

Other Funds Overview

Overview

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

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

Other Funds expenditures are supported through a total available balance of \$14,529,243,172 (excluding the General Fund) and total revenues of \$4,688,928,636 (excluding the General Fund). The revenues are a decrease of \$2,067,630,457, or 30.60 percent, from the *FY 2022 Revised Budget Plan* and an increase of \$253,326,315, or 5.71 percent, over the *FY 2022 Adopted Budget Plan*. The decrease from the *FY 2022 Revised Budget Plan* is primarily the result of the carryover of authorized but unissued bonds for capital construction projects, County and regional transportation project revenue, anticipated grant revenue, and various other changes rather than the result of changes in the revenue stream for Other Funds. The net increase in revenues from the *FY 2022 Adopted Budget Plan* is due primarily to increases in Health Benefits, Educational Employees' Retirement Fund and School Operating Fund, as well as the transition of Land Development Services' from a General Fund supported agency to a separate Special Revenue Fund. Details concerning significant changes in revenue growth are discussed for each specific fund in Volume 2, Capital Construction and Other Operating Funds, in the *FY 2023 Adopted Budget Plan*. Also, the FY 2023 revenues for Other Funds are summarized by revenue type and by fund type in the *Financial, Statistical and Summary Tables* section of this Overview Volume.

FY 2023 expenditures for Other Funds total \$7,326,761,707 (excluding General Fund direct expenditures), and reflect a decrease of \$3,433,691,633, or 31.91 percent, from the *FY 2022 Revised Budget Plan* funding level of \$10,760,453,340. This decrease is primarily due to significant carryover for capital construction projects, stormwater projects, sewer construction projects, County and regional transportation projects, and grant-funded projects, and should not be perceived as a major change to programs or operations. Excluding adjustments in FY 2022, expenditures increased \$418,926,857, or 6.06 percent, over the *FY 2022 Adopted Budget Plan* total of \$6,907,834,850. Of this increase, an amount of \$8,964,663 reflects an increase to the Metro Operations and Construction Fund, \$17,493,613 reflects an increase to Fairfax-Falls Church Community Services Board, \$41,267,319 reflects an increase to Public School Health and Flexible Benefits Fund \$221,162,204 reflects an increase to the Public School Operating Fund, \$10,632,053 reflects an increase to Public Health Benefits, and \$45,810,268 reflects the transfer of all Land Development Services' activities from the General Fund to a new Special Revenue Fund effective July 1, 2022.

The following is a summary of the various fund types. Not included in these discussions are Capital Projects Funds, which are presented in the Capital Projects Overview of this Overview Volume. A complete discussion of funding and program adjustments for all Other Funds is found in Volume 2, Capital Construction and Other Operating Funds in the *FY 2023 Adopted Budget Plan*. Summary information is provided in the *Financial, Statistical and Summary Tables* section of this Overview Volume. It should be noted that Special Revenue funding for FCPS is discussed in further detail in the *Fairfax County School Board's FY 2023 Adopted Budget*.

General Fund Group

The General Fund Group consists of five funds in addition to the General Fund and accounts for revenue and expenditures for the Revenue Stabilization, Economic Opportunity Reserve, Consolidated Community Funding Pool, Contributory, and Information Technology Funds. Prior to the FY 2014 Adopted Budget Plan, all of these funds, with the exception of the Economic Opportunity Reserve, were part of Special Revenue Funds. In FY 2023, General Fund Group expenditures total \$28,868,198 (excluding the General Fund), a decrease of \$118,656,987, or 80.43 percent, from the *FY 2022 Revised Budget Plan* funding level of \$147,525,185 due primarily to the carryover of ongoing IT project funds as well as no appropriated funding in the FY 2023 Adopted Budget Plan for the Economic Opportunity Reserve because its full balance will be appropriated as part of the *FY 2022 Carryover Review*. Excluding adjustments in FY 2022, expenditures decreased \$2,908,686, or 9.15 percent, from the FY 2022 Adopted Budget Plan level of \$31,776,884.

