due to a decrease of $300,000 based on actual project requirements and revenues anticipated for the Georgetown Pike Trail associated with the Virginia Department of Transportation (VDOT) Supplemental Agreement for Enhancement Grant funds, as approved by the Board of Supervisors on May 19, 2008. This adjustment is partially offset by an increase of $35,979 to appropriate developer contributions received in FY 2011, including $34,305 for walkway improvements in the Braddock District and $1,674 for walkway improvements in the Dranesville District. The following adjustments are required at this time:

Project Number	Project Name	Increase/ (Decrease)	Comments
W00100	Braddock District Walkways	$34,305	Increase necessary to appropriate contributions received in FY 2011 from developers for the installation of walkways in the Braddock District.
W00200	Dranesville District Walkways	(298,326)	Decrease necessary based on actual project requirements and anticipated revenues for the Georgetown Pike Trail. A reduction of $300,000 in both revenues and expenditures is based on the final Supplemental Agreement with VDOT, for Enhancement Grant funds as approved by the Board of Supervisors on May 19, 2008.

OTHER FUNDS DETAIL

Project Number	Project Name	Increase/ (Decrease)	Comments
			This decrease is partially offset by the appropriation of $1,674 in developer contributions received in FY 2011 for the installation of walkways in the Dranesville District.
	Total	**($264,021)**	

Fund 311, County Bond Construction **$6,830,000**

FY 2011 expenditures are required to increase $6,830,000 due to the appropriation of bond funds approved as part of the 2004 Human Services Bond Referendum associated with the replacement of the Woodburn Mental Health Center. The following adjustment is required at this time:

Project Number	Project Name	Increase/ (Decrease)	Comments
04A003	Woodburn Mental Health Center (Mid-County Center)	$6,830,000	Increase necessary to appropriate bond funds approved as part of the 2004 Human Services/Juvenile Facilities Bond referendum associated with the Woodburn Mental Health Center (Mid-County Center). This project includes the proposed design and construction of a 200,000 square foot replacement facility for the current Woodburn Mental Health Center and a consolidation of Community Services Board programs currently located in lease space. On September 28, 2010, the Board of Supervisors approved a two phase Contract of Sale with Inova Health Systems. The Contract of Sale includes the transfer of approximately 15 acres of land including the Woodburn Mental Health Center and Woodburn Place from the County to Inova. In exchange for this land, Inova will provide the County with an approximate 5 acre parcel/pad site at Willow Oaks II, a $15 million cash payment, and a 10 year lease of 40,000 square feet within the new Mid-County Center building. The order of magnitude total project estimate for this project is $101 million. The 2004 Human Services bond funding will provide for full design work. It is anticipated that Economic Development Authority (EDA) bonds will finance the construction phase of

			the project and debt service payments will be partially offset by the $15 million compensation to be received for the current site, savings from lease consolidation, and the lease payments associated with the 10-year lease for Inova to occupy 40,000 square feet of space in the building.
	Total	**$6,830,000**	

Fund 312, Public Safety Construction **$3,924,337**

FY 2011 expenditures are required to increase $3,924,337 due to the appropriation of bond funds in the amount of $3,000,000 approved as part of the fall 2006 Public Safety Bond referendum for public safety projects. These bond funds will be used for preliminary design work associated with a new Public Safety Headquarters. In addition, an amount of $924,337 is required to appropriate insurance proceeds received in FY 2011 associated with the Bailey's Volunteer Fire Station. Insurance funds will be used to fund design for a new replacement fire station. The following adjustments are required at this time:

Project Number	Project Name	Increase/ (Decrease)	Comments
009051	Bailey's Crossroads Fire Station	$924,337	Increase necessary to appropriate insurance proceeds received in FY 2011 associated with the Bailey's Volunteer Fire Station. On February 8, 2010, the roof over the apparatus bay of the Bailey's Volunteer Fire Station collapsed due to the heavy snow load. This facility is over 35 years old; therefore, County staff and members of the Bailey's Volunteer Fire Department agreed that the existing station should be replaced to meet current operational requirements. Per an Agreement and Memorandum of Understanding executed in fall 2010, a new County-owned replacement station will be constructed at the existing site combined with the adjacent Board of Supervisors owned property. The insurance funding will provide for design costs for the new station. Construction funding for this project is being considered for inclusion in the next Public Safety Bond referendum.
009230	Public Safety Headquarters	3,000,000	Increase necessary to appropriate bond funds approved for public safety projects as part of the fall 2006 Public Safety Bond Referendum. Funding will provide for

