




County of Fairfax, Virginia Annual Comprehensive Financial Report



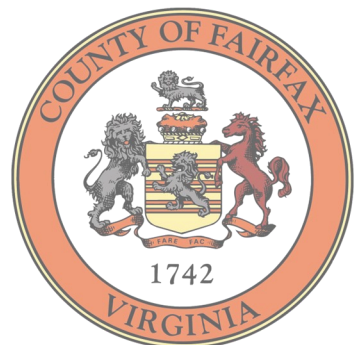
**For the Fiscal Year
Ended June 30, 2022**

Front Cover Photograph:

Sunset and Twilight at The Boro - A Friday evening in early summer at The Boro in Tysons Corner areas.

Back Cover Photograph:

Fairfax County District Map



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2022



DEPARTMENT OF FINANCE

12000 Government Center Parkway, Suite 214
Fairfax, Virginia 22035
(703) 324-3120, TTY 711
www.fairfaxcounty.gov



COUNTY OF FAIRFAX, VIRGINIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2022

TABLE OF CONTENTS

	PAGE
INTRODUCTORY SECTION (UNAUDITED)	
Letter of Transmittal.....	IX
Directory of Officials.....	XXXII
Organizational Chart	XXXIV
Certificate of Achievement for Excellence in Financial Reporting.....	XXXVI
FINANCIAL SECTION	
Report of Independent Auditor.....	1
Management's Discussion and Analysis (<i>unaudited</i>)	5
Basic Financial Statements	21
<u>Exhibit</u>	
A Statement of Net Position	22
A-1 Statement of Activities	26
A-2 Balance Sheet – Governmental Funds with Reconciliation.....	28
A-3 Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds with Reconciliation	32
A-4 Statement of Net Position – Proprietary Funds.....	34
A-5 Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds.....	36
A-6 Statement of Cash Flows – Proprietary Funds.....	37
A-7 Statement of Fiduciary Net Position	38
A-8 Statement of Changes in Fiduciary Net Position	39
A-9 Combining Statement of Net Position – Component Units	40
A-10 Combining Statement of Activities – Component Units.....	44
<u>Notes to the Financial Statements</u>	
A Summary of Significant Accounting Policies	47
B Deposits and Investments.....	58
C Property Taxes.....	78
D Receivables	79
E Interfund Balances and Transfers.....	80
F Capital Assets.....	82
G Retirement Plans	84
H Other Post-Employment Benefits.....	101
I Risk Management	127
J Long-Term Obligations	129
K Long-Term Commitments	148
L Contingent Liabilities.....	151
M Implementation of New Accounting Pronouncements	151
N Restatement.....	152

	PAGE
Required Supplementary Information.....	153
Budgetary Comparison Schedule – General Fund (Budget Basis)	153
<i>Schedule of Changes in Net Pension Liability and Related Ratios:</i>	
Employees’ Retirement System Last Ten Fiscal Years.....	154
Police Officers Retirement System Last Ten Fiscal Years.....	156
Uniformed Retirement System Last Ten Fiscal Years.....	158
Educational Employees Supplementary Retirement System Last Ten Fiscal Years	160
Schedule of Net Pension Liability - Single Employer Plans Last Ten Fiscal Years.....	162
Schedule of Employer Contributions - Single Employer Plans Last Ten Fiscal Years	164
Schedule of Proportionate Share of Net Pension Liability in VRS Pension Plan	
Last Ten Fiscal Years	166
Schedule of Contributions -VRS Pension Plan Last Ten Fiscal Years	166
Schedule of Changes in Net OPEB Liability and Related Ratios - Last Ten Fiscal Years.....	167
Schedule of Contributions - OPEB Last Ten Fiscal Years	168
Schedule of Investment Returns - OPEB Last Ten Fiscal Years	168
Schedule of Changes in the Net OPEB Liability and Related Ratios - Public Schools	
OPEB Plan Last Ten Fiscal Years	169
Schedule of Public Schools’ Proportionate Share of Net OPEB Liability - VRS HIC	
Last Ten Fiscal Years	170
Schedule of Public Schools’ Proportionate Share of Net OPEB Liability - VRS GLI	
Last Ten Fiscal Years	170
Schedule of Contributions - Public Schools OPEB Plan Last Ten Fiscal Years	171
Schedule of Contributions - Public Schools -VRS HIC Last Ten Fiscal Years.....	171
Schedule of Contributions - Public Schools -VRS GLI Last Ten Fiscal Years.....	172
Schedule of Investment Returns - Public Schools OPEB Plan Last Ten Fiscal Years	172
Notes to Required Supplementary Information.....	173
Other Supplementary Information	177
<u>Exhibit</u> <u>Governmental Funds</u>	
B Budgetary Comparison Schedule Detail – General Fund (Budget Basis)	178
<i>Budgetary Comparison Schedules – General Fund Group (Budget Basis):</i>	
B-1A Consolidated Community Funding Pool Fund (Budget Basis).....	181
B-1B Contributory Fund (Budget Basis).....	181
B-1C Northern Virginia Regional Identification System (Budget Basis).....	182
B-1D Information Technology Fund (Budget Basis).....	182
B-1E Revenue Stabilization Fund (Budget Basis)	183
B-1F Economic Opportunity Reserve Fund (Budget Basis).....	183
C Combining Balance Sheet – Nonmajor Governmental Funds.....	186
C-1 Combining Statement of Revenues, Expenditures, and Changes in	
Fund Balances – Nonmajor Governmental Funds	187
<u>Special Revenue Funds</u>	
D Combining Balance Sheet – Special Revenue Funds	194
D-1 Combining Statement of Revenues, Expenditures, and Changes in Fund	
Balances – Special Revenue Funds.....	200
<i>Budgetary Comparison Schedules – Special Revenue Funds (Budget Basis):</i>	
D-2A County Transit Systems Fund (Budget Basis)	206

<u>Exhibit</u>		<u>PAGE</u>
D-2B	Dulles Rail Phase I Transportation Improvement District Fund (Budget Basis).....	206
D-2C	Dulles Rail Phase II Transportation Improvement District Fund (Budget Basis).....	207
D-2D	County and Regional Transportation Projects (Budget Basis).....	207
D-2E	Tysons Service District Fund (Budget Basis)	208
D-2F	Reston Service District Fund (Budget Basis)	208
D-2G	Metrorail Parking System Pledged Revenue (Budget Basis)	209
D-2H	Federal/State Grant Fund (Budget Basis)	209
D-2I	Cable Communications Fund (Budget Basis).....	210
D-2J	Early Childhood Birth to 5 Fund (Budget Basis).....	210
D-2K	Fairfax-Falls Church Community Services Board Fund (Budget Basis).....	211
D-2L	Reston Community Center Fund (Budget Basis).....	211
D-2M	McLean Community Center Fund (Budget Basis)	212
D-2N	Burgundy Village Community Center Fund (Budget Basis)	212
D-2O	E-911 Fund (Budget Basis)	213
D-2P	Integrated Pest Management Program Fund (Budget Basis).....	213
D-2Q	Stormwater Services Fund (Budget Basis)	214
D-2R	Leaf Collection Fund (Budget Basis).....	214
D-2S	Refuse Collection and Recycling Operations Fund (Budget Basis)	215
D-2T	Refuse Disposal Fund (Budget Basis)	215
D-2U	I-95 Refuse Disposal Fund (Budget Basis).....	216
D-2V	Community Development Block Grant Fund (Budget Basis)	216
D-2W	Housing Trust Fund (Budget Basis).....	217
D-2X	HOME Investment Partnership Grant Fund (Budget Basis).....	217
	<u>Debt Service Funds</u>	
E	Combining Balance Sheet – Debt Service Funds	220
E-1	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Debt Service Funds.....	221
E-2	Budgetary Comparison Schedule – Debt Service Fund (Budget Basis).....	222
	<u>Capital Projects Funds</u>	
F	Combining Balance Sheet – Capital Projects Funds.....	226
F-1	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Capital Projects Funds	230
	<u>Internal Service Funds</u>	
G	Combining Statement of Net Position – Internal Service Funds	236
G-1	Combining Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Funds.....	238
G-2	Combining Statement of Cash Flows – Internal Service Funds	240
	<u>Fiduciary Funds</u>	
H	Combining Statement of Fiduciary Net Position – Trust Funds	244
H-1	Combining Statement of Changes in Fiduciary Net Position – Trust Funds	246
H-2	Combining Statement of Fiduciary Net Position – Custodial Funds.....	248
H-3	Combining Statement of Changes in Fiduciary Net Position – Custodial Funds.....	250

<u>Exhibit</u>		<u>PAGE</u>
<u>Component Units</u>		
<i>Fairfax County Public Schools:</i>		
I	Balance Sheet with Reconciliation – Governmental Funds.....	254
I-1	Statement of Revenues, Expenditures, and Changes in Fund Balances with Reconciliation – Governmental Funds	256
I-2	Budgetary Comparison Schedule – General Fund (Budget Basis).....	259
<i>Budgetary Comparison Schedules – Special Revenue Funds (Budget Basis):</i>		
I-3A	Food and Nutrition Services Fund (Budget Basis)	259
I-3B	Grants and Self-Supporting Programs Fund (Budget Basis)	260
I-3C	Adult and Community Education Fund (Budget Basis)	260
I-4	Combining Statement of Net Position – Internal Service Funds	261
I-5	Combining Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Funds	262
I-6	Combining Statement of Cash Flows – Internal Service Funds	263
I-7	Statement of Fiduciary Net Position – Trust Funds	264
I-8	Statement of Changes in Fiduciary Net Position – Trust Funds	265
<i>Fairfax County Redevelopment and Housing Authority:</i>		
J	Statement of Net Position	268
J-1	Statement of Revenues, Expenses, and Changes in Net Position	269
J-2	Statement of Cash Flows.....	270
<i>Fairfax County Park Authority:</i>		
K	Balance Sheet with Reconciliation	272
K-1	Statement of Revenues, Expenditures, and Changes in Fund Balances with Reconciliation	274
<i>Budgetary Comparison Schedules (Budget Basis):</i>		
K-2A	General Fund (Financed by County General Fund).....	277
K-2B	Park Revenue Fund	277
<i>Fairfax County Economic Development Authority:</i>		
L	Balance Sheet with Reconciliation	279
L-1	Statement of Revenues, Expenditures, and Changes in Fund Balance with Reconciliation	280
L-2	Budgetary Comparison Schedule – General Fund (Financed by County General Fund) (Budget Basis).....	281

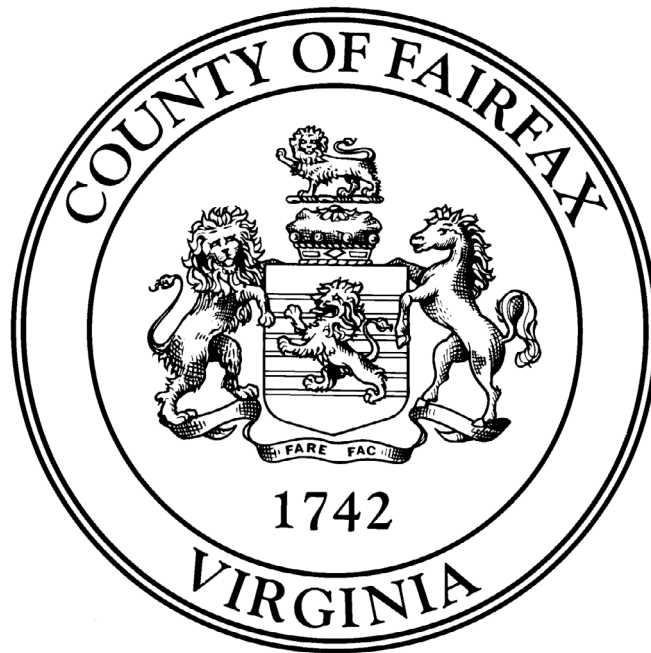
STATISTICAL SECTION (UNAUDITED)

Table

Financial Trends Information

1.1	Net Position by Component, Last Ten Fiscal Years	284
1.2	Changes in Net Position, Last Ten Fiscal Years.....	286
1.3	Fund Balances, Governmental Funds, Last Ten Fiscal Years	290
1.4	Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years	292

<u>Table</u>		<u>PAGE</u>
	<u>Revenue Capacity Information</u>	
2.1	Assessed Value and Actual Value of Taxable Real Property, Last Ten Fiscal Years.....	294
2.2	Direct and Overlapping Real Property Tax Rates, Last Ten Fiscal Years	295
2.3	Principal Real Property Taxpayers, Current Year and Nine Years Ago	296
2.4	Real Property Tax Levies and Collections, Last Ten Fiscal Years	296
	<u>Debt Capacity Information</u>	
3.1	Ratios of Outstanding Debt by Type, Last Ten Fiscal Years.....	298
3.2	Ratios of General Bonded Debt Outstanding, Last Ten Fiscal Years.....	300
3.3	Direct and Overlapping Governmental Activities Debt.....	301
3.4	Self-Imposed Debt Margin Information, Last Ten Fiscal Years	302
3.5	Pledged Revenue Coverage for the Integrated Sewer System, Last Ten Fiscal Years.....	304
	<u>Demographic and Economic Information</u>	
4.1	Demographic and Economic Statistics, Last Ten Calendar Years	305
4.2	Principal Employers, Current Year and Nine Years Ago	306
	<u>Operating Information</u>	
5.1	Full-time Equivalent County Government Employees by Function, Last Ten Fiscal Years.....	308
5.2	Operating Indicators by Function, Last Ten Fiscal Years	310
5.3	Capital Asset Statistics by Function, Last Ten Fiscal Years.....	314



Introductory Section

The Introductory Section contains the letter of transmittal, which provides an overview of the County of Fairfax's finances, economic prospects, and achievements. Also, included in this section is the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association. It is the highest form of recognition in governmental financial reporting.



County of Fairfax, Virginia

To protect and enrich the quality of life for the people, neighborhoods, and diverse communities of Fairfax County

November 18, 2022

Honorable Chairman, Members of the Board, and Residents of the County of Fairfax:

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the County of Fairfax, Virginia (the County) for Fiscal Year (FY) 2022 (July 1, 2021 - June 30, 2022) in accordance with the Code of Virginia. The financial statements included in this report conform to generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB). Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the County management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds and component units of the County. Extensive disclosures have been included to enable the reader to gain the maximum understanding of the County's financial and business affairs.

The following subjects are discussed in this letter:

- Economic Condition and Outlook;
- Major Initiatives and Accomplishments;
- About Fairfax County;
- Financial Information;
- Independent Audit;
- Awards; and
- Acknowledgements.

Important information regarding the financial statements and audit is discussed under the Financial Information heading located on page XXVII.

ECONOMIC CONDITION AND OUTLOOK

Fairfax County's Gross County Product, adjusted for inflation, increased at a rate of 6.3 percent in calendar year (CY) 2021, following a pandemic related decrease of 2.0 percent in CY 2020, according to economic forecasting conducted by IHS Markit Ltd. By the end of 2021, Fairfax County's economy had grown beyond its pre-pandemic size.

Department of Finance
12000 Government Center Parkway,
Suite 214
Fairfax, VA 22035
703-324-3120, TTY 711
www.fairfaxcounty.gov/finance

As pandemic-related fiscal and monetary support waned, the national economy stalled in the first half of 2022. US Gross Domestic Product decreased at an annual rate of 1.6 percent in the first quarter and again at an annual rate of 0.6 percent in the second quarter, though consumption expenditures, which make up almost 70 percent of the economy, continued to grow modestly. While the US economy has slowed from the high growth rates of 2021, which resulted from the reopening of the economy following the pandemic-related closures, the labor market continues to be strong. The unemployment rate was at 3.5 percent as of September 2022, and on average the economy had added 420,000 workers per month at that point in 2022. However, inflation has also increased to the highest level in 40 years. Compared to a year ago, the August Consumer Price Index increased 8.3 percent. A broad range of factors have contributed to the acceleration of inflation. On the supply side, they include COVID-related supply chain problems that are only now beginning to resolve themselves as well as disruptions in food and energy markets related to geopolitical factors. On the demand side, they include accumulated COVID-related unspent savings, massive fiscal stimulus, and easy monetary policy. Inflation has also spread to home price values. According to the Case-Shiller Home Price Index, through July, the average home price increased by 16.1 percent over a year earlier.