Debt Service Funds

The Consolidated Debt Service Fund accounts for the general obligation bond debt service of the County as well as general obligation bond debt for the FCPS. In addition, debt service expenditures are included for the Economic Development Authority Lease Revenue bonds associated with County government and School facilities and payments for Fairfax County Redevelopment and Housing Authority (FCRHA) Lease Revenue bonds. Revenues for the debt service funds are derived principally from a transfer from the General Fund. Debt service on sewer revenue bonds is reflected in the Enterprise Funds. FY 2023 Debt Service expenditures total \$340,052,647.

Special Revenue Funds

Special Revenue Funds account for the proceeds from specific sources that are legally restricted to expenditures for a specific purpose. These proceeds include state and federal aid, income derived through activities performed by the Division of Solid Waste, special levies, program activity revenue, and operation of the public school system. As part of FY 2023 Adopted Budget Plan, Agency 31, Land Development Services is transitioning to a separate Special Revenue Fund, and all LDS activities are consolidated from the General Fund to the new Fund 40200, Land Development Services. In FY 2023, Special Revenue Fund expenditures total \$4,363,183,064, a decrease of \$1,445,979,305, or 24.89 percent, from the *FY 2022 Revised Budget Plan* funding level of \$5,809,162,369 due primarily due to the significant carryover of unexpended project balances in the County and Regional Transportation Projects Fund, the Dulles Rail Phase II Transportation Improvement District Fund, the Sewer Bond Construction Fund, and the Stormwater Services Fund as well as the carryover of unexpended grant balances previously approved by the Board of Supervisors in the Federal/State Grant Fund. Excluding adjustments in FY 2022, expenditures increased \$305,221,570, or 7.52 percent, over the FY 2022 Adopted Budget Plan level of \$4,057,961,494.

Internal Service Funds

Internal Service Funds account for services commonly used by most agencies, and for which centralized organizations have been established in order to achieve economies of scale necessary to minimize costs. These internal agencies provide services to other agencies on a cost reimbursement basis. Such services consist of vehicle operations, maintenance, and replacement; insurance coverage (health, workers compensation, automobile liability, and other insurance); data communications and processing; and document services. Where possible, without degradation of quality, joint County and School service delivery (printing and vehicle maintenance) or joint procurement (health insurance) activities are conducted in order to achieve economies of scale and to minimize costs. FY 2023, Internal Service expenditures total \$988,483,278, a decrease of \$45,519,961, or 4.40 percent, from the *FY 2022 Revised Budget Plan* level of \$1,034,003,239

primarily due to decreases in the County Insurance Funds, Health Benefits Funds and the Technology Infrastructure Fund. Excluding adjustments in FY 2022, expenditures increased \$52,108,290, or 5.56 percent, over the FY 2022 Adopted Budget Plan level of \$936,374,988.

Enterprise Funds

Fairfax County's Enterprise Funds consist of five funds within the Wastewater Management Program (WWM) which account for the construction, maintenance, and operational aspects of the countywide sewer system. The cost of providing sewer service to County citizens and businesses is financed or recovered primarily from user charges. FY 2023 Enterprise Funds expenditures for sewer operation and maintenance and sewer debt service total \$264,222,650, a decrease of \$248,376,500 or 48.45 percent, from the *FY 2022 Revised Budget Plan* total of \$512,599,150 primarily due to significant decreases in the Sewer Bond Construction Fund and the Sewer Construction Improvement Fund. Excluding adjustments in FY 2022, expenditures increased \$6,898,379, or 2.68 percent, over the FY 2022 Adopted Budget Plan level of \$257,324,271.



Custodial and Trust Funds

Custodial and Trust Funds account for assets held by the County in a trustee or custodial capacity and include the four pension trust funds administered by the County and Schools, as well as County and Schools trust funds to pre-fund other post-employment benefits. FY 2023 Custodial and Trust Funds combined expenditures total \$981,145,541, a decrease of \$6,667,915, or 0.68 percent, from the *FY 2022 Revised Budget Plan* funding level of \$987,813,456. This increase is primarily due to decrease in OPEB Trust Fund. Excluding adjustments in FY 2022, combined Custodial and Trust Funds expenditures increased \$21,932,239, or 2.29 percent, from the FY 2022 Adopted Budget Plan level of \$959,213,302.