OTHER FUNDS DETAIL

Project Number	Project Name	Increase/ (Decrease)	Comments
			initial design work for a new Public Safety Headquarters. The County's public safety headquarters is currently located in the 166,777 square foot Massey Building, which was constructed in 1967. The building has many inefficiencies such as: aged lighting fixtures; overloaded electrical systems with no spare capacity for new equipment and constant tripping of breakers; aged HVAC components with repair parts often not available; aged plumbing fixtures that cause leaking behind the building walls; roof deficiencies causing continuous leaks; obsolete fire alarm systems and no sprinkler system; and asbestos fireproofing throughout the building restricting or prohibiting access to equipment in order to make needed repairs. The building experienced two failures in 2009 due to chiller and associated components that required staff in the building to vacate and relocate. Staff has been working on strategies to replace the Massey building and provide a suitable public safety headquarters facility. It is anticipated that additional design and construction funding will be provided through Economic Development Authority (EDA) revenue bonds.
	Total	**$3,924,337**	

OTHER FUNDS DETAIL

Fund 314, Neighborhood Improvement Program **($148,485)**

FY 2011 expenditures are required to decrease $148,485 due to the elimination of Fund 314, Neighborhood Improvement Program. This program was first funded in 1989 when the voters approved a $24 million Neighborhood Improvement bond. The program provided for improvements to public facilities including curbs and gutters, sidewalks, street widening and storm drainage to enhance the condition and appearance of participating neighborhoods. Neighborhoods were selected for participation in the program on the basis of their need for general community improvements due to problems of road and yard flooding and/or traffic problems, as well as their willingness to share in the implementation of a Community Plan. All bond funded project work is now complete and remaining bond balances of $148,485 are transferred to Fund 200-201, Consolidated Debt Service, to offset debt service costs associated with the sale of the 1989 bonds. In addition, the ending balance of $102,454 which represents revenues from homeowner's contributions over the years is also transferred to the debt service fund. Any remaining revenue received from homeowners in the future will be accounted for within the debt funds and applied to offset debt service costs. The following adjustments are required at this time:

Project Number	Project Name	Increase/ (Decrease)	Comments
C00097	Holmes Run Valley	($42,544)	Decrease necessary due to the elimination of this Fund. This project was approved as part of the 1989 Neighborhood Improvement Bond Referendum for planning funding only. Design and construction funding would have been required as part of a future bond referendum. A future bond referendum has not been identified for the Neighborhood Improvement Program; therefore, the project balance is transferred to Fund 200-201, Consolidated Debt Service, to offset debt service costs associated with General Obligation bond sales for this program.
C00098	Mt Vernon Hills	(42,204)	Decrease necessary due to the elimination of this Fund. This project was approved as part of the 1989 Neighborhood Improvement Bond referendum for planning funding only. Design and construction funding would have been required as part of a future bond referendum. A future bond referendum has not been identified for the Neighborhood Improvement Program; therefore, the project balance is transferred to Fund 200-201, Consolidated Debt Service, to offset debt service costs associated with General Obligation bond sales for this program.

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Project Number	Project Name	Increase/ (Decrease)	Comments
C00099	Planning Project	(63,737)	Decrease necessary due to the elimination of this Fund. This project was approved as part of the 1989 Neighborhood Improvement Bond Referendum for planning funding only. Design and construction funding would have been required as part of a future bond referendum. A future bond referendum has not been identified for the Neighborhood Improvement Program; therefore, the project balance is transferred to Fund 200-201, Consolidated Debt Service, to offset debt service costs associated with General Obligation bond sales for this program.
	Total	**($148,485)**	

Fund 316, Pro Rata Share Drainage Construction **$67,330**

FY 2011 expenditures are required to increase $67,330 to support on-going project work throughout the County. This increase is supported by pro rata share receipts. The following adjustments are required at this time:

Project Number	Project Name	Increase/ (Decrease)	Comments
PM8001	Pimmit Run Watershed Projects	$43,800	Increase necessary to fund the implementation of projects within the Pimmit Run watershed management plan. Some of the projects include: stream restoration, stormwater management facilities, and alternatives to regional stormwater management facilities as well as innovative stormwater management projects.
SC0213	Bridle Path Lane	23,530	Increase necessary to fund stream restoration associated with Bridle Path Lane.
	Total	**$67,330**	

OTHER FUNDS DETAIL

Fund 318, Stormwater Management Program **$454,871**

FY 2011 expenditures are required to increase $454,871 to appropriate revenues associated with an amendment to a project agreement between the Natural Resources Conservation Service (NRCS), the Northern Virginia Soil and Water Conservation District (NVSWCD) and Fairfax County for the rehabilitation of Lake Barton as signed on September 28, 2010. This funding from the NRCS is available as a result of the American Recovery and Reinvestment Act of 2009. The following adjustment is required at this time:

Project Number	Project Name	Increase/ (Decrease)	Comments
FX4000 PC013	Dam Safety Projects (Dam Site 2 Lake Barton)	$454,871	Increase necessary to appropriate revenues associated with an amendment to a project agreement between the Natural Resources Conservation Service (NRCS), the Northern Virginia Soil and Water Conservation District (NVSWCD) and Fairfax County for the rehabilitation of Lake Barton as signed on September 28, 2010. This increase adjusts funding from the NRCS from $2,001,863 to $2,456,734, with the County share of $1,322,857 to be paid from existing funds within Fund 318. Funding for this project includes the rehabilitation of the dam which includes the installation of two cutoff walls in the auxiliary spillway to prevent excessive erosion during construction and dredging 15,000 cubic yards of sediment. This funding from the NRCS is available as a result of the American Recovery and Reinvestment Act of 2009.
	Total	**$454,871**	

OTHER FUNDS DETAIL

Fund 340, Housing Assistance Program **($99,410)**

FY 2011 expenditures are required to decrease $99,410 to close out the Lorton Arts Center Economic Development Initiative Grant. The grant funds will be received directly by the Lorton Arts Center. The following adjustments are required at this time:

Project Number	Project Name	Increase/ (Decrease)	Comments
013831	FCRHA Office Building	($201)	Decrease necessary for project close out and reallocation of project balances to Project 014010, Commercial Revitalization.
014010	Commercial Revitalization	201	Increase necessary due to reallocation from Project 013831, FCRHA Office Building.
014245	Lorton Arts Center	(99,410)	Decrease necessary for project close out.
	Total	**($99,410)**	

Enterprise Funds

Fund 400, Sewer Revenue **$0**

There are no expenditures for this fund. However, FY 2011 transfers out to Fund 401, Sewer Operation and Maintenance, and Fund 403, Sewer Bond Parity Debt Service, are decreased by a net $22,600,000. A decrease of $25,400,000 to Fund 401 is based on actual experience in FY 2011 associated with identified personnel services savings and operating savings in chemicals, treatment by contract requirements and electricity required for plant operations. These savings were anticipated during FY 2011 and were considered in the FY 2012 rate analysis and the recommendations associated with the sewer rates for the next five years. This decrease is partially offset by an increase of $2,800,000 to Fund 403, Sewer Bond Parity Debt Service, due to the timing of interest payments associated with the 2009 Sewer Bond sale.

FY 2011 revenues are decreased $1,000,000 from the *FY 2011 Revised Budget Plan* of $148,015,000. This decrease is due to lower than anticipated interest earnings to date.

As a result of the actions discussed above, the FY 2011 ending balance is projected to be $88,525,787, an increase of $21,600,000. An amount of $10 million of this ending balance will be used to increase the Operating and Maintenance Reserve to $45 million. This reserve provides for unforeseen expenses associated with sewer system emergencies. The reserve is targeted to be maintained at a level between $25 and $45 million and 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. The remaining ending balance increase of $11.6 million will reside in the unreserved fund balance.