To deal with the surging inflation, the Federal Reserve Board has been raising interest rates since March. The federal funds rate, which was cut to zero percent at the beginning of the pandemic, was raised to 3.25 percent as of September. The increases are expected to continue until price stability is restored. The Fed has also begun to reduce its holdings of assets such as US Treasury Bonds. The resulting increase in mortgage rates has caused home sales to fall, though so far there has been less effect on home values and prices. Fed Chair Jerome Powell has suggested that “Reducing inflation is likely to require a sustained period of below-trend growth” and that there would “likely be some softening of labor market conditions.”

The future course of Fairfax County’s economic and revenue outlook is dependent upon the Federal Reserve’s ability to slow the economy without causing a major recession. However, because of Fairfax County’s proximity to the Federal Government, any downturn in the economy is likely to have more limited effect on the County relative to many other jurisdictions throughout the United States.

The Local Economy

Total employment in Fairfax County increased a net 15,603 jobs (2.6 percent) in CY 2021, as reported by the U.S. Bureau of Labor and Statistics. This represents approximately half of the jobs that were lost in CY 2020, and the number of jobs remained below pre-pandemic levels as of March 2022, the latest available data. Public facing sectors such as the Leisure and Hospitality sector remained over 20 percent below their pre-COVID levels at the end of 2021, while other sectors such as the higher paying Professional and Business Services sector have fully recovered.

Because the economy of the Washington Metro region is knowledge-based, it is somewhat insulated from the supply-chain manufacturing disruptions affecting other regional economies. Business, Professional, and Occupational License (BPOL) and Sales Taxes are two revenue sources that are good indicators of economic activity in the County. In FY 2022, overall BPOL tax receipts increased 7.6 percent over the previous year. Revenues in the combined Consultant and Business Service Occupations categories, which represent almost 44 percent of total BPOL tax receipts, increased by 5.2 percent. FY 2022 Sales Tax receipts increased 15.1 percent.

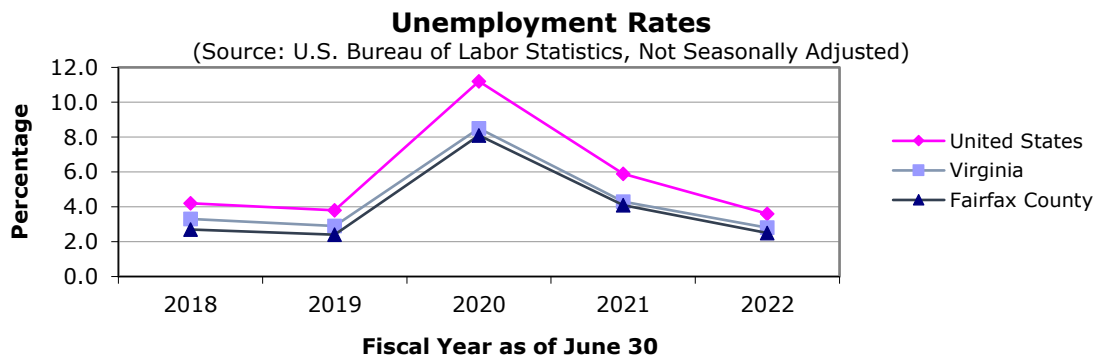
For the commercial real estate market, office vacancy rates increased. According to the Fairfax County Economic Development Authority (FCEDA), the direct office vacancy rate increased for the second year in a row, from 14.6 percent in CY 2020 to 16.0 percent as of the end of CY 2021.

Based on information from Bright MLS, the average sales price of homes in Fairfax County rose 8.7 percent in CY 2021. Home prices continued to increase primarily because of the tight inventory of homes for sale

and unprecedentedly low mortgage interest rates. Since 2009, the average home sales price has risen 70.0 percent, or an average annual growth rate of 4.5 percent. Bright MLS also reported that the number of home sales in Fairfax County increased by 15.9 percent compared to CY 2020.

It should be noted that in FY 2022, the County received a final tranche of \$111 million in federal stimulus funds from the American Rescue Plan Act (ARPA) of 2021 to mitigate revenue shortfalls and the negative effects of the pandemic. The revenue was appropriated in the General Fund to provide the County flexibility in responding to the pandemic.

As illustrated in the following chart, Fairfax County's unemployment rates, not seasonally adjusted, have consistently tracked well below both state and national averages. For June 2022, Fairfax County's unemployment rate was 2.5 percent. The seasonally adjusted unemployment rates for the state of Virginia and the United States were 2.8 percent and 3.6 percent, respectively.



Economic Development

The County supports economic development through promoting a vibrant, diversified business community, growing job opportunities, while enhancing the commercial tax base. This continues to include response to the economic impacts of COVID-19, including shifts in how people and businesses do work. The Fairfax County Department of Economic Initiatives (DEI) and the Fairfax County Economic Development Authority (FCEDA) are the lead economic development organizations in Fairfax County.

Fairfax County DEI developed and led several programs in FY 2022 to support local economic development, including:

- Executing the \$16.8 million PIVOT small business recovery grant program, supporting 1,016 small businesses in the sectors hardest hit by the pandemic. The source of funding was ARPA funds.
- Supporting approximately 728 businesses through the BizEx program to start or expand their business in Fairfax County.
- Launching the Vendor Pitch Portal to provide small and diverse businesses an opportunity to sell to the County, together with the Department of Procurement and Material Management.
- Developing more than 30 small business education events or resources such as the food truck guide and new content on starting a business page

- Managing the process to obtain approval for funding \$5 million in support for the Downtown Herndon Redevelopment Project, \$250,000 for a placemaking mural, and support for the transition to the new Tysons Community Alliance organization, through the Economic Opportunity Reserve.

The FCEDA plays a major role in attracting, retaining, and expanding businesses in Fairfax County. As the County continues to recover from COVID-19 induced economic impacts, FCEDA supports this progress with an array of services to office- and industrial-based companies, across various industries. The services provided throughout the year include connecting County-based companies to workforce with the Talent Program, site selection for new and expanding companies, providing resources to the small business community, reporting on Fairfax County business successes, and supporting industry events. In addition, FCEDA began assisting data center stakeholders in FY 2022 as demand increased in the County.

During FY 2022 the FCEDA hosted 6 career fairs (4 direct, 2 sponsored), connecting over 10,000 candidates with over 700 recruiters from companies across Fairfax County. There were 448,720 visits to the talent website(www.workinnorthernvirginia.com), with 189,690 coming from top 10 markets around the U.S. Outreach included 170 companies and more than 100 universities, including 14 Historically Black Colleges and Universities (HBCUs) across the nation.

The FCEDA operates under the direction of eight commissioners appointed by the Board of Supervisors (BOS). The FCEDA's mission statement is: "to promote the competitive advantages of Fairfax County and influence the growth of a diverse and innovative ecosystem that enhances the tax base, creates demand for commercial space, and supports an extraordinary and equitable quality of life across Fairfax County." It promotes the County as one of the world's best business locations. The FCEDA provides a wide array of services and information to assist new, expanding and relocating American and international businesses. There are offices in six important global technology business centers: Bangalore/Mumbai, India; London, England; Los Angeles; Berlin, Germany; Seoul, South Korea; and Tel Aviv, Israel. In upholding the diversification of the County's business community, in FY 2022, the FCEDA assisted 33 foreign owned businesses with their expansions in the County. There are over 440 foreign-owned firms from 43 countries located in Fairfax County.

During FY 2022, the FCEDA worked directly with 148 companies adding approximately 9,361 jobs and 1,044,374 square feet of office space to Fairfax County's economy. The largest corporate announcements were as follows: Peraton created 1,500 jobs in Reston; Clark Construction added 530 jobs in Tysons; 22nd Century Technologies created 437 jobs in Tysons; Qualtrics added 400 jobs with a move within Reston; and Avantus Federal added 302 jobs in Tysons. Not only are these companies creating jobs, they are building the commercial tax base that the BOS uses to fund high-quality public services essential for the quality of life for the 1.17 million County residents to enjoy.

Of the 148 businesses making job announcements, 115 are U.S.-based. Among the U.S. firms, 23 are minority-owned, woman-owned or veteran-owned companies. Of international businesses, 33 companies with headquarters or parent companies overseas announced expansions in Fairfax County in FY 2022.

The total office space inventory in the County was 119.2 million square feet as of FY-end 2022, making Fairfax County the largest suburban office market in the Washington, D.C. area. The industrial/flex inventory reported in the County was at 39 million square feet.

Online Resource: <https://www.fairfaxcountyeda.org/fairfax-county-edas-2021-successes-highlighted-in-video-annual-report/>

MAJOR INITIATIVES AND ACCOMPLISHMENTS

On March 17, 2020, the BOS held an emergency special meeting, officially declaring a Local State of Emergency in response to COVID-19. Then, during the BOS meeting on March 24, 2020, the BOS enacted an Emergency Ordinance to assure continuity in the County during the COVID-19 emergency. The health, safety, and well-being of all County residents and employees became a top priority. This challenge has been subsiding throughout FY 2022 while the County continues to track COVID-19 data and keep the community informed while maintaining access to the basic services residents expect.

The Fairfax County Health Department's COVID-19 Case Data Dashboard continues to report cumulative and 7-day averages for disease, the Community Level ("medium" for Fairfax County as of July 2022), and COVID-19 testing by week.

Testing, Vaccines, and Other Support for the Community

As of the end of FY 2022, the Fairfax County Health Department was providing Media Resources in the form of an Emergency Blog that featured regular updates about pandemic response activities, including vaccination messages. Residents can find more information and schedule an appointment at Vaccines.gov. The COVID-19 vaccine continues to be available at locations throughout the Fairfax Health District, including private healthcare providers, pharmacies, grocery stores, and urgent care locations. Vaccine locations can be found on the Fairfax County Health Department website.

By July 2022, the Health Department had contracted with a mobile testing partner, Curative, to offer PCR tests at fixed sites throughout the community. Rapid tests are available but require insurance or private fee payment. There are currently six sites across the County and their operating schedules are posted on the Health Department website. Sites were selected upon review of UVA Mobility data and proximity of alternate testing resources throughout the community. In addition, there are multiple options for residents to test for COVID-19 infection, including pharmacies, urgent cares, and physician offices. Residents should call ahead or check online for appointments. A comprehensive list of testing options is available on the Health Department's COVID-19 Testing page.

At the September 13, 2022, BOS meeting, the board members were presented with an updated after-action report and the results from a survey of residents regarding their interactions with the County during the pandemic. Respondents were asked how easy it was to access County services. Overall, 90 percent of the respondents had little or no difficulty accessing County government services and 89 percent had little or no difficulty accessing the County's COVID-19 services.

Online Resource: <https://www.fairfaxcounty.gov/covid19/>

Emergency Basic Needs Assistance

The COVID-19 pandemic's economic impact created significant hardships for individuals and families in the county who experienced job loss or reduced income and struggled to pay for basic needs. The unprecedented demand for assistance necessitated a multifaceted, coordinated approach in the Health and Human Services (HHS) system. HHS agencies and community partners have used and enhanced existing structures and service delivery models to ensure that residents facing economic vulnerability have access to basic needs. Neighborhood and Community Services' Coordinated Services Planning call center, a hotline for residents seeking emergency basic needs assistance, worked with County agencies and its community partners to help residents meet their immediate needs and prevent evictions throughout the County.

During FY 2022, the County disbursed the majority of the remaining federal Emergency Rental Assistance award. In total, the Emergency Rental Assistance program served 6,064 households in need of housing assistance and 529 households in need of utility assistance totaling \$59.2 million of assistance provided.

Food Access Program

A new funding opportunity for community food providers and houses of worship, the Food Access Program was launched in November 2021 and provided \$3.5 million in ARPA funding for direct client food assistance, creation of innovative food service delivery models, and food service infrastructure.

Active and Thriving Community Grants

The Active and Thriving Community Grants program, using \$10 million of ARPA funds, was established in July 2021 to assist small businesses and certain nonprofits experiencing the negative economic impacts due to the pandemic. The business sectors included in this grant are childcare providers, youth athletic organizations, non-profit social safety net providers, out-of-school time providers, and community pools. During fiscal year 2022, \$3.4 million in Active and Thriving Community Grants were awarded.

One Fairfax

One Fairfax is a racial and social equity policy, jointly adopted by the BOS and School Board, committing Fairfax County Government and Fairfax County Public Schools to intentionally consider equity when making policies and delivering programs and services. Interlocking, systemic issues existing in areas such as housing, employment, transportation, and health, were exacerbated by COVID-19 and continue to limit opportunity for some County residents to fully participate in the County and regional economy. With a continued focus on strategically addressing these inequities with bold, cross-sector approaches to promote equitable opportunity, One Fairfax is supporting a Fairfax County where everyone will be able to thrive.



Online Resource: <https://www.fairfaxcounty.gov/topics/one-fairfax>

Fairfax County Strategic Plan

On October 5, 2021, the BOS adopted a Countywide Strategic Plan, specifically the Ten Community Outcomes, Indicators of Success, and Proposed Strategies. These elements support the goals of the plan, which are to: 1) Set a community-driven vision for the next 10-20 years; 2) align and integrate existing and emerging countywide work; 3) provide a tool to focus and prioritize existing and emerging countywide work; and 4) communicate progress on achieving measurable outcomes on behalf of the community.



The Ten Community Outcome Areas are:

- Cultural and Recreational Opportunities
- Economic Opportunity
- Effective and Efficient Government
- Empowerment and Support for Residents Facing Vulnerability
- Environment
- Health
- Housing and Neighborhood Livability
- Lifelong Education and Learning
- Mobility and Transportation

- Safety and Security

With the BOS action, steps associated with implementing the plan have been initiated.

Online Resource: <https://www.fairfaxcounty.gov/strategicplan/>

Diversion First

Diversion First offers alternatives to incarceration for people with mental illness, substance use disorders, and/or developmental disabilities who come into contact with the criminal justice system for low-level offenses. The goal is to intervene whenever possible to provide assessment, treatment, or needed support, to prevent repeated encounters with the criminal justice system and promote a safer community.



Diversion First is based on the partnership of multiple agencies working collaboratively to serve this complex and vulnerable population. At the earliest stages, community-based teams, including teams comprised of public safety and clinical staff, provide services to address behavioral health crises. These teams offer services ranging from an immediate crisis response to outreach and engagement for individuals with unmet needs who have frequent public safety encounters. In addition, law enforcement officers can bring people to a 24/7 community-based crisis response center, located at the Sharon Bulova Center for Community Health, for services in lieu of arrest.

Diversion First also provides opportunities for intervention throughout the criminal justice system. Individuals booked into the Adult Detention Center (ADC) are screened with standardized tools, and behavioral health services, to include an addiction recovery program and medication for opioid use disorder, are offered during incarceration. The court system is also a key Diversion First partner. A Supervised Release Program provides intensive pre-trial supervision in the community, reducing the number of people who are incarcerated. Three specialty dockets, the Veterans Treatment Docket, Drug Court, and Mental Health Docket, provide diversion through a structured process that integrates treatment and court supervision, providing a path out of the criminal justice system. Diversion First also includes community-based behavioral health treatment, peer recovery support and housing to support stability, self-sufficiency skills and long-term independence.

Online Resource: www.fairfaxcounty.gov/topics/diversion-first/

Virginia Task Force 1

Virginia Task Force 1 is a premier disaster response and humanitarian resource sponsored by the Fairfax County Fire and Rescue Department through partnerships with the United States Agency for International Development Bureau for Humanitarian Assistance, and the Department of Homeland Security Federal Emergency Management Agency. Nationally, the team deploys as VA-TF1, and, internationally, as USA-01 to natural and man-made disasters on short notice. During FY 2022, Task Force members deployed to support response efforts for an earthquake in Haiti, flooding after Hurricane Ida in New Jersey, and after a tornado in Kentucky. The federal government pays the costs for training, equipment, supplies, and personnel. In addition, Task Force members successfully completed a full-scale simulated earthquake response to maintain their ability to respond outside the United States. Team members also participated in capacity building and training of other rescue resources throughout the Americas, Europe, and Asia.

Online Resource: <https://www.fairfaxcounty.gov/fire-ems/>

Technology Initiatives

The BOS and County Executive are committed to providing the necessary investment to keep pace with emerging trends in Information Technology (IT); providing citizens, the business community, and employees

timely and convenient access to information and services through the use of technology; and using current technologies to create new business processes and improve government efficiency.

The County actively seeks new and innovative ways to provide outstanding services to our residents in a more responsive and equitable manner. Effectively leveraging technology is a key element of the County's Strategic Plan and is being used to develop and implement data-driven insights and develop evidence-based strategies and was pivotal in keeping the County fully operational during the COVID-19 pandemic.

E-Government

The Department of Information Technology's E-Government branch works to strategically plan, develop, and design user experience for all platforms such as content on the website, artificial intelligence integration (chatbot/virtual assistant), mobile app, and social media in coordination with the Office of Public Affairs.

In addition, the Department of Information Technology works with agencies to meet their technology roadmap and customer engagement needs. Engagement strategies are evaluated to ensure resource availability, compliance with governance and policies, and that value is provided to our community. This process works well as collaboration has helped the county develop a unified approach to implementing countywide citizen-centric services. The process and strategies have been in place for a few years and will continue to evolve with initiatives like the countywide strategic plan which features a heavy emphasis on human-centered design.

Aligning with the countywide priorities set by the BOS and County Executive, our process allows us to deliver robust engagement through a variety of platforms. Within the proposed strategic plan are a series of eventual actions that will lead to even more focus on such areas as human-centered design, customer experience, service experience feedback and data governance.

Online Resource: <https://www.fairfaxcounty.gov/informationtechnology/it-plan>

Cyber Security Program



The mission of Fairfax County's Cybersecurity program is to protect County data assets and develop and enforce policies using modern security frameworks and technologies to be ahead of emerging security threats. Fairfax has adopted a Zero Trust model and is leveraging its already proven Defense-in-Depth Cybersecurity approach to detect and stop threats where data moves in the Hybrid Cloud Infrastructure and its mobile

workforce. The transformation and implementation of the Zero Trust security model started in 2018; however, it gained a heightened level of importance for Fairfax County with the onset of the COVID-19 pandemic forcing large numbers of County staff to work remotely.

Supporting 10,000 remote workers expanded the cybersecurity threat landscape. Fairfax deployed best-in-class Zero Trust solutions such as Secure Access Service Edge (SASE), multi-factor authentication, micro-segmentation and high-performance backup and ransomware recovery immutable platforms for the hybrid cloud. The SASE provided authorized, validated, secure and fast internet experience and on-prem access for authenticated remote users. The County can monitor and control application access inside the network. The County has seen a drastic reduction of infected systems and security incidents since the program started. A large reduction in time and labor spent on remediation and rebuilding of infected systems has enabled the Information Security team to focus on future security projects and increased operational productivity. Fairfax County's Cybersecurity program has been shared and emulated by other state and local county governments. It recognizes the value of doing business and providing critical services with the new connected landscape and to protect against evolving cyber threats.

Online Resource: <https://www.fairfaxcounty.gov/informationtechnology/information-security-office>

Development Initiatives

Tysons

On June 22, 2010, the BOS adopted a new Comprehensive Plan (the Plan) for the Tysons Urban Center (Tysons). The Plan for Tysons is an essential element in the County's strategic efforts to manage future growth effectively and efficiently. The Plan created a vision for the County's largest downtown and was designed to take advantage of the Silver Line extension of the Metrorail transit system. The transformation of Tysons into a walkable, vibrant urban center expects to support a 2050 population of over 100,000 residents and 200,000 jobs. Tysons is fast becoming a 24-hour place where people live, work, and play.



Monitoring the progress of the Plan is critical to ensuring that the vision for Tysons is achieved. Many of the strategies and milestones for Tysons require the maturation of plans and development; therefore, it is crucial to monitor progress and adjust, as necessary, to achieve intended outcomes. The Plan calls for monitoring performance related to land use and demographics, transportation, environmental stewardship and sustainability, public facilities, and implementation. As part of the monitoring process, the BOS charged County staff with preparing a periodic report on Tysons. The 2021-2022 Progress Report provides monitoring data and updates on the progress of implementing the vision for Tysons contained in the Plan.

Highlights of major accomplishments during the past year are as follows:

- 1.3 million square feet of development delivered since August 2021
- Two new hotels delivered in 2021
- 3.2 million square feet under construction
- 14 Capital Bikeshare stations operating
- 37 Tysons Area Metrorail Station Access Improvement Projects completed
- 4 permanent park spaces opened since August 2021
- Delivery of Capital One Hall, a proffered public facility
- Review and analysis of the Silver Line Metro Rail ridership and other modes of transportation
- Implementation progress on the Grid of Streets

A culture of public outreach with a collaborative approach involving stakeholders has been critical in reaching the milestones achieved to date. This approach remains critical to meet all the goals set forth in the Plan for Tysons. The Tysons website serves as primary point of information about Tysons.

Online Resources: www.fairfaxcounty.gov/tysons/annual-report

Reston Transit Station Areas

In February 2014, the BOS adopted an amendment to the Plan establishing the Reston Transit Station Areas (TSAs). The Plan amendment represented a nearly four-year planning effort led by a 45-member, Reston Master Plan Special Study Task Force in partnership with County staff. The Plan focuses on future growth around three new Silver Line Metrorail stations: Wiehle-Reston East; Reston Town Center; and Herndon, along the Dulles Airport Access Road in Reston. The new Plan builds upon the foundation established for Reston by its founder, Robert E. Simon, in the 1960s. It capitalizes on the framework originally envisioned for the new town by creating a transit-oriented development strategy that allows for Reston's continued economic and physical growth, while maintaining its legacy of walkability, sustainability, innovation, and inclusiveness. Since the adoption of the Plan in 2014, the BOS has approved applications resulting in an additional 12.8 million square feet of non-residential development and an additional 16.1 million square feet of residential development with approximately 2.5 million square feet of park space. As of Spring 2022, the Reston Road Fund has generated \$18.1 million, and the Reston Transportation Service District has generated over \$9.9 million.

Online Resources:

www.fairfaxcounty.gov/transportation/projects/silver-line

www.fairfaxcounty.gov/planning-development/urban-centers/reston-tsas/development-guidelines

www.fairfaxcounty.gov/planning-zoning/comprehensive-plan/special-planning-areas
<https://reston-data-visualization-fairfaxcountygis.hub.arcgis.com/>

Land Development Services

Land Development Services (LDS) ensures every building and site developed in Fairfax County meets required safety, health, and environmental standards. On average, LDS staff process more than 5,877 building permit applications per month. Applications range from gas appliance installation and residential additions, such as decks, to the coordination of large, commercial development projects. Robust construction and development translate into future tax revenue for the County and contribute to its economic development. In FY 2022, LDS staff processed 70,523 building permits and conducted 191,057 building inspections and 45,601 site inspections. LDS collected \$50,464,648 in total revenue for permit and inspection fees. Large-scale construction projects, such as office buildings and planned mixed-use areas – for example, Reston Row and the Capital One Block A office tower – continue to add to the health of the local economy, long after buildings are completed, due to real estate taxes, employment, and more. LDS launched a Green Building Recognition Program in FY 2022 to acknowledge designers and contractors who voluntarily build green in Fairfax County. The new program aligns with Fairfax County’s Environment Community Outcome area of the strategic plan for all people to live in a healthy, sustainable environment. The Green Building Recognition Program highlights the design, construction and operation of new construction that reduces environmental impact to our community.

Online Resource: <https://www.fairfaxcounty.gov/landdevelopment/>

Transportation Improvements

On December 3, 2019, the BOS approved the FY 2020 – FY 2025 Transportation Priorities Plan (TPP) to direct County priorities for transportation projects through FY 2025. The current funding estimate for transportation capital projects is \$3.036 billion. The FY 2020 – FY 2025 TPP updates the FY 2015 – FY 2020 plan that the BOS approved in 2014. The FY 2020 – FY 2025 TPP includes funds from a variety of federal, state, local, and private sources, and includes projects previously approved by the BOS, as part of other, stand-alone funding plans.

I-66 Express Lanes

The County is working closely with the Virginia Department of Transportation (VDOT) to implement express toll lanes and other multimodal improvements on I-66, inside and outside the I-495 Capital Beltway (Beltway). VDOT selected Express Mobility Partners (EMP) to implement the express lanes and other multimodal improvements on I-66 outside the Beltway to Gainesville (University Boulevard) in Prince William County. EMP is responsible for financing, designing, and building the project. EMP will also operate and maintain the express lanes after they are open for tolling. Improvements have also been made to the I-66/Route 28 Interchange as part of the project. The western segment of the Express Lanes opened to traffic in September 2022 and is currently free with two or more passengers (with an EZPass Flex) and the remaining portion east of Route 28 is expected to open in late November 2022. Completion of all associated improvements is anticipated by late 2023. Currently, vehicles traveling on the I-66 Inside the Beltway Express Lanes that rideshare with two or more occupants can use the facility for free (with an EZPass Flex). Upon opening the eastern portion outside the beltway, all express lanes on I-66 will require 3 passengers to ride free.

I-495 Northern Extension (NEXT) Project

The I-495 NEXT project is a public-private partnership between the Commonwealth of Virginia and Transurban. The project extends the existing I-495 Express Lanes north by two-and-a-half miles from the Dulles Corridor to the George Washington Memorial Parkway interchanges near the American Legion Bridge. This project also includes a shared-use path (SUP) parallel to I-495 from Lewinsville Road to Live Oak Drive. Construction began summer of 2022. Partial demolition at Georgetown Pike bridge started in July 2022. The I-495 NEXT Express Lanes are expected to be completed by mid-2025.

Route 7 Widening

Route 7 is being widened from the Reston area to the Dulles Toll Road, with VDOT administering the \$314 million fully funded project. This project will improve almost seven miles of Route 7 between Reston Avenue and Jarrett Valley Drive in Fairfax County by widening the road from four to six lanes; adding facilities for cyclists and pedestrians; and making substantial intersection and other improvements along the corridor. Construction began in the spring 2019. Early improvements have been completed at Baron Cameron Avenue including a third left-turn lane from Route 7 to Baron Cameron Avenue. The project has an expected completion date of July 2024, and construction is currently approximately 69 percent complete.

Route 28 Widening

In 2015, Fairfax, Loudoun, and Prince William Counties jointly began construction on Route 28 to relieve traffic congestion. Significant funding for these projects comes from the Northern Virginia Transportation Authority. \$250 million is being provided to these projects over the next several years. In the County, Route 28 was widened on the northbound lanes of Route 28 from McLearen Road to the Dulles Toll Road, while the southbound lanes of Route 28 were widened from the Dulles Toll Road to Route 50. One additional lane will be added in both directions from the Prince William County border to Route 29. A Design-Build contract for widening this section of Route 28, from four to six lanes, was awarded in June 2020, and the project is anticipated to be completed by summer of 2023.

Fairfax County Parkway Widening

The Fairfax County Parkway will be widened from four to six lanes, from Route 123 to Route 29. In addition, the Pope Heads Road intersection will be converted to an interchange. Design work continues on the Popes Head Road interchange. Land acquisition for the interchange began in summer 2021. Construction of the interchange is expected to commence in mid-2023 and be completed in Summer 2026. Land acquisition is in process on the segment from US 29 to the intersection of Nomes Court, with construction anticipated to commence in 2025.

Richmond Highway Bus Rapid Transit (BRT)

The County is proceeding with implementing a BRT system along the Richmond Highway corridor, from Huntington Metrorail Station to Fort Belvoir. In accordance with the Virginia Department of Rail and Public Transportation Route 1 Multimodal Transportation Alternatives Analysis, the BRT schedule projects Section 1 of the project from Huntington Metrorail Station to the Sherwood Hall Lane, and Section 2 of the project from Sherwood Hall Lane to Fort Belvoir, to be completed in 2030.

Soapstone Connector

The Soapstone Connector is an approximately one-half mile long planned new roadway over the Dulles Corridor, between Sunrise Valley Drive and Sunset Hills Road, just west of the Wiehle-Reston East Metrorail Station. The environmental assessment process of the project is ongoing. It was determined by the Federal Highway Administration (FHWA) that the project would have an adverse effect on a historical property, but FHWA has since determined that there is no prudent and feasible alternative to the use of that property. Therefore, as part of this process, a Memorandum of Agreement (MOA) that outlines stipulations that must be taken to mitigate adverse effects on the historic property is currently under final review by FHWA, VDOT, Virginia Department of Historic Resources, and Fairfax County. Fairfax County Department of Transportation (FCDOT) held a Public Information Meeting (PIM) on July 18, 2022, and received comments through August 1, 2022, on this environmental assessment process. The BOS endorsed a Locally Preferred Alternative (LPA) and the FHWA is prepared to provide the county with a National Environmental Policy Act (NEPA) decision soon.

Richmond Highway Corridor Improvements

The County is working with VDOT to widen the three-mile section of Route 1 from Jeff Todd Way/Mount Vernon Memorial Highway to Sherwood Hall Lane, from four to six lanes. This Richmond Highway

Corridor Improvements project is being administered by VDOT with support from the County. This is the last remaining four-lane section of Richmond Highway between Fort Belvoir and Alexandria. The project will provide continuous pedestrian and bicycle facilities within this three-mile section. The project will also construct a median to accommodate the Richmond Highway BRT project that will be implemented as part of the County's separate Richmond Highway BRT project. The design public hearing was held in March of 2019. The project will be implemented in two phases. Phase one spans Richmond Highway between Jeff Todd Way and Frye Road. Construction for phase one is anticipated to start in 2025 with completion by 2028. Phase two spans Richmond Highway between Frye Road and Sherwood Hall Lane. Construction for phase two is anticipated to start in 2027 with completion in 2029.

Environmental Vision

In the County, environmental impact decisions are guided by the County's policy framework, described in the BOS *Environmental Vision*, first adopted in 2004 and updated in 2017. The document addresses seven core areas: land use; transportation; water; waste management; parks and ecological resources; climate and energy; and environmental stewardship.

Online Resource: <https://www.fairfaxcounty.gov/environment/environmental-vision>



Office of Environmental and Energy Coordination

In FY 2020, the Office of Environmental and Energy Coordination (OEEC) was established. The OEEC's mission is to lead the County's cross-organizational development and implementation of environmental and energy policies, goals, and programs, including an operational energy strategy and climate planning initiatives, described below. The OEEC supports a comprehensive and effective approach to implementing the goals, objectives, and targets of the BOS' policies and initiatives, including the *Environmental Vision* and the *Fairfax County Operational Energy Strategy*.

Online Resource: <https://www.fairfaxcounty.gov/environment-energy-coordination/>

Climate Planning and Action

To support the climate and energy objectives included in the Environmental Vision, the OEEC oversees development and implementation of community-wide climate planning and action initiatives to address climate change, its various impacts, and related considerations, such as equity. To address climate mitigation and the reduction of greenhouse gases, the OEEC facilitated the planning process for the Community-wide Energy and Climate Action Plan (CECAP), which culminated with BOS acceptance of the CECAP Final Report in September 2021. With goals, strategies and actions developed by the community, CECAP is a roadmap to reaching carbon neutrality by 2050. The OEEC is leading a multi-pronged, countywide effort to implement CECAP by developing and expanding community-based programs, developing and advancing supportive legislative concepts and proposals, and creating and implementing education and outreach programs. Notably, in FY 2022, the OEEC launched Carbon-Free Fairfax to educate and engage community members on greenhouse gas emissions reduction activities through issue-specific campaigns and events.

The OEEC is also overseeing Resilient Fairfax, the County's first Climate Adaptation and Resilience Plan. The final Resilient Fairfax Plan is expected in fall 2022 and will include strategies to ensure Fairfax County government and the greater community can better address the impacts of climate change. Other components of the Plan include local climate projections, an audit of existing policies, plans and programs, and a vulnerability and risk assessment to determine the extent to which County populations, community assets and services, local infrastructure, and County operations will be impacted by climate change. The OEEC has solicited feedback from numerous County agencies, an Infrastructure Advisory Group, Community Advisory Group, and the broader public throughout the planning process.

Online Resource: <https://www.fairfaxcounty.gov/environment-energy-coordination/cecap>
<https://www.fairfaxcounty.gov/environment-energy-coordination/carbon-free-fairfax>
<https://www.fairfaxcounty.gov/environment-energy-coordination/resilient-fairfax>

Sustainable County Operations

The BOS policies and goals recognize that environmental quality is essential for everyone living and working in the County. A healthy environment enhances the quality of life and preserves the vitality that makes the County a special place to live and work. The County's *Sustainability Initiatives* report describes the efforts to promote sustainability and protect the environment. It provides an overview of many of the programs and projects carried out by the County, and its partners, and details significant efforts made over time to reduce the County's operational demand for water and energy through efficiency, conservation, and education.