OTHER FUNDS DETAIL

Fund 401, Sewer Operation and Maintenance **($10,552,430)**

FY 2011 expenditures are required to decrease $10,552,430 or 10.5 percent from the *FY 2011 Revised Budget Plan* total of $100,381,002. This is primarily due to identified personnel services savings and operating savings. Of this amount, $4,218,039 in Personnel Services is associated with savings based on managed position vacancies and fringe benefits. In addition, a decrease of $6,334,391 in Operating Expenses is based on overall operating efficiencies. This reduction is based on savings identified from interjurisdictional agreements with the District of Columbia Water and Sewer Authority (the Blue Plains Advanced Water Treatment Facility), the Alexandria Sanitation Authority, the Upper Occoquan Sewage Authority (UOSA), and Arlington County. In addition, chemicals savings have been realized, due to a reduction in the unit price for petroleum based chemicals and a switch to less expensive chemicals in the treatment of wastewater and electricity requirements have been lower based on actual fuel factor rates and a reduction in kilowatt usage. These savings were anticipated during FY 2011 and were considered in the FY 2012 rate analysis and the recommendations associated with the sewer rates for the next five years.

The FY 2011 transfer in from Fund 400, Sewer Revenue, is decreased by $25,400,000, from $98,800,000 to $73,400,000 based on expenditure requirements in FY 2011.

As a result of the actions noted above, the FY 2011 ending balance is projected to be $459,079, a decrease of $14,847,570 or 97 percent from the *FY 2011 Revised Budget Plan* amount of $15,306,649.

Fund 403, Sewer Bond Parity Debt Service **$0**

FY 2011 expenditures remain unchanged. However, FY 2011 transfers in from Fund 400, Sewer Revenue, are increased by $2,800,000. This is due to the timing of interest payments associated with the 2009 Sewer Bond sale. The bond sale took place on June 17, 2009 and the first payment was due on July 15, 2010. This payment was based on the interest requirements for FY 2010; therefore, an audit adjustment has been included for FY 2010 expenditures. This audit adjustment increase expenditures and results in a negative fund balance. In order to balance the fund, the transfer from Fund 400 is increased as part of Third Quarter.

As a result of the actions noted above, the FY 2011 ending balance is projected to be $23,582, an increase of $2,800,000 or 100.8 percent over the *FY 2011 Revised Budget Plan* amount of ($2,776,418).

OTHER FUNDS DETAIL

Internal Service Funds

Fund 501, County Insurance Fund **$1,942,259**

FY 2011 expenditures are required to increase $1,942,259 or 9.6 percent over the *FY 2011 Revised Budget Plan* total of $20,169,556. This is primarily due to anticipated increases in Workers' Compensation, Self Insurance Losses, and the Automated External Defibrillator (AED) Program. Based on the current outstanding and projected Workers' Compensation claims, it is projected that Workers' Compensation expenses in FY 2011 will require additional funding of $1,270,000. A large number of hospitalizations have occurred recently which are contributing to this increase, including costs for recent cases, as well as a number of prior year cases for which additional treatment has become necessary. Self Insurance Losses in FY 2011 are required to increase by $600,000, primarily attributable to the recent settlement approved by the Board of Supervisors on January 11, 2011. AED expenses in FY 2011 are currently anticipated to increase by $72,259, primarily due to federally mandated modifications to 400 AED device cabinets to comply with ADA requirements and maintenance of 140 AED units. It should be noted that these adjustments represent significant increases and cannot be absorbed within the existing appropriation.

The General Fund transfer to Fund 501, County Insurance Fund, is increased by $1,870,000 in support of the costs noted above. In addition, $72,259 is appropriated from the AED Replacement Reserve to fund increases in AED expenses.

As a result of the actions noted above, the FY 2011 ending balance is projected to be $42,187,021, a decrease of $72,259 or 0.2 percent from the *FY 2011 Revised Budget Plan* amount of $42,259,280. Of this amount, $34,379,609 is in a required accrued liability reserve which is part of the Self Insurance component of the fund as defined annually by the County's actuary. The remaining balance of $7,807,412 is in reserve for AED replacements, PC replacements, and the Reserve for Catastrophic Occurrences.