Specific goals, targets and actions to achieve sustainable County operations are included in the *Fairfax County Operational Energy Strategy*. In July 2021, the BOS adopted an update to its Energy Strategy, which was first adopted in 2018. The update includes accelerated goals, targets, and actions across several focus areas, including energy use and efficiency, green buildings, renewables, fleet electrification and waste management and recycling. These updates support an overarching goal that County operations be energy carbon neutral by 2040, a goal first recommended by Fairfax County and Fairfax County Public Schools' Joint Environmental Task Force (JET) in its October 2020 Final Report.

Online Resource: <https://www.fairfaxcounty.gov/environment-energy-coordination/sustainability-initiatives>
<https://www.fairfaxcounty.gov/environment-energy-coordination/energy-strategy>
[Fairfax County Government and Schools Zero Waste Plan.pdf](#)

Environmental Improvement Program

The Environmental Improvement Program (EIP) supports the *Environmental Vision* and other environmental and energy policies and goals. The EIP provides the County Executive and BOS with environmental and energy action-oriented opportunities and initiatives that support these BOS policies and goals. EIP projects are selected based on a formal project selection process supported by the Environmental Quality Advisory Council. The EIP projects approved for funding in FY 2022 included several projects proposed by the Fairfax County Park Authority (FCPA), including its Invasive Management Area program; the restoration of 3.5 acres of FCPA meadows and 1.25 acres of wetland; energy efficiency improvements at select FCPA-maintained historic homes; and the installation of an Advanced Oxidation Process (AOP) treatment system at a FCPA pool to improve energy efficiency and air quality.



Other EIP projects funded include the second phase of a natural landscaping initiative at the Fairfax County Government Center, a composting pilot program for County employees, a food scraps drop-off pilot program for County residents, the installation of EV charging stations and water bottle filling stations at County facilities, and continued funding for HomeWise, an energy education and outreach program for residents of low- and moderate-income housing.

Online Resource:
<https://www.fairfaxcounty.gov/budget/sites/budget/files/assets/documents/fy2022/adopted/volume2/30015.pdf>

Affordable Housing

The mission of the Fairfax County Redevelopment and Housing Authority (FCRHA) is to initiate and provide opportunities for Fairfax County residents to live in safe, affordable housing and to help develop, preserve, and revitalize communities through fiscally responsible and open processes. Nearly 20,000 County residents—including families, individuals, veterans, seniors, people with disabilities, and those with specialized housing needs—are housed in privately owned and FCRHA-owned properties through a variety of housing programs. Many more live in privately owned affordable housing developed with FCRHA financing and provided

through inclusionary zoning policies administered by these agencies. Additionally, the FCRHA and the Department of Housing and Community Development (HCD) administer resident assistance programs to promote independence, self-sufficiency, and housing stability.

- **Housing Assistance Programs:** From emergency shelter for individuals and families experiencing homelessness to rental housing and, eventually, homeownership, the FCRHA and HCD provide critical assistance to households across the housing spectrum to obtain safe, decent, stable, and affordable housing.
 - **Emergency Shelter and Supportive Housing Programs:** In FY 2021, the County’s Office to Prevent and End Homelessness merged with HCD to establish a single agency that would be able to address the full range of housing needs from short-term emergency shelter to long-term affordable housing. In FY 2022, the County sheltered 3,176 residents through its emergency shelter and transitional housing projects. The County was able to assist 37 percent of those served to exit to permanent housing destinations.
 - **Rental Housing Subsidy Programs:** The County administers several local, state, and federal rental subsidy programs to assist low- and moderate-income households to afford a place to call home. The County administers 5,368 rental housing subsidy vouchers awarded through both state and federal programs. Additionally, the FCRHA itself owns nearly 4,000 units of affordable rental housing, including 3,038 units of multifamily housing, 505 units of independent senior housing, 112 beds of assisted living, and 205 units/beds of specialized housing - including a manufactured housing community with 115 pads.
 - **Homeownership Programs:** The County has provided homeownership assistance to thousands of low- to moderate-income homebuyers for more than 40 years. Programs afford qualified homebuyers access to for-sale homes at below-market prices; avenues for down payment assistance, lower interest rates, and reduced mortgage principal; and pre- and post-purchase counseling. In FY 2022, the County assisted 71 new homeowners in purchasing a home through the First-Time Homebuyer Program and helped facilitate down payment assistance for 56 households through state and federal programs.
- **Affordable Housing Development:** In 2019, the BOS adopted a countywide goal to produce a minimum of 5,000 new affordable units to households earning up to 60 percent of Area Median Income (AMI) by the year 2034. This goal was subsequently updated in FY 2022, with the BOS adopting a new goal of producing a minimum of 10,000 new homes by 2034. Since the adoption of that goal, the affordable housing development pipeline has grown to include 3,111 new units of affordable housing that are in various stages of development, with an additional 367 units created. The county continues to grow this pipeline through utilizing public-private partnerships to construct new units of housing on county-owned land; pursuing opportunities to construct new FCRHA-owned units; investing local, state, and federal funding in private affordable housing development; and administering inclusionary zoning policies that encourage the incorporation of affordable units in market-rate housing development projects.
- **Affordable Housing Preservation:** The preservation of affordable rental housing has long been a concern of the BOS and the FCRHA, and in 2019, these bodies adopted a commitment of “No Net Loss” when it comes to Fairfax County’s stock of more than 15,000 units of committed affordable housing. As of the end of FY 2022, 1,087 housing units have been preserved or are in the preservation pipeline for households at or below 60% of the area median income. As the preeminent housing financing agency in Fairfax County, the FCRHA issues loans and administers federal housing funds to support the private acquisition and rehabilitation of committed affordable housing units in all areas of Fairfax County.

- **COVID-19 Operations:** Throughout fiscal year 2022, staff have worked tirelessly to adapt every function of HCD’s and the FCRHA’s operations to meet the challenge of providing essential services and continuing to advance affordable housing development and preservation efforts amid the COVID-19 pandemic. The “Moving to Work” designation provided by the U.S. Department of Housing and Urban Development to high-performing housing authorities has helped significantly in enabling the FCRHA to make quick adjustments to rapidly evolving conditions.

In addition to administering rental programs and continuing to further the development of new affordable housing opportunities, both the FCRHA and HCD are leading the County’s effort to advance the county’s vision for affordable housing as a critical element for the future of Fairfax County. Each year, these agencies host the Housing Symposium to engage residents; local, state, and federal government officials; housing advocates and industry leaders; and other civic, faith, and nonprofit organizations to better understand the impact of housing stability on the lives of our residents and to investigate innovative solutions and means for equitably expanding affordable housing in all areas of the County.

Quality Communities

Fairfax County provides residents and visitors a robust array of recreational opportunities and diverse experiences, as well as protecting natural and cultural resources within the community, and strives to make all parks, programs, and other assets accessible to all.

Parks

The Fairfax County Park Authority (FCPA) mission is to enrich the quality of life for all members of the community through an enduring park system that provides a healthy environment, preserves natural and cultural heritage, offers inspiring recreational experiences and promotes healthy lifestyles. FCPA owns/maintains 420 parks totaling 23,636 acres of owned parkland, which is approximately 9.0% of the land in Fairfax County. The park system is rich in amenities, including ownership/maintenance of nine recreation centers, eight golf courses, two skate parks, an ice skating rink, 11 dog parks, 228 playgrounds, 665 public garden plots, seven nature centers, three equestrian facilities, 452 Fairfax County Public School and other County-owned athletic fields, 260 Park Authority athletic fields (which includes 44 synthetic turf athletic fields), 62 picnic shelters, 16 volleyball courts, 252 tennis and racquetball courts, 74 dedicated or lined pickleball courts, 10 historic sites, two water parks, a horticultural center, and more than 334 miles of multimodal trails. The Park Authority continues its dual role as a provider of active recreation including fitness and wellness opportunities as well as serving as stewards and interpreters of historic sites, cultural treasures and natural resources.

Library

More than 515,000 people hold Fairfax County Public Library (FCPL) cards to borrow and download books, conduct in-person and online research, use free library Wi-Fi and computers, and enjoy a variety of programming. During FY 2022, FCPL saw circulation of more than 10.5 million. FCPL is one of the top 40 active libraries in North America on the e-reading tool, Overdrive, where cardholders checked out items from FCPL’s digital collection more than 2.5 million times.

FCPL continued to invest in its digital services in FY 2022, rolling out a free-to-user video streaming partnership with Kanopy in February 2022. On September 14, 2021, FCPL hit an all-time count of 15 million eLoans, which includes eBooks, eAudiobooks and eMagazines.



FCPL partnered with the Virginia Department of Health (VDH) to provide rapid COVID-19 antigen at-home test kits for free at their local libraries beginning in early December 2021. This Supporting Testing Access through Community Collaboration (STACC) program enabled community members to know their status and get early care to help break transmission of the virus. FCPL branches disseminated almost 2,400 rapid tests on the program's first day. Over the next several weeks, demand far outpaced supply and all available tests were distributed within two hours of branches opening. In less than two months, FCPL distributed a total of 45,812 rapid COVID-19 tests in partnership with VDH.

At its December 8, 2021 meeting, the FCPL Board of Trustees approved a new policy that ends the practice of charging overdue fines on most library materials. The new policy took effect January 1, 2022. Overdue fines remain in effect for some special collections and interlibrary loan materials. Equity drove FCPL's shift to a fine-free model of library services; the library's analysis showed that overdue fines disproportionately affected young people and those in low-income areas. Pre-pandemic "blocked" cards (accounts not allowed to check out materials due to having more than \$15 in fines) were about 17% of the total cardholder population. "Blocked" youth cards (accounts for users under the age of 18) were 23% of the youth cardholder population.



ABOUT FAIRFAX COUNTY

Governmental Structure

Fairfax County is in the northeastern corner of Virginia and encompasses an area of 407 square miles, including land and water. The County is part of the Washington, D.C., metropolitan area, which includes jurisdictions in Maryland, Northern Virginia, and the District of Columbia.

The County government is organized under the Urban County Executive form of government (as defined under Virginia law). The governing body of the County is the BOS, which sets policy for the administration of the County. The BOS consists of 10 members: a chairman, elected at-large for a four-year term and one member from each of nine districts, elected for a four-year term by the voters of the district in which each member resides. The BOS appoints a County Executive to act as the administrative head of the County. The County Executive serves at the pleasure of the BOS, carries out the policies established by the BOS, directs business and administrative procedures, and recommends officers and personnel to be appointed by the BOS.

Cities and counties in Virginia are discrete units of government that under Virginia law may not be overlapping districts. Fairfax County surrounds the City of Fairfax and is adjacent to the City of Falls Church and the City of Alexandria. Properties within these cities are not subject to taxation by the County, and the County generally is not required to provide governmental services to their residents. The County does; however, provide certain services to these cities' residents pursuant to intermunicipal agreements. The incorporated towns of Clifton, Herndon, and Vienna are underlying units of government within the County. The ordinances and regulations of the County apply, with certain limitations prescribed by state law. Properties in these towns are subject to County taxation, and the County provides certain services to their

residents. These towns may incur general obligation bonded indebtedness without the approval of the County.

Employment

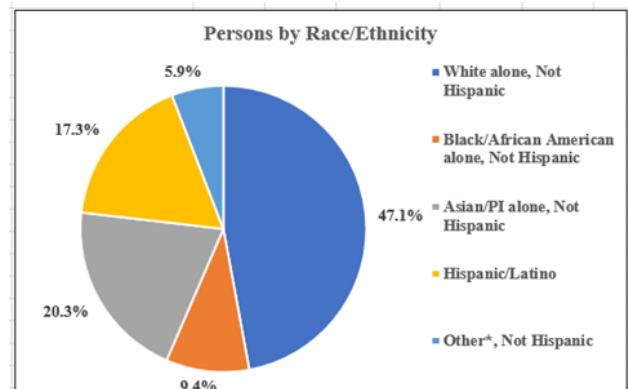
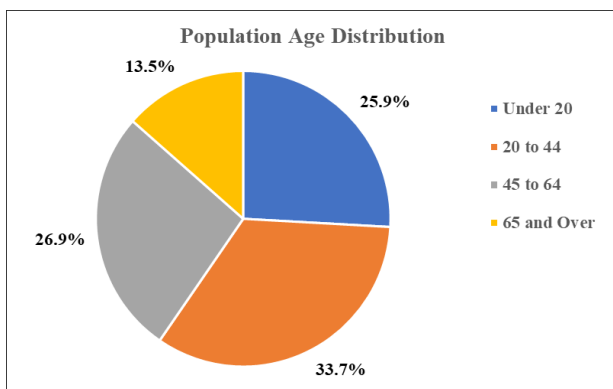
Businesses in Fairfax County include corporate and regional headquarters, information technology firms, sales and marketing offices, and business services. Local businesses create employment in such diverse areas as computer software development and systems integration, internet related services, telecommunications, wholesale and retail trade, defense and homeland security, and financial services. A high proportion of jobs in the County are in the high wage, highly skilled information technology and professional services sectors. Highlights are as follows.

- The technology sector in Fairfax County attracts new talent and investments from across the nation. Fairfax County is home to 8,700 technology-focused enterprises that deliver a full spectrum of high-end services and solutions to government, industry, and consumer markets worldwide. From cloud computing and software development to artificial intelligence and data analytics, businesses and research teams in Fairfax County are defining the cutting edge.
- Nine Fairfax County based companies are on the Fortune 500 list including Beacon Roofing Supply; Booz Allen Hamilton Holding; Capital One Financial; Freddie Mac; General Dynamics; Leidos Holdings; Northrop Grumman; NVR; and SAIC.
- 430 international companies are based in Fairfax County including global giants like Rolls-Royce; Airbus; Samsung; CGI; Volkswagen; Hexaware; and Israel Aerospace Industry North America.

Online Resource: <https://www.fairfaxcountyeda.org/publications/>

Demographic Information

Based on the latest information from the County's Department of Management and Budget's Economic, Demographic and Statistical Research (EDSR) data for 2021, the County's estimated population was 1.17 million. Approximately 39 percent of all County residents, five years or older, spoke a language other than English at home. The County had approximately 26 percent of its population under the age of 20 years, about 34 percent were between age of 20 to 44 years, approximately 27 percent were between the age of 45 to 64 years and age 65 years and over made up about 14 percent. The County is majority-minority with almost 53 percent of the County's population consisting of racial/ethnic minorities according to the 2020 Decennial Census. Additionally, EDSR projects that the population of Fairfax will grow to 1.21 million by the year 2025. Also, as reported in the latest 1-Year ACS estimate of 2019, Fairfax County had an estimated annual median household income of \$128,374 compared to \$76,456 in the Commonwealth of Virginia, and \$65,712 in the United States. The following charts illustrate the County's population age distribution and racial/ethnic composition based on data for 2020.



Online Resources:

<https://www.fairfaxcounty.gov/demographics/fairfax-county-general-overview>

<https://data.census.gov/cedsci/all?q=2020%20Decennial%20Census%20data%20Fairfax%20County%20virginia>

<https://data.census.gov/cedsci/all?q=2020%20American%20Community%20Survey%20Fairfax%20County%20virginia>

Public Schools

Fairfax County Public Schools (FCPS) is one of the largest school divisions in the U.S. with 199 schools and centers. FCPS serves a diverse student population of more than 178,000 students in grades pre-kindergarten through 12, speaking over 200 languages. Over 31 percent of the total student population is economically disadvantaged; approximately 15 percent are reported as students with disabilities; and almost 26 percent of students are English learners. Demographically, 36.9 percent of FCPS students are White, 27.4 percent are Hispanic, 19.3 percent are Asian, 9.9 percent are Black, 6.1 percent are two or more races, 0.3 percent are American Indian, and 0.1 percent are Native Hawaiian, (Source: 2021 Fall Membership by Subgroup as reported in the Virginia Department of Education School Quality Profile).

Nearly 94.6 percent of FCPS students graduate on time (in four years of high school), and more than 92 percent plan to pursue post-secondary education. FCPS students can take Advanced Placement (AP) or International Baccalaureate (IB) classes in high school. The school system offers the IB middle years program and the IB primary years program in select schools. The Class of 2022 had 214 students from 16 high schools, named semifinalists by the National Merit Scholarship Corporation.

Thomas Jefferson High School for Science and Technology is a part of FCPS. It is also a regional magnet Governor's School for Science and Technology in Northern Virginia. On a national level, it is the top ranked high school per *U.S. News and World Report* Best High Schools Rankings for 2022. Rankings are based on a school's performance on state-required tests, graduation, and how well they prepare students for college.

Online Resource: <https://www.fcps.edu/about-fcps>

<https://www.usnews.com/education/best-high-schools/articles/us-news-ranks-best-high-schools>

**Colleges and Universities**

Higher education plays a critical role in developing a highly skilled and competitive workforce. There are 12 colleges and universities either based or operating in the County. Among the larger institutions are George Mason University (GMU) which is Virginia's largest four-year research university, and Northern Virginia Community College (NVCC) which is one of the nation's largest community colleges. Combined, GMU and NVCC serve approximately 92,000 students. Also, at the Northern Virginia Center, there are satellite campuses for Virginia Polytechnic Institute and State University, known as Virginia Tech (VT), and University of Virginia (UVA). VT has a graduate program and UVA has a School of Continuing and Professional Services.

Online Resource: <https://www.fairfaxcountypedu.org/publications/colleges-and-universities/>

FINANCIAL INFORMATION

All the financial activities of the reporting entity are included within this report. As used here, the reporting entity comprises the primary government (County of Fairfax, as legally defined) and its component units. Under GASB pronouncements, component units are legally separate entities for which the primary government is financially accountable. The component units of the County include both blended component

units and discretely presented component units. Blended component units, although legally separate entities, are in substance part of the primary government's operations and are included as part of the primary government. Accordingly, the Solid Waste Authority of Fairfax County, the Small District One, the Small District Five, and the Mosaic Community Development Authority are reported as part of the primary government. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position, changes in financial position, and cash flows from those of the primary government. FCPS, FCRHA, FCPA, and FCEDA are reported as discretely presented component units. For additional information regarding the basic financial statements and the County's financial position, refer to the Management's Discussion and Analysis section of this report.

INDEPENDENT AUDIT

The County's financial statements have been audited as required by the Code of Virginia and received an unmodified opinion by the accounting firm of Cherry Bekaert LLP. In addition to meeting the requirements of the state statutes, the audit was designed to meet the requirements in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Title 2 of the Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The report of the independent auditors on the basic financial statements can be found in the Financial section of this annual report. The Single Audit Report, issued separately, contains the independent auditor's reports related specifically to the audit of expenditures of federal awards.

Ten Principles of Sound Financial Management

The keystone of the County's maintenance of fiscal integrity and sound financial management is the approval and continuing commitment of the BOS to the *Ten Principles of Sound Financial Management*. These principles, the policy context in which financial decisions are considered and taken, relate primarily to the integration of capital planning, debt planning, cash management, and productivity as a means of ensuring prudent and responsible allocation of the County's resources. In FY 2016, the principles were reviewed by the BOS and have been revised to place additional emphasis on building and maintaining reserves to increase flexibility to deal with both expected and unanticipated events.

The County maintains a self-managed investment program under the direction and oversight of an Investment Committee. The committee is comprised of the Chief Financial Officer, the Director of the Department of Finance, the Director of the Department of Tax Administration, and certain employees within the Department of Finance. Guided by a formal investment policy, the committee monitors daily investment activity and evaluates investment strategies monthly. The County's investment policy is subjected to annual peer review by the Association of Public Treasurers of the United States and Canada.

A summary listing of the Fairfax County *Ten Principles of Sound Financial Management* is as follows:

1. Planning Policy
2. Annual Budget Plans and Reserves
3. Cash Balances
4. Debt Ratios
5. Cash Management
6. Internal Controls
7. Performance Measurement
8. Reducing Duplication
9. Underlying Debt and Moral Obligations
10. Diversified Economy

The full text of the Fairfax County *Ten Principles of Sound Financial Management* is published annually within the County's adopted budget overview.

Online Resource:

<https://www.fairfaxcounty.gov/budget/sites/budget/files/assets/documents/fy2022/adopted/overview/long-term-financial-policies-tools.pdf>

Budgetary and Accounting Controls

The Code of Virginia requires that the County adopt a balanced budget. The County maintains extensive budgetary controls at certain legal, managerial, and administrative levels. The adopted Fiscal Planning Resolution places legal restrictions on expenditures at the agency or fund level. Managerial budgetary control is maintained and controlled at the fund, department, superior commitment item grouping or project level. Any revisions that alter the total expenditures of any agency or fund must be approved by the BOS. The County's budget is adopted by May 15 for the coming fiscal year, which commences on July 1. Two budget reviews during the year, the Carryover Review, and Third Quarter Review, serve as the primary mechanisms for revising appropriations. A synopsis of proposed changes is advertised, and a public hearing is held prior to the adoption of amendments to the current year budget when adjustments exceed one percent of total expenditures.

Since 1999, the County has maintained a Revenue Stabilization Fund, included in the General Fund for reporting purposes, to provide a mechanism for maintaining a balanced budget without resorting to tax increases and expenditure reductions that aggravate the stresses imposed by the cyclical nature of the economy. The BOS established the fund with the condition that it will not be used as a method of addressing the demand for new or expanded services but will be used as a financial tool only in the event of an economic downturn, and then within strict parameters. The Revenue Stabilization Fund is separate and distinct from the County's Managed Reserve, which was established initially in FY 1983. As part of the adoption of the FY 2016 Adopted Budget Plan, the BOS updated the County's *Ten Principles of Sound Financial Management* to increase the reserve targets for both the Revenue Stabilization Reserve and the Managed Reserve. The target level of the Revenue Stabilization Reserve is five percent of General Fund disbursements, and the target level of the Managed Reserve is four percent of General Fund disbursements. In addition, the BOS established a new Economic Opportunity Reserve with a target balance equal to one percent of General Fund disbursements. This fund acts as a revolving reserve to address opportunities that are identified as priorities of the BOS. The total target balance for these three reserves is ten percent of General Fund disbursements. As of June 30, 2022, the Revenue Stabilization Fund, Managed Reserve and Economic Opportunity Reserve balances were \$238,157,922; \$191,927,260; and \$47,121,645, respectively.

The County's management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the U.S. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived. The evaluation of costs and benefits requires estimates and judgments by management. As a recipient of federal and state financial assistance, the County also is responsible for maintaining an adequate internal control structure to ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management, and the Internal Audit Office staff.

Debt Administration

The County borrows money primarily by issuing general obligation bonds to finance major capital projects. Bond financing spreads the cost of land acquisition and building construction over a period of many years,

rather than charging the full cost to current taxpayers. By law, general obligation bonds must be approved in advance by County voters in a referendum. The County continues to maintain its status as a top-rated issuer of tax-exempt securities. The County has the highest credit ratings possible for a local government for its general obligation bonds: Aaa from Moody's Investors Service, Inc.; AAA from Standard and Poor's Corporation; and AAA from Fitch Investor Service. The County has had an Aaa rating since October 1975, when it first received a rating from Moody's. Standard and Poor's Corporation first gave the County an AAA rating in October 1978, and the County has maintained that rating. The Fitch Investor Service rating was first received in the spring of 1997 and has been maintained since then. Factors contributing to the County's high credit rating include recognized excellence in financial management, superior tax collection rates, low debt ratios, and high-income levels. As of January 2022, only 13 of 50 states, 49 of 3,143 counties, and 341 of 19,429 cities in the U.S. had such high bond ratings from all three rating agencies. These high credit ratings enable the County to sell bonds at interest rates significantly lower than those of most municipalities, resulting in substantial savings for County taxpayers throughout the life of the bonds. The details of bonds outstanding and bonds authorized-but-not-issued are shown in Note J of the financial statements. Tables 3.1 through 3.5 of the Statistical Section provide detailed historical information regarding the debt position and debt service requirements of the County.

AWARDS

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the County with the Certificate of Achievement for Excellence in Financial Reporting for its FY 2021 Financial Report. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. The County has received the Certificate of Achievement since 1977.

Award for Outstanding Achievement in Popular Annual Financial Reporting

GFOA also awarded the County with the Award for Outstanding Achievement in Popular Annual Financial Reporting for the FY 2021 Popular Annual Financial Report (PAFR). The PAFR is designed to offer those with a general interest in the County's financial activities a broad, high-level view of select data from the Annual Comprehensive Financial Report (ACFR), presented in an easily readable format. The GFOA PAFR award program annually recognizes high quality reports that meet the GFOA's criteria for reader appeal, understandability, dissemination, and other related requirements. The County has received the Award since its first publication of a PAFR in 2017.

Distinguished Budget Presentation Award

The GFOA has presented the Award for Distinguished Budget Presentation to the County for its annual budget for each year since FY 1985. To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, operations guide, financial plan, and communications device.

International City/County Management Association (ICMA) Award for Performance Measurement

Since 2002, the County has received ICMA's highest award for performance management. In 2021, the County was one of only 31 jurisdictions nationwide to earn this level of recognition for measuring performance and using that data to improve programs and services.

Investment Policy Award

The Association of Public Treasurers of the United States and Canada has awarded the County certification for its investment policy, confirming that the County meets the high public investment standards set forth by the Association. This award has been received since 1998.

Economic Development Awards

The County won three Excellence in Economic Development awards from the International Economic Development Council (IEDC), a trade organization serving economic developers around the world. The County won awards in innovation, marketing, and outreach. The honors recognize the County as being among of the world's best economic development programs and highlights the ongoing innovation that is the hallmark of the region. The FCEDA won a Gold Award for its WorkinNorthernVirginia.com website in the category of special purpose website. DEI and FCDOT won a Silver Award for Relay, a Connected and Autonomous Vehicle operating in the Merrifield area, in the category of Innovation Programs and Initiatives. The FCEDA received a Bronze Award for its annual report "2020: Rising to the Challenge."

National Association of Counties (NACo) 2022 Achievement Awards

Fairfax County received a National Association of Counties 2022 Achievement Awards, recognizing effective and innovative programs that contribute to and enhance county government in the United States.



- ***My Summer Camp Planner*** - The My Summer Camp Planner is a simple Excel spreadsheet developed by Parks and Recreation staff to assist families with online registration for more than 2,000 summer day camp options for kids ages 3 to 17. The spreadsheet allows for the planning of a child's camp selections in one sitting. It became a lead tool in a coordinated summer camp marketing campaign that led to \$4 million in camp revenue.

Digital Counties Survey & Technology Awards

The County was recognized in second place of the Center for Digital Government's 2022 Digital Counties Survey in the category of jurisdictions with populations greater than 1 million. The survey honors counties with innovative use of emerging technologies; enhanced cybersecurity; and strengthened digital equity initiatives. Fairfax County has been in the top 10 in seventeen of the last eighteen years of the award and in the top 3 ten times.



ACKNOWLEDGMENTS

We express our sincere appreciation to all staff who contributed to this report, especially the members of the ACFR Project Team in the Financial Reporting Division of the Department of Finance, who prepared and compiled this report. We commend them for their professionalism, hard work and continued efforts to improve this report. In addition, we acknowledge the cooperation and assistance of each County department throughout the year in the efficient administration of the County's financial operations.

This ACFR reflects our commitment to the residents and businesses of Fairfax County, the BOS, and all interested readers of this report to provide information in conformance with the highest standards of financial reporting.

Respectfully,



Bryan J. Hill
County Executive



Christina C. Jackson
Chief Financial Officer



Christopher J. Pietsch
Director of Finance

COUNTY OF FAIRFAX, VIRGINIA
Urban County Executive Form of Government
As of June 30, 2022

BOARD OF SUPERVISORS

Jeffrey C. McKay, Chairman	At-Large
Penelope A. Gross, Vice Chairman	Mason District
Daniel G. Storck	Mount Vernon District
Dalia A. Palchik	Providence District
Walter L. Alcorn	Hunter Mill District
Kathy L. Smith	Sully District
James R. Walkinshaw	Braddock District
Rodney L. Lusk	Lee District
Patrick S. Herrity	Springfield District
John W. Foust	Dranesville District

CLERK TO THE BOARD

Jill Cooper

COUNTY EXECUTIVE

Bryan J. Hill

DEPUTY COUNTY EXECUTIVES

Rachel O'Dwyer Flynn
Christopher Leonard
David M. Rohrer

DEPARTMENT OF MANAGEMENT AND BUDGET

Christina C. Jackson, Chief Financial Officer

DEPARTMENT OF FINANCE

Christopher J. Pietsch, Director

DEPARTMENT OF TAX ADMINISTRATION

Jaydeep Doshi, Director

PROCUREMENT AND MATERIAL MANAGEMENT

Lee Ann Pender, Director

OFFICE OF THE COUNTY ATTORNEY

Elizabeth D. Teare, County Attorney

OFFICE OF PUBLIC AFFAIRS

Tony Castrilli, Director

OFFICE OF THE INTERNAL AUDITOR

Sharon A. Pribadi, Director

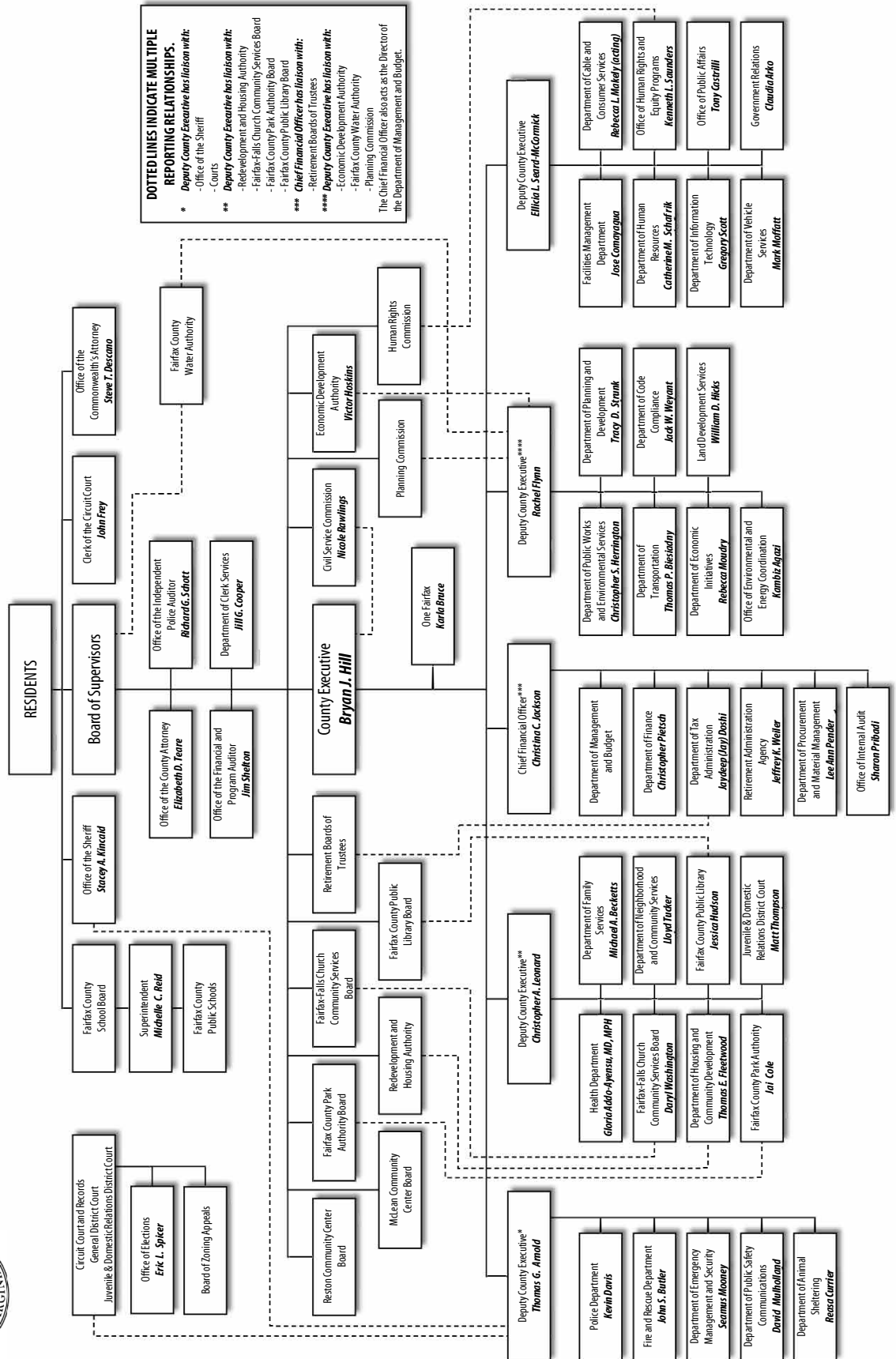
INDEPENDENT AUDITOR

Cherry Bekaert LLP





ORGANIZATION OF FAIRFAX COUNTY GOVERNMENT



This report was prepared by:

COUNTY OF FAIRFAX, VIRGINIA
DEPARTMENT OF FINANCE

12000 Government Center Parkway, Suite 214
Fairfax, Virginia 22035
(703) 324-3120, TTY 711
www.fairfaxcounty.gov

DIRECTOR

Christopher J. Pietsch, CPFO, CIA

DEPUTY DIRECTORS

Tanya D. Burrell, CPA, MPA
Jerry Wilhelm

ACFR PROJECT TEAM

Richard M. Modie Jr., Chief, Financial Reporting Division
Jennifer Rosales, Financial Reporting Manager
Franklin L. Fout, CPA, Financial Reporting Manager

Betty Barnuevo, CPA
Ahilya Bhattarai, CMA
Regina S. Magalong
Jennifer Minix, CPA
Clyde Prentice Jr.
Nanette A. Velasco
Amy Wang
Xuan Wang

GRANTS PROJECT TEAM

Asiya Akhtar, Financial Reporting Manager
Nashwa Abualsaad
Dung La

With the support and assistance of many others.