Fund 503, Department of Vehicle Services **$710,000**

FY 2011 expenditures are required to increase $710,000 or 0.9 percent over the *FY 2011 Revised Budget Plan* total of $77,165,191. As an indirect result of extending the vehicle replacement criteria by two years, additional appropriation authority is required for parts and commercial repairs as additional fleet-related maintenance and repair requirements have been necessary in FY 2011. It should be noted that funds are being appropriated from DVS reserves to accommodate this need and there is no impact to the General Fund associated with this action.

As a result of the actions above, the FY 2011 ending balance is projected to be $32,272,122, a decrease of $710,000 from the *FY 2011 Revised Budget Plan* total.

OTHER FUNDS DETAIL

Fund 506, Health Benefits Fund **$0**

FY 2011 expenditures are not required to increase over the *FY 2011 Revised Budget Plan* total of $133,712,937.

FY 2011 revenues are increased $1,200,000 over the *FY 2011 Revised Budget Plan* total of $126,342,690 to recognize revenues received through the Early Retiree Reinsurance Program (ERRP). As part of the March 2010 passage of comprehensive federal health care reform legislation, the ERRP was established to provide reimbursements to participating employers for a portion of the costs of health benefits for early retirees. The County applied and was approved for participation in the ERRP, with the first reimbursement of $1.2 million received in January 2011. As there is uncertainty surrounding how long the $5 billion allocated to the ERRP will last, it is difficult to project how much total revenue the County may receive under this program. All revenues received under the program must be used to offset increases in health insurance costs for all participants in the County's self-insured plans. In order to appropriately separate proceeds received through ERRP, these funds are set aside in reserve until better revenue estimates are known and a determination is made regarding the timing and specific usage of the funds.

As a result of the actions noted above, the FY 2011 ending balance is projected to be $21,303,230, an increase of $1,200,000, or 6.0 percent, over the *FY 2011 Revised Budget Plan* amount of $20,103,230. Of this amount, $1,200,000 is set aside in the ERRP Reserve discussed above and the remaining $20,103,230, representing 16.7 percent of claims paid, or the equivalent of two months of claims, is held in the unreserved ending balance.

OTHER FUNDS DETAIL

Trust & Agency Funds

Fund 603, OPEB Trust Fund **$10,858,000**

FY 2011 expenditures and revenues are required to increase $10,858,000 over the *FY 2011 Revised Budget Plan* in order to appropriately reflect the County's contribution and benefit payments for the implicit subsidy for retirees. These increases are 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 in Fund 603, OPEB Trust Fund, and specifically to account for the value of the implicit subsidy to the fund which is necessary to approximate the benefit to retirees for participation in the County's health insurance pools. The value of the implicit subsidy is estimated at $8.8 million; however, the adjustments in revenues and expenditures total $10.9 million in order to provide sufficient budget appropriation.

The General Fund transfer to Fund 603, OPEB Trust Fund, is increased by $4,000,000 in order to meet the County's other post-employment benefit (OPEB) obligations. The latest actuarial valuation as of July 1, 2010 calculated the County's actuarial accrued liability at $489.2 million, with a $35.4 million annual required contribution (ARC). The ARC is funded each year through the combination of a General Fund transfer, contributions from other funds, a contribution credited for the implicit subsidy, and the carryover of any prior year asset. The *FY 2011 Revised Budget Plan* currently includes a $9.9 million General Fund transfer, contributions from other funds estimated at $3.1 million, and an implicit subsidy contribution estimated at $8.8 million. The carryover of the prior year net OPEB asset of $9.5 million is also applied against the FY 2011 ARC. It is important to note, however, that this will exhaust the remainder of the net OPEB asset that has been used for several years to offset ARC requirements. With no change to the General Fund transfer, it is projected that the County may have an approximate $4.0 million net OPEB obligation at the end of FY 2011. As 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 for each year, an increase in the General Fund transfer is required.

As a result of the actions noted above, the FY 2011 ending balance is projected to be $73,987,841, an increase of $4,000,000 or 5.7 percent over the *FY 2011 Revised Budget Plan* amount of $69,987,841.