Special Thanks to Carl Pagani, Department of Finance

**GOVERNMENT
FINANCE
OFFICERS
ASSOCIATION
AWARD**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. The County has received a Certificate of Achievement 44 times since 1977.



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**County of Fairfax
Virginia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

Financial Section

The Financial Section includes the independent auditors' report, management's discussion and analysis, basic financial statements, including the accompanying notes, required supplementary information, and other supplementary information.

Report of Independent Auditor

To the Board of Supervisors
County of Fairfax, Virginia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Fairfax, Virginia (the "County"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Specifications for Audits of Counties, Cities, and Towns* (the "Specifications"), issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards and Specifications are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Change in Accounting Principle

As discussed in Notes M and N to the financial statements, the County adopted the provisions of Governmental Accounting Standards Board Statement 87, *Leases*, effective July 1, 2021. As a result, related governmental activities net position, capital assets and liabilities have been restated. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Specifications will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Specifications, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 to 20 and the required supplementary information and notes to the required supplementary information on pages 153 to 175 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Other Supplementary Information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Other Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory and Statistical Sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Tysons Corner, Virginia
November 18, 2022



Management's Discussion and Analysis

The Management's Discussion and Analysis subsection provides a narrative introduction to and overview and analysis of the basic financial statements. It includes a description of the government-wide and fund financial statements, as well as an analysis of the County of Fairfax's overall financial position and results of operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS (*UNAUDITED*)

This section of the County of Fairfax, Virginia's (the County) Annual Comprehensive Financial Report (ACFR) presents our discussion and analysis of the County's financial performance during the fiscal year that ended on June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Letter of Transmittal, located in the Introductory Section of the ACFR.

FINANCIAL HIGHLIGHTS

Highlights for Government-wide Financial Statements

The government-wide financial statements report information about the County as a whole using the economic resources measurement focus and accrual basis of accounting.

- The County's assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by \$1,335.6 million on a government-wide basis at June 30, 2022.
- For the fiscal year, taxes and other revenues of the County's governmental activities amounted to \$5,555.6 million. Expenses amounted to \$5,158.5 million.
- For the fiscal year, revenues of the County's business-type activities were \$250.3 million, and expenses were \$196.6 million.

Highlights for Fund Financial Statements

The fund financial statements provide detailed information about the County's most significant funds using the current financial resources measurement focus and modified accrual basis of accounting.

- The County's governmental funds reported an increase in fund balance of \$326.7 million for fiscal year 2022, compared to an increase of \$96.4 million for fiscal year 2021.
- The County's General Fund reported a fund balance of \$736.3 million, an increase of \$51.8 million, or 7.6 percent, over fiscal year 2021.

General Financial Highlights

In November 2021, the Economic Development Authority issued \$74.6 million of Facilities Revenue Bonds (County Facilities Projects) (Green Bonds) Series 2021A, \$13.9 million of Facilities Revenue Refunding Bonds Series 2021B (County Facilities Projects), \$53.5 million of Facilities Revenue Refunding Bonds Series 2021C (County Facilities Projects) (Federally Taxable), and \$110.5 million of Facilities Revenue Refunding Bonds Series 2021D (County Facilities Projects) (Federally Taxable).

- The 2021A Facilities Revenue Bonds (County Facilities Projects) (Green Bonds) were issued to finance the construction and improvement of certain property to be used as a consolidated public works complex for the County's stormwater and wastewater divisions.
- The 2021B Facilities Revenue Refunding Bonds (County Facilities Projects) were issued to current refund all of the outstanding maturities of the 2012A Bonds in order to save \$6.4 million in future debt service payments with a \$5.0 million net present value.

- The 2021C Facilities Revenue Refunding Bonds (County Facilities Projects) (Federally Taxable) were issued to advance refund certain outstanding maturities of the 2012A Laurel Hill Public Facilities Project Bonds, 2014B County Facilities Project Bonds, and 2017 B County Facilities Projects Refunding Bonds in order to save \$3.4 million of future debt service payments with a \$2.9 million net present value.
- The 2021D Facilities Revenue Refunding Bonds (County Facilities Projects) (Federally Taxable) were issued to advance refund certain outstanding maturities of the 2014A County Facilities Projects Bonds in order to save \$11.6 million of future debt service payments with a \$10.1 million net present value.

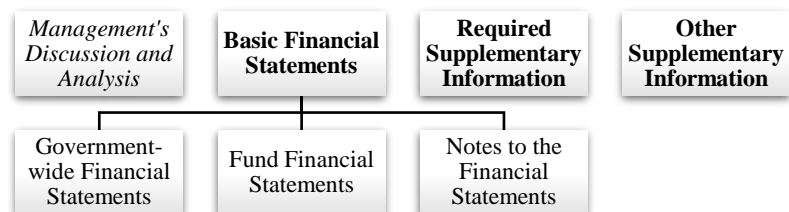
In February 2022, the County issued \$272.7 million of Series 2022A General Obligation Public Improvement Bonds. Bond proceeds from this issue are being used to finance school, park, road, public safety, and other County improvements.

In May 2022, the County closed on a partial defeasance in the amount of \$4.8 million of certain Series 2016 obligations associated with the Transportation District Improvement Revenue Bonds (Silver Line Phase 1 Project) in order to save \$7.1 million in future debt service payments with a \$1.6 million net present value.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of this annual report consists of four parts: (1) management's discussion and analysis (presented here), (2) basic financial statements, (3) required supplementary information, and (4) other supplementary information.

The County's basic financial statements consist of two kinds of statements, each with a different view of the County's finances. The government-wide financial statements provide both long- and short-term information about the County's overall financial status. The fund financial statements focus on major aspects of the County's operations, reporting those operations in more detail than the government-wide statements. The basic financial statements also include notes to explain information in the financial statements and provide more detailed data.



The statements and notes are followed by required supplementary information that contains the budgetary comparison schedule for the General Fund and trend data pertaining to the retirement systems. In addition to these required elements, the County includes other supplementary information with combining and individual fund statements to provide details about the governmental, internal service, fiduciary funds, and component units.

Government-wide Financial Statements

The government-wide financial statements report information about the County as a whole using accounting methods similar to those used by private-sector businesses. In addition, they report the County's net position and how it has changed during the fiscal year.

The first government-wide statement—the statement of net position—presents information on all the County's assets and deferred outflow of resources less liabilities and deferred inflow of resources,

resulting in the net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial health of the County is improving or deteriorating. Additionally, non-financial factors, such as a change in the County's property tax base or the condition of County facilities, should be considered to assess the overall health of the County.

The second statement—the statement of activities—presents information showing how the County's net position changed during the fiscal year. All of the current year's revenues and expenses are accounted for in the statement of activities, regardless of when cash is received or paid.

The government-wide financial statements are divided into three categories:

Governmental Activities – Most of the County's basic services are reported here, including: public safety, public works, judicial administration, health and welfare services, community development, parks, recreation, and cultural programs, education, and general administration. These activities are financed primarily by property taxes, other local taxes, and federal and state grants. Included in the governmental activities are the governmental funds and internal service funds.

Business-type Activities – The County's only business-type activity, the Integrated Sewer System (Sewer System), is reported here.

Discretely Presented Component Units – The County includes four other entities in its annual financial report: Fairfax County Public Schools (Public Schools), Fairfax County Redevelopment and Housing Authority (FCRHA), Fairfax County Park Authority (Park Authority), and Fairfax County Economic Development Authority (EDA). Although legally separate, these component units are included because the County is financially accountable for them.

The County's governmental and business-type activities are collectively referred to as the Primary Government. Together, the Primary Government and its discretely presented component units are referred to as the Reporting Entity.

Fund Financial Statements

The fund financial statements provide detailed information about the County's most significant funds. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes. The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The County has the following three types of funds:

Governmental Funds – Most of the County's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances remaining at year-end that are available for spending. The governmental funds financial statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the governmental activities in the government-wide financial statements, additional information is provided to explain the relationship (or differences). The General Fund accounts for the main operating activities of the County; it is the largest of the governmental funds. All other governmental funds, that is, special revenue funds, debt service funds, and capital projects funds, are collectively referred to as nonmajor governmental funds.

Proprietary Funds – Proprietary funds, which consist of enterprise funds and internal service funds, are used to account for operations that are financed and operated in a manner similar to private business enterprises in which costs are recovered primarily through user charges. Proprietary fund financial statements, like the government-wide financial statements, provide both long- and short-term financial information. The County's only enterprise fund, the Sewer System, is reported as the County's business-type activity in the government-wide statements. The fund financial statements provide additional

information, such as cash flows, for the Sewer System. The internal service funds are used to account for the provision of general liability, malpractice, and workers' compensation insurance, health benefits for employees and retirees, vehicle services, document services, and technology infrastructure support to County departments on a cost reimbursement basis.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's programs. The County's fiduciary funds consist of pension trust funds, an OPEB trust fund and custodial funds. The pension trust funds are used to account for the assets held in trust by the County for the employees and beneficiaries of its defined benefit pension plans—the Employees' Retirement System, the Police Officers Retirement System, and the Uniformed Retirement System. The OPEB trust fund is used to account for the assets held in trust by the County for other post-employment benefits. The custodial funds are used to account for monies received, held, and disbursed on behalf of developers, welfare recipients, the Commonwealth of Virginia, the recipients of certain bond proceeds, and certain other local governments.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Statement of Net Position

The tables below and on the following page present a Summary of Net Position for the reporting entity as of June 30, 2022 and 2021:

Summary of Net Position As of June 30 (\$ in millions)						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021*	2022	2021	2022	2021*
Assets:						
Current and other assets	\$ 6,996.9	\$ 6,361.0	\$ 444.7	\$ 457.6	\$ 7,441.6	\$ 6,818.6
Capital assets (net)	3,341.3	3,243.6	1,803.0	1,743.3	5,144.3	4,986.9
Total assets	10,338.2	9,604.6	2,247.7	2,200.9	12,585.9	11,805.5
Deferred outflow of resources:	698.9	905.5	48.3	50.9	747.2	956.4
Liabilities:						
Current liabilities	635.5	593.6	41.2	38.5	676.7	632.1
Long-term liabilities	5,532.7	6,392.7	854.9	879.9	6,387.6	7,272.6
Total liabilities	6,168.2	6,986.3	896.1	918.4	7,064.3	7,904.7
Deferred inflow of resources:	4,911.4	3,963.4	21.8	9.0	4,933.2	3,972.4
Net position:						
Net investment in capital assets	2,411.5	2,347.8	1,181.5	1,207.8	3,593.0	3,555.6
Restricted	442.8	355.7	48.5	17.9	491.3	373.6
Unrestricted (deficit)	(2,896.8)	(3,143.1)	148.1	98.7	(2,748.7)	(3,044.4)
Net position	\$ (42.5)	\$ (439.6)	\$ 1,378.1	\$ 1,324.4	\$ 1,335.6	\$ 884.8

*Fiscal year 2021 amounts restated due to the implementation of GASB Statement 87. See Note N for more information.

Summary of Net Position - continued As of June 30 (\$ in millions)								
	Total Primary Government		Component Units		Reclassifications*		Total Reporting Entity	
	2022	2021**	2022	2021***	2022	2021	2022	2021**
Assets:								
Current and other assets	\$ 7,441.6	\$ 6,818.6	\$ 1,147.3	\$ 1,009.3	\$ -	\$ -	\$ 8,588.9	\$ 7,827.9
Capital assets (net)	5,144.3	4,986.9	3,585.7	3,505.7	-	-	8,730.0	8,492.6
Total assets	12,585.9	11,805.5	4,733.0	4,515.0	-	-	17,318.9	16,320.5
Deferred outflow of resources:	747.2	956.4	1,003.9	1,187.1	-	-	1,751.1	2,143.5
Liabilities:								
Current liabilities	676.7	632.1	274.9	249.3	-	-	951.6	881.4
Long-term liabilities	6,387.6	7,272.6	2,950.7	4,948.7	-	-	9,338.3	12,221.3
Total liabilities	7,064.3	7,904.7	3,225.6	5,198.0	-	-	10,289.9	13,102.7
Deferred inflow of resources:	4,933.2	3,972.4	1,780.6	348.2	-	-	6,713.8	4,320.6
Net position:								
Net investment in capital assets	3,593.0	3,555.6	3,363.9	3,304.7	(1,947.7)	(1,680.1)	5,009.2	5,180.2
Restricted	491.3	373.6	239.0	188.0	(103.3)	(101.9)	627.0	459.7
Unrestricted (deficit)	(2,748.7)	(3,044.4)	(2,872.2)	(3,336.9)	2,051.0	1,782.0	(3,569.9)	(4,599.3)
Net position	\$ 1,335.6	\$ 884.8	\$ 730.7	\$ 155.8	\$ -	\$ -	\$ 2,066.3	\$ 1,040.6

*Reclassification represents County issued debt for Schools and Parks facilities. See Note A - 13 for more information.

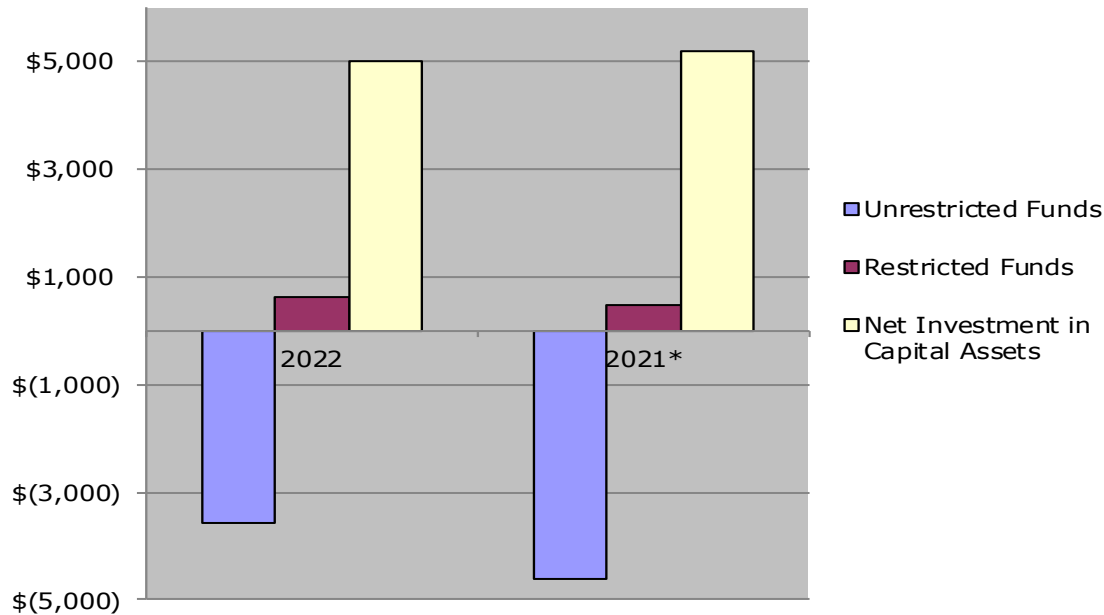
**Fiscal year 2021 amounts restated due to the implementation of GASB Statement 87. See Note N for more information.

***Component Units Net Position for FY2021 restated to \$166.6 Million.

The Commonwealth of Virginia requires that counties, as well as their financially dependent component units, be financed under a single taxing structure. This results in counties issuing general obligation debt to finance capital assets, such as public schools, for their component units. The component units are then responsible to account for and maintain the assets purchased or constructed with the debt proceeds. The Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, requires that the primary government and its component units, which make up the total financial reporting entity, be accounted for separately on the face of the basic financial statements. The result is that debt financed assets are presented on the books for the component units while the associated debt resides on the books of the primary government. The reclassification column represents the matching of the primary government's outstanding debt to the component units' related capital assets from a financial reporting entity perspective. Consequently, the net position of the total financial reporting entity best represents the financial position.

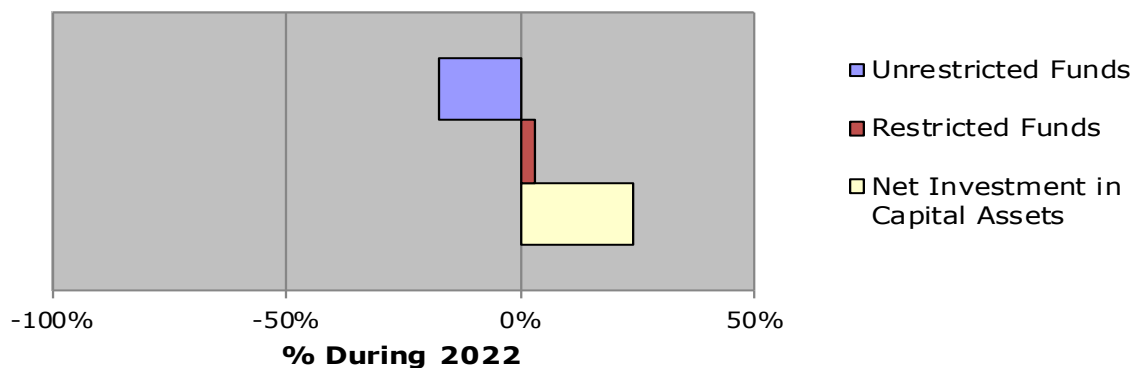
As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the reporting entity, assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by \$2,066.3 million at the end of fiscal year 2022, representing an increase of \$1,025.6 million from the net position at June 30, 2021, as shown above. The increase in fiscal year 2022 net position was mainly due to increases in current and other assets, capital assets and decrease in long-term liabilities offset by increases in deferred tax revenue and deferred inflows related to pension.

**Composition of Net Position of the Reporting Entity
As of June 30
(\$ in millions)**



As shown below, the largest portion of net position is the net investment in capital assets (e.g., land, buildings, infrastructure, equipment, and right-to-use lease assets, net of depreciation and amortization), less the outstanding debt that was used to acquire those assets, followed closely by unrestricted. The restricted net position portion represents resources that are subject to external restrictions on how they may be used. Net position of the reporting entity is restricted for various uses, some of which include transportation (\$388.7 million), grant programs (\$131.4 million), housing (\$42.6 million), and community centers (\$15.1 million). The balance of net position that is neither related to capital assets nor restricted for specific uses is represented as unrestricted net position.

**Composition of Net Position of the Reporting Entity
As of June 30**



Statement of Activities

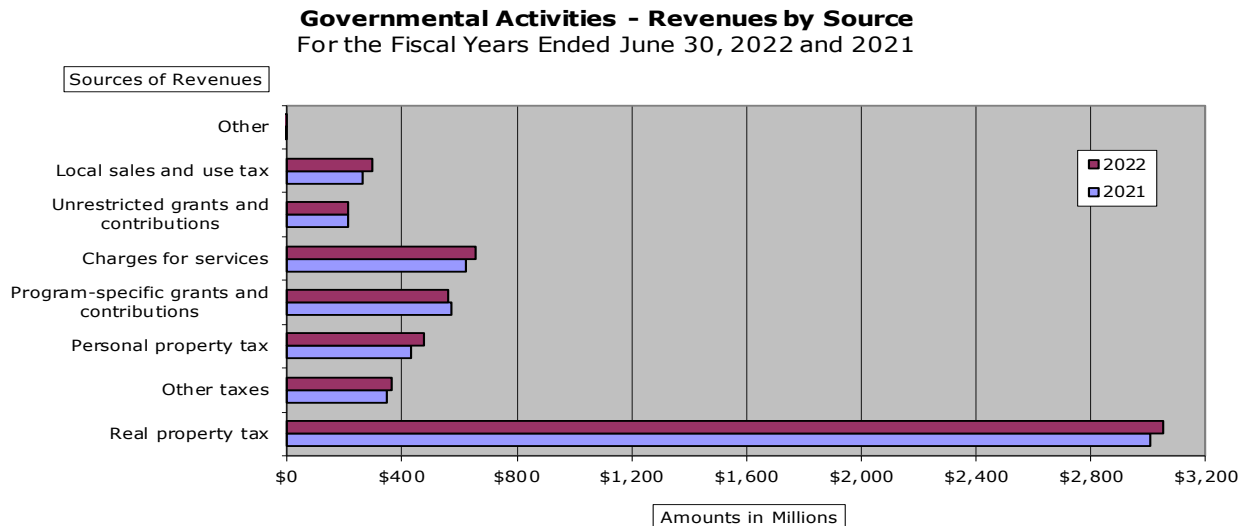
The following table summarizes the changes in Net Position for the primary government for the fiscal years ended June 30, 2022 and 2021:

Summary of Changes in Net Position For the Fiscal Years Ended June 30 (\$ in millions)						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 658.2	\$ 625.0	\$ 247.6	\$ 251.2	\$ 905.8	\$ 876.2
Operating grants and contributions	522.3	505.0	-	-	522.3	505.0
Capital grants and contributions	38.8	64.4	2.2	1.4	41.0	65.8
General revenues:						
Real property tax	3,053.6	3,008.7	-	-	3,053.6	3,008.7
Personal property tax	475.1	432.9	-	-	475.1	432.9
Business licenses tax	190.0	180.1	-	-	190.0	180.1
Local sales and use tax	294.3	263.8	-	-	294.3	263.8
Consumers utility tax	106.6	104.8	-	-	106.6	104.8
Other taxes	66.8	63.5	-	-	66.8	63.5
Unrestricted grants and contributions	211.4	211.4	-	-	211.4	211.4
Revenue from the use of money	(61.5)	(5.2)	0.5	0.8	(61.0)	(4.4)
Total revenues	5,555.6	5,454.4	250.3	253.4	5,805.9	5,707.8
Expenses:						
General government administration	192.5	258.1	-	-	192.5	258.1
Judicial administration	61.8	71.1	-	-	61.8	71.1
Public safety	801.6	882.3	-	-	801.6	882.3
Public works	223.9	282.3	196.6	195.2	420.5	477.5
Health and welfare	775.3	797.8	-	-	775.3	797.8
Community development	443.1	569.7	-	-	443.1	569.7
Parks, recreation, and cultural	195.3	133.2	-	-	195.3	133.2
Education	2,368.9	2,339.3	-	-	2,368.9	2,339.3
Interest on long-term debt *	96.1	99.9	-	-	96.1	99.9
Total expenses	5,158.5	5,433.7	196.6	195.2	5,355.1	5,628.9
Increase in net position	397.1	20.7	53.7	58.2	450.8	78.9
Beginning net position	(439.6)	(460.3)	1,324.4	1,266.2	884.8	805.9
Ending net position	\$ (42.5)	\$ (439.6)	\$ 1,378.1	\$ 1,324.4	\$ 1,335.6	\$ 884.8

* For business-type activities, interest on long-term debt is included in the functional expense category.

Governmental Activities

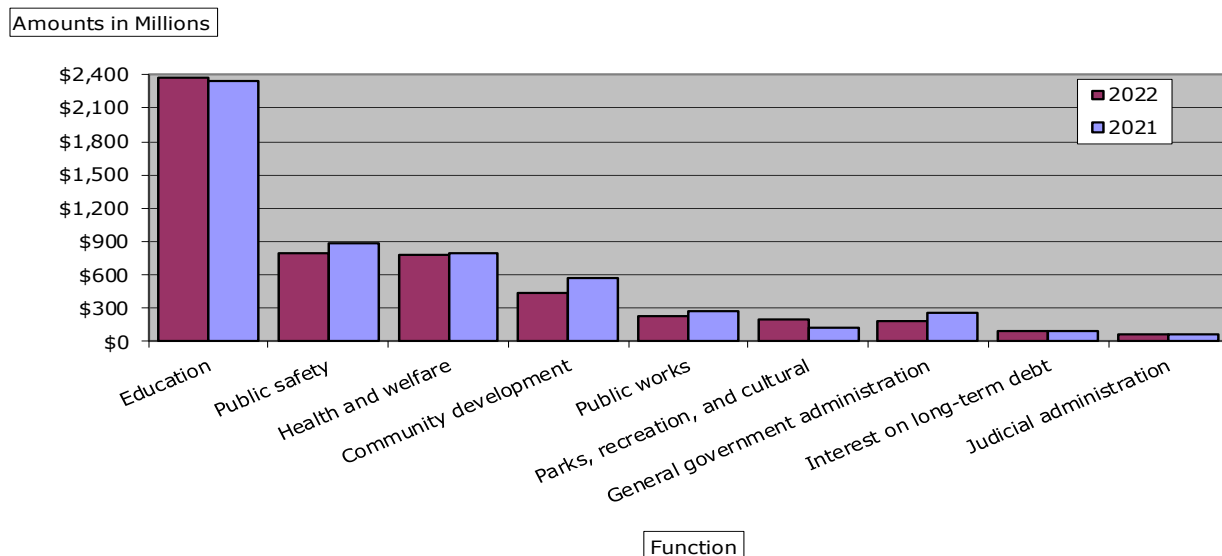
Revenue for the County's governmental activities was \$5,555.6 million for fiscal year 2022, representing an increase of \$101.2 million over fiscal year 2021. Sources of revenue for fiscal years 2022 and 2021 are shown below:



Taxes constitute the largest source of County revenues, amounting to \$4,186.4 million for fiscal year 2022, an increase of \$132.6 million over fiscal year 2021, primarily due to increase in property and other taxes. Real property taxes (\$3,053.6 million) represent 72.9 percent of total taxes and over half of all revenues combined. The real estate tax rate decreased from \$1.15 to \$1.14 per \$100 of assessed value, but the real estate assessments increased by \$59.8 million resulting in the increased revenue. Unrestricted grants and contributions include \$211.4 million in revenue from the Commonwealth of Virginia to reimburse the County as part of the Personal Property Tax Relief Act (see Note C to the financial statements).

Governmental Activities - Expenses by Function

For the Fiscal Years Ended June 30, 2022 and 2021



The total cost of all of the County's governmental activities for fiscal year 2022 was \$5,158.5 million, representing a decrease of \$275.2 million over fiscal year 2021. As the table below indicates, education continues to be the County's largest program. Education totaled \$2,368.9 million in fiscal year 2022, an increase of \$29.6 million over fiscal year 2021, to support school operations and to service debt for bond-funded projects to build new schools and renew older facilities. Health and welfare decreased by \$22.5 million in total cost of services compared to fiscal year 2021. A significant portion of this arises from reduced capacity of programs in health and social services.

The table below shows the total cost of each of the County's six largest programs - education, public safety, health and welfare, community development, public works, and general government administration - and the net cost of each program (total cost less fees generated by the programs and program-specific intergovernmental aid).

Net Cost of County's Governmental Activities For the Fiscal Years Ended June 30 (\$ in millions)				
Functions/Programs	Total Cost of Services		Net Cost of Services	
	2022	2021	2022	2021
Education	\$ 2,368.9	2,339.3	\$ 2,365.2	2,339.3
Public safety	801.6	882.3	672.9	743.8
Health and welfare	775.3	797.8	397.4	400.3
Community development	443.1	569.7	79.4	217.4
Public works	223.9	282.3	32.1	79.1
General government administration	192.5	258.1	99.6	206.5
Other	353.2	304.2	292.7	253.0
Total	\$ 5,158.5	\$ 5,433.7	\$ 3,939.3	\$ 4,239.4

Some of the cost of governmental activities was paid by those who directly benefited from the programs, these costs totaled \$658.2 million. Other governments and organizations subsidized certain programs with grants and contributions totaling \$561.1 million. County taxpayers subsidized the balance of \$3,939.3 million net cost of governmental activities.

Business-type Activities

The Sewer System recovers its costs primarily through user service charges and availability fees. For fiscal year 2022, the Sewer System reported an increase in net position of \$53.7 million. Total revenues of the Sewer System decreased \$3.1 million from fiscal year 2021. This decrease was primarily the result of decreases in the sewer availability fees.

Total expenses of the Sewer System for fiscal year 2022 were \$196.6 million, increasing by \$1.4 million from fiscal year 2021. This increase was primarily the result of increases in interest expenses.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. Fund balance classifications are reported by purpose within these classifications; nonspendable, restricted, committed, assigned, and unassigned as defined by GASB 54.

As of June 30, 2022, the County's governmental funds had a combined fund balance of \$2,018.1 million, compared with \$1,691.5 million at June 30, 2021. Of the fiscal year 2022 fund balance, \$47.5 million is assigned in the General Fund, indicating that it is not available for new spending as it has been allocated for items such as existing purchase orders, construction contracts and loan repayments. Approximately 21.0 percent (\$154.9 million) of the total 2022 General Fund balance is unassigned, representing resources not associated with a specified purpose. With regards to the nonmajor fund balance, as a portion of the total governmental funds fund balance, 63.5 percent (\$1,281.3 million) has been restricted or committed in the special revenue, capital projects, and debt service funds to meet the program needs. Nonspendable prepaid expenditures are 0.11 percent (\$2.2 million) of the total fund balance. At June 30, 2022, \$430.1 million of the General Fund's committed fund balance of \$532.2 million is designated for the managed reserve and revenue stabilization fund based on fiscal year 2022 actuals.

For the fiscal year ended June 30, 2022, fund balances for all governmental funds increased by \$326.7 million, compared with the \$96.4 million increase for fiscal year ended June 30, 2021. Total revenues and other financing sources were \$7,077.2 million, total expenditures and other financing uses were \$6,750.5 million, resulting in the increase to the fund balances. Although total revenues were less than expenditures in fiscal year 2022, the total other financing sources and uses exceeded the deficiency of revenues over expenditures. In comparison to fiscal year 2021, total revenues and other financing sources increased by \$274.6 million, mainly as a result of increase in Property Tax and Other Local Taxes receipts, and initial recognition of leases for governmental funds due to implementation of GASB Statement 87. Expenditures and other financing uses increased by \$44.4 million compared to fiscal year 2021 primarily due to increases in capital outlay and transfers out, offset by decrease in debt service payments as a result of bond refunding and defeasance.

The General Fund is the main operating fund of the County. At the end of the current fiscal year, the unassigned fund balance was \$154.9 million, which represents approximately 3.9 percent of the General Fund's total expenditures. Revenues of \$4,698.3 million, less expenditures of \$4,009.5 million and other financing uses of \$637.1 million, resulted in a net increase in fund balance of \$51.8 million. This increase was primarily attributed to the rise in property taxes.

In addition to revenue stabilization, managed reserve and other reserves specifically identified in the General Fund, the County has, as a result of policy decisions, established reserves in other funds which are available to allow the County to respond to both anticipated and unforeseen events. The practice of identifying these reserves in multiple funds has been in place for many years. These reserves are identified in the County's Internal Service Funds and certain Special Revenue Funds, such as the Fairfax-Falls Church Community Services Board that receive the majority of their funding from the General Fund. These balances total approximately 20.9 percent of total General Fund receipts (including revenues and transfers from other funds) as shown in the table on the following page.