Fund 716, Mosaic District Community Development Authority **$88,400,000**

FY 2011 expenditures are required to increase $88,400,000 over the *FY 2011 Revised Budget Plan* total of $0. This is primarily due to the establishment of this new fund in order to provide the necessary accounting structure for revenue collections and anticipated bond proceeds from the sale of Community Development Authority bonds for this project. A bond sale is being planned for late spring 2011. It should be noted that the Board of Supervisors approved the establishment of the Mosaic Community Development Authority on April 27, 2010.

FY 2011 revenues are increased $94,900,000 over the *FY 2011 Revised Budget Plan* total of $0. This is primarily due to the establishment of the fund and the sale of bonds.

As a result of the actions noted above, the FY 2011 ending balance is projected to be $6,500,000.

OTHER FUNDS DETAIL

NON-APPROPRIATED FUNDS

Fund 170, Park Revenue Fund **$0**

FY 2011 expenditures remain unchanged; however, the transfer to Fund 371, Park Capital Improvement Fund, is increased by $800,000 as approved by the Park Authority Board on February 9, 2011. This funding will support general park improvements including; critical building repairs and enhancements to existing park facilities, supervision and management of park rental buildings, and an increase to the reserve balance necessary for the future support of maintenance and renovation of revenue-operating facilities.

As a result of the actions noted above, the FY 2011 ending balance is projected to be $9,054,367, a decrease of $800,000 or 8.1 percent from the *FY 2011 Revised Budget Plan* amount of $9,854,367.

Fund 371, Park Capital Improvement Fund **$1,167,934**

FY 2011 expenditures are required to increase $1,167,934 in support of ongoing projects. This adjustment includes $702,450 due to the appropriation of contributions received in FY 2011 and an $800,000 transfer in from Fund 170, Park Revenue Fund, for projects approved by the Park Authority Board on February 9, 2011. These increases are partially offset by an amount of $334,516 which will be placed in the Facilities and Services Reserve to support future requirements associated with the Park Authority's Needs Assessment study. The Facilities and Services Reserve supports the maintenance and renovation of revenue-generating facilities and services. The following adjustments are required at this time:

Project Number	Project Name	Increase/ (Decrease)	Comments
004122	Spring Hill Park – McLean Youth Soccer	$71,064	Increase necessary to appropriate funds donated in FY 2011 from McLean Youth Soccer for a synthetic turf field.
004149	CLEMYJONTRI – Liberty Swing	25,000	Increase necessary to appropriate funds donated in FY 2011 for improvements to the Liberty Swing at CLEMYJONTRI park.
004157	Linway Terrace Park Synthetic Turf	606,386	Increase necessary to appropriate funds donated in FY 2011 from McLean Youth Soccer for Linway Terrace Park for a synthetic turf field.
004748	General Park Improvements	340,484	Increase due to the appropriation of $340,484 from Fund 170, Park Revenue Fund, for critical repairs and enhancements to existing park facilities.

OTHER FUNDS DETAIL

Project Number	Project Name	Increase/ (Decrease)	Comments
004751	Park Rental Building Maintenance	125,000	Increase due to the appropriation of $125,000 from Fund 170, Park Revenue Fund, for staff supervision and management of park rental buildings.
	Total	**$1,167,934**	

Fund 940, FCRHA General Operating **($83,855)**

FY 2011 expenditures are required to decrease $83,855 or 3.5 percent from the *FY 2011 Revised Budget Plan* total of $2,414,363 reflecting the write off of a Federal Banking Note.

FY 2011 revenues are decreased $312,255 or 11.5 percent from the *FY 2011 Revised Budget Plan* total of $2,721,614 due to decreases in developer fees from the Glenwood Mews project and the write off of a Federal Banking Note.

As a result of the actions noted above, the FY 2011 ending balance is projected to be $11,830,714, a decrease of $228,400 or 1.9 percent from the *FY 2011 Revised Budget Plan* amount of $12,059,114.

Fund 941, Fairfax County Rental Program **$55,289**

FY 2011 expenditures are required to increase $55,289 or 1.2 percent over the *FY 2011 Revised Budget Plan* total of $4,818,187. This is due to decreases of $106,989 in Personnel Services associated with position reallocations necessary to support project-based budgeting requirements; offset by an increase of $162,278 in Operating Expenses due to increases in condominium fees.

FY 2011 revenues are increased $76,373 or 1.7 percent over the *FY 2011 Revised Budget Plan* total of $4,623,589 due to increases in Dwelling Rental Income based on year-to-date receipts.

As a result of the actions noted above, the FY 2011 ending balance is projected to be $6,164,270, an increase of $21,084 or 0.3 percent over the *FY 2011 Revised Budget Plan* amount of $6,143,186.

OTHER FUNDS DETAIL

Fund 946, FCRHA Revolving Development Fund **$558,091**

FY 2011 expenditures are required to increase $558,091 primarily to allocate funding for site planning and engineering costs. The following adjustments are required at this time:

Project Number	Project Name	Increase/ (Decrease)	Comments
003978	Lincolnia Center	$600,000	Increase necessary for site planning and engineering costs.
014196	Affordable/Workforce Housing Projects	(41,909)	Decrease necessary due to reduction in the project requirements.
	Total	**$558,091**	

Fund 950, Housing Partnerships **$143,850**

FY 2011 expenditures are required to increase $143,850 or 7.6 percent over the *FY 2011 Revised Budget Plan* total of $1,904,585. This increase is for professional extermination services, and repair and maintenance requirements in FCRHA properties.

FY 2011 revenues are increased $233,402 or 12.9 percent over the *FY 2011 Revised Budget Plan* total of $1,804,530 due to an increase in FCRHA Reimbursements from Partnership properties of $143,850 for operating expenses noted above and reimbursements of $89,552 for repairs and maintenance and custodial services identified in an FY 2010 audit adjustment.

As a result of the actions noted above, the FY 2011 ending balance is projected to be $21,513, an increase of $89,552 over the *FY 2011 Revised Budget Plan* amount of ($68,039).

Fund 966, Section 8 Annual Contribution **$1,468,731**

FY 2011 expenditures are required to increase $1,468,731 or 3.1 percent over the *FY 2011 Revised Budget Plan* total of $47,904,573. This is associated with an increase of $1,306,443 in operating expenses based primarily on an increase in the Housing Assistance Payments (HAP) leasing activity and a new U.S. Department of Housing and Urban Development allocation of 74 units offset by a decrease in the Portability Program leasing activity. In addition, an increase of $162,288 in Ongoing Administrative Expenses is primarily due to an unanticipated increase in Fringe Benefits and Other Post Employment Benefits expenses.

FY 2011 revenues are increased $891,019 or 1.9 percent over the *FY 2011 Revised Budget Plan* total of $48,042,886. This is due to an increase of $992,384 as a result of the increased Annual Contributions for HAP based on leasing trends, offset by a decrease of $101,365 in investment income, portability income and servicing fees associated with current economic and leasing trends.

As a result of the actions noted above, the FY 2011 ending balance is projected to be $5,991,194, a decrease of $577,712 or 8.8 percent from the *FY 2011 Revised Budget Plan* amount of $6,568,906.

OTHER FUNDS DETAIL

Fund 967, Public Housing Projects Under Management **($109,905)**

FY 2011 expenditures are required to decrease $109,905 or 1.1 percent from the *FY 2011 Revised Budget Plan* total of $9,765,826. This is due to a decrease of $291,795 in personnel costs due to restructuring associated with project-based budgeting offset by operating expense increases of $181,890 due to rising costs associated with utility fees and the transfer of condominium fee expenses from Agency 38, Department of Housing and Community Development.

FY 2011 revenues are increased $12,903 or 0.1 percent over the *FY 2011 Revised Budget Plan* total of $9,280,020. This is due to an increase in dwelling rental income offset by decreases in investment income, reimbursements for excess utility usage and the write off of Federal Financing Bank loans.

As a result of the actions noted above, the FY 2011 ending balance is projected to be $4,201,515, an increase of $122,808 or 3.0 percent over the *FY 2011 Revised Budget Plan* amount of $4,078,707.