Fund Reserves For the Fiscal Years Ended June 30, 2022 (\$ in millions)	
General fund committed reserves ⁽¹⁾ :	
Revenue stabilization fund reserve	\$ 238.2
Managed reserve	191.9
Information Technology and others	102.1
Total committed	532.2
General fund assigned reserves (encumbrances)	47.5
General fund unassigned reserves	154.9
General fund supported reserves ⁽²⁾ :	
Community services board	45.6
Internal service fund reserves ⁽³⁾ :	
Vehicle related reserves	74.3
Technology related reserves	24.6
Self insurance reserves	106.4
Total reserves funded by and available to the general fund	985.5
General fund revenues and transfers in ⁽⁴⁾ :	
General fund revenues	4,698.3
Transfers in	20.3
Total general fund revenues and transfers in	\$ 4,718.6
Total available reserves as % of general fund revenues	20.9%

⁽¹⁾ Exhibit A-2⁽³⁾ Exhibit G⁽²⁾ Exhibit D⁽⁴⁾ Exhibit A-3

The County's enterprise fund provides the same type of information found in the government-wide financial statements, as the basis of accounting is the same. Factors relating to the financial results of the Sewer System have been addressed in the discussion of the County's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The final amended budget appropriations, which include expenditures and transfers out, were more than the original budget amounts by \$358.7 million or 7.9 percent. This increase is primarily due to the carryover of prior-year commitments. The final amended budget revenues and transfers were more than the original budget by a net of \$58.6 million or 1.3 percent, primarily due to higher than projected Personal Property Taxes, Local Sales and Use Tax receipts, Transient Occupancy Tax, Business Licenses, and an increase to the Transfer In from the Fairfax-Falls Church Community Services Board of \$15 million.

Actual revenues were \$185.2 million more than final budget amounts, and actual expenditures were \$205.9 million less than final budget amounts. Highlights of the comparison of final budget to actual figures for the fiscal year ended June 30, 2022, include the following:

- Tax revenues exceeded budgeted amounts by \$52.2 million. The increase is a combination of increases in Personal Property Taxes, Real Property Taxes, Business Licenses Taxes, Local Sales & Use Taxes, and Recordation Taxes
- Intergovernmental revenue was \$114.7 million more than budgeted amounts primarily as a result of \$111.4 million in unbudgeted federal stimulus revenue from the American Rescue Plan Act (ARPA) that the County received at the end of FY 2022.
- General government administration expenditures were \$10.8 million, or 7.7 percent, less than budgeted amounts as a result of managing position vacancies and encumbrances carried forward to the next fiscal year.

- Public safety expenditures were \$19.2 million, or 3.4 percent, less than budgeted amounts mainly as a result of savings associated with managing position vacancies and encumbrances carried forward to the next fiscal year.
- Health and welfare expenditures were \$36.6 million, or 11.5 percent, less than budgeted amounts due to managing position vacancies, lower than anticipated costs in the Department of Family Services, the Health Department, and the Department of Neighborhood and Community Services, and encumbrances carried forward to the next fiscal year.
- Nondepartmental expenditures were \$114.5 million, or 20.4 percent, less than budgeted amounts primarily due to unspent balances of federal stimulus funds carried forward to the next fiscal year and savings in employer contributions to group health and life insurance.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

The County's investment in capital assets as of June 30, 2022, amounted to \$5.1 billion, which represents an increase of \$157.5 million, or 3.2 percent, over last year. Capital assets as of June 30, 2022 and 2021, are summarized below:

Capital Assets As of June 30 (\$ in millions)						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Land and easements	\$ 478.5	\$ 463.4	\$ 25.2	\$ 18.1	\$ 503.7	\$ 481.5
Buildings, improvements, and infrastructure	3,326.9	3,230.3	1,759.4	1,553.2	5,086.3	4,783.5
Software	199.2	181.1	-	-	199.2	181.1
Vehicles, equipment, and library collections*	675.3	661.3	16.9	17.1	692.2	678.4
Construction in progress	428.0	351.0	180.6	285.2	608.6	636.2
Equipment under construction	38.5	30.6	-	-	38.5	30.6
Software in development	24.2	20.4	-	-	24.2	20.4
Purchased capacity	-	-	1,172.9	1,154.8	1,172.9	1,154.8
Right-to-use lease assets*	127.2	125.7	-	-	127.2	125.7
Total capital assets	5,297.8	5,063.8	3,155.0	3,028.4	8,452.8	8,092.2
Less: Accumulated depreciation and amortization*	(1,956.5)	(1,820.3)	(1,352.0)	(1,285.1)	(3,308.5)	(3,105.4)
Total capital assets, net	\$ 3,341.3	\$ 3,243.5	\$ 1,803.0	\$ 1,743.3	\$ 5,144.3	\$ 4,986.8

* Fiscal year 2021 balance restated due to the implementation of GASB Statement 87. See Note N for more information.

The major capital asset activities for fiscal year 2022 included the following:

- Developers' contributions of sewer lines and manholes totaled \$2.3 million; contributions related to stormwater and pedestrian walkways totaled \$2.3 million.
- The purchase of library books and audio/video materials totaled \$3.3 million, funded through general operating revenues.
- Improvements to transportation, including bus and rail service, totaled \$23.1 million, County and Regional transportation projects totaled \$2.3 million, and Stormwater Services totaled \$44.4 million.

- Expenditures related to construction of the Springfield and Monument Drive Parking Facility, Sully, Lorton and Hybla valley Community Center, South County Police Station and Animal Services Facility, Stormwater Consolidation Facility, Fire Station in multiple locations and Capital Sinking fund for facilities and walkways were \$25.4 million, \$16.1 million, \$12.7 million, \$12.0 million, \$12.5 million, and \$8.2 million, respectively.
- The Sewer System's share of the upgrade and operating costs of the Noman Cole Treatment Plant Renovation, totaled \$40.7 million.
- The acquisition of Software increased by \$21.9 million for improving general government administration function.
- Due to the implementation of GASB Statement 87, the County reported Right-to-use lease assets for use of office space, land, infrastructure, and office equipment as lessee. As of June 30, 2022 the value of the underlying assets totaled \$127.2 million.

Additional information related to the County's capital assets can be found in Note F to the financial statements.

Long-term Debt

There is no legal limit on the amount of long-term indebtedness that the County can at any time incur or have outstanding. However, all general obligation bonded indebtedness must be approved by voter referendum prior to issuance. The Board of Supervisors has established the following self-imposed limits with respect to long-term debt:

- A limit of \$1.5 billion of general obligation bond sales over a five-year period, for an average of \$300 million annually, with a maximum of \$325 million in any given year, excluding refunding bonds.
- A limitation that total long-term debt (excluding capital leases for equipment and sewer revenue bonds) not exceed 3.00 percent of the total market value of taxable real and personal property in the County and that annual debt service payments do not exceed 10.00 percent of annual General Fund expenditures and transfers out. For fiscal year 2022, these percentages were 1.05 percent and 6.97 percent, respectively.

In February 2022, the County issued \$272.7 million of Series 2022A General Obligation Public Improvement Bonds with a true interest cost of 1.75 percent and a premium of \$28.0 million. Proceeds of \$272.7 million are being used to fund new facilities and improvements, as follows (in millions):

County facilities:	
Transportation Improvements.....	\$8.0
Public safety facilities.....	36.0
Other purposes	11.7
Park facilities	16.5
Transportation facilities	36.9
Public Schools facilities.....	<u>163.6</u>
Total bonds issued for new projects.....	<u>\$272.7</u>

In November 2021, the Economic Development Authority issued \$74.6 million of Facilities Revenue Bonds (County Facilities Projects) (Green Bonds) Series 2012A with a true interest cost of 2.17 percent and a premium of \$18.8 million. Bond proceeds are being used to finance the construction and improvement of certain property to be used as a consolidated public works complex for the County's stormwater and wastewater divisions.

In November 2021, the Economic Development Authority issued \$13.9 million of Facilities Revenue Refunding Bonds Series 2021B (County Facilities Projects), \$53.5 million of Facilities Revenue Refunding Bonds Series 2021C (County Facilities Projects) (Federally Taxable), and \$110.5 million of Facilities Revenue Refunding Bonds Series 2021D (County Facilities Projects) (Federally Taxable). The 2021B County Facilities Projects Bonds were issued to current refund all of the outstanding maturities of the 2012A Bonds in order to save \$6.4 million in future debt service payments with a \$5.0 million net present value. The 2021C County Facilities Projects Bonds were issued to advance refund certain outstanding maturities of the 2012A Laurel Hill Public Facilities Projects Bonds, 2014B County Facilities Projects Bonds, and 2017B County Facilities Projects Refunding Bonds in order to save \$3.4 million future debt service payments with a \$2.9 million net present value. The 2021D Facilities Revenue Refunding Bonds were issued to advance refund certain outstanding maturities of the 2014A County Facilities Projects Bonds in order to save \$11.6 million of future debt service payments with a \$10.1 million net present value.

In May 2022, the County closed on a partial defeasance in the amount of \$4.8 million of certain Series 2016 obligations associated with the Transportation District Improvement Revenue Bonds (Silver Line Phase 1 Project) to save \$7.1 million of future debt service payments with a \$1.6 million net present value.

The following is a summary of the County's gross outstanding long-term debt as of June 30, 2022 and 2021:

Outstanding Long-term Debt As of June 30 (\$ in millions)						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021*	2022	2021*	2022	2021*
General obligation bonds issued for:						
County facilities	\$ 896.6	\$ 866	\$ -	\$ -	\$ 896.6	\$ 866.0
Public Schools facilities	1,518.4	1,489.6	-	-	1,518.4	1,489.6
Revenue bonds	565.2	647.2	-	-	565.2	647.2
Sewer revenue bonds	-	-	730.1	742.2	730.1	742.2
Direct placements and borrowings	570.3	-	-	-	570.3	-
Notes payable and other	126.8	469.3	-	-	126.8	469.3
Total County outstanding debt	\$ 3,677.3	\$ 3,472	\$ 730.1	\$ 742	\$ 4,407.4	\$ 4,214

Additional information related to the County's long-term debt can be found in Note J to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The following economic factors are reflected in the General Fund budget for fiscal year 2023:

- The assessed value of all real property increased by \$23.35 billion, or 8.57 percent, over the fiscal year 2022 value. This resulted from an increase in existing property values and construction of new properties.
- Equalized residential property assessments increased 9.57 percent and non-residential equalization increased 2.27 percent for fiscal year 2023. For the second consecutive year, growth in residential equalization has been higher than that of non-residential equalization.
- Personal property tax revenue is projected to increase 9.00 percent in fiscal year 2023 compared to the fiscal year 2022 revised budget due to continued significant appreciation of vehicle assessed values. The total vehicle volume is forecasted to decline 1.30 percent in 2023.
- The General Fund revenue is expected to increase 4.47 percent from the fiscal year 2022 revised budget plan primarily as a result of strong growth in Real and Personal Property Tax levies, and higher Local Sales Tax, Transient Occupancy Tax, and Business, Professional, and Occupational License Tax collections, partially offset by a projected \$40.0 million decrease in Permits, Fees and Regulatory Licenses revenue primarily associated with redirecting General Fund revenue generated by the activities of Land Development Services (LDS) to a new LDS Special Revenue Fund.

The fiscal year 2023 Adopted Budget includes revenues of \$4.77 billion, or a 4.5 percent increase from the fiscal year 2022 Revised Budget Plan. Real estate and personal property taxes represent the majority of budgeted revenues, comprising approximately 82.49 percent of the fiscal year 2023 General Fund revenues. Revenue from real property taxes alone makes up 67.13 percent of total revenues, as compared with approximately 67.46 percent in the fiscal year 2022 Adopted Budget.

The fiscal year 2023 General Fund disbursements, which include transfers out, total \$4.77 billion, a 2.29 percent decrease from the fiscal year 2022 Revised Budget Plan. County funding for Public Schools is \$2.49 billion which is approximately 52.2 percent of the County's total General Fund budget. This funding supports operating costs, school construction, and debt service. Total direct expenditure funding decreased by \$109.64 million, or 5.89 percent, from fiscal year 2022 Revised Budget Plan.

The following tax rates and fees were approved for fiscal year 2023:

- Real estate tax rate decreases from \$1.14 to \$1.11 per \$100 of assessed value.
- Commercial real estate tax rate for County transportation projects remains at \$0.125 per \$100 of assessed value, levied on commercial and industrial properties.
- Special tax rate for the Dulles Rail Phase I Transportation Improvement District remains at \$0.09 per \$100 of assessed value, levied on commercial and industrial properties in the district. Dulles Rail Phase II remains at \$0.20 per \$100 of assessed value.
- Special real estate tax rate collected on all properties within Small District 1, Dranesville, for the McLean Community Center remains at \$0.023 per \$100 of assessed value, and the rate collected on all properties within Small District 5, Hunter Mill, for the Reston Community Center remains at \$0.047 per \$100 assessed value.
- The Sewer Service rate increases from \$7.72 to \$8.09 per 1,000 gallons of water consumption and the Sewer Availability Charge for new single-family homes increases from \$8,507 to \$8,592 per unit. The Sewer Base Charge increases from \$36.54 to \$40.14 per quarter.

- Refuse collection rate for County collection sanitation districts increases from \$400 to \$475 per household and the refuse disposal rate increases from \$66 to \$70 per ton.
- The Stormwater Services rate remains the same at \$0.0325 per \$100 of assessed value.
- Special real estate tax rate collected on all properties within the Tysons Service District remains at \$0.05 per \$100 of assessed value.
- Special real estate tax rate collected on all properties within the Reston Service District remains at \$0.021 per \$100 of assessed value.

The Board has increased the funding dedicated to affordable housing to just over one penny of the real estate tax rate. Funding adjustments and strategies have been incorporated in the fiscal year 2023 Adopted Budget Plan to continue to address the County's commitment to achieving the strategic priorities of a strong investment in education; public safety; affordable housing; environmental protection; and transportation improvements.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our residents, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County of Fairfax, Virginia, Department of Finance, 12000 Government Center Parkway, Fairfax, Virginia, 22035. This report can also be found on the County's web site at www.fairfaxcounty.gov.

Basic Financial Statements

The Basic Financial Statements subsection includes the government-wide statements, which incorporate governmental and business-type activities of the County of Fairfax and activities of component units in order to provide an overview of the financial position and results of operations for the reporting entity. This subsection also includes the fund financial statements of the County and the accompanying notes to the financial statements.



COUNTY OF FAIRFAX, VIRGINIA
Statement of Net Position
June 30, 2022

	Primary Government		Total
	Governmental Activities	Business-type Activities	Primary Government
ASSETS			
Equity in pooled cash and temporary investments	\$ 1,102,923,186	159,797,206	1,262,720,392
Cash in banks/with fiscal agents	-	-	-
Investments	1,349,504,551	-	1,349,504,551
Receivables (net of allowances):			
Accounts	21,895,302	967,495	22,862,797
Leases	271,872	-	271,872
Accrued interest	7,712,913	-	7,712,913
Property taxes:			
Delinquent	28,477,701	-	28,477,701
Not yet due	3,756,373,249	-	3,756,373,249
Business license taxes - delinquent	1,355,630	-	1,355,630
Loans	60,973,214	-	60,973,214
Notes	36,890,000	-	36,890,000
Due from intergovernmental units (net of allowances):			
Property tax relief - not yet due	211,313,944	-	211,313,944
Other	179,875,756	60,199,817	240,075,573
Due from primary government	-	-	-
Due from component units	174,606	-	174,606
Loan to component unit	9,380,000	-	9,380,000
Inventories of supplies	3,984,750	502,716	4,487,466
Prepaid and other assets	2,526,885	-	2,526,885
Restricted assets:			
Equity in pooled cash and temporary investments	36,362,431	141,372,177	177,734,608
Cash and temporary investments with fiscal agents	146,437,813	48,522,726	194,960,539
Deposit held in trust	-	-	-
Investments	-	32,319,929	32,319,929
Property held for sale	1,236,754	-	1,236,754
Capital assets:			
Non-depreciable/non-amortizable:			
Land and easements	478,487,645	25,176,910	503,664,555
Construction in progress	427,992,794	180,601,998	608,594,792
Equipment under construction	38,485,294	-	38,485,294
Software in development	24,230,750	-	24,230,750
Depreciable/amortizable:			
Vehicles and equipment	553,186,757	16,948,926	570,135,683
Software	199,166,686	-	199,166,686
Library collections	122,178,141	-	122,178,141
Purchased capacity	-	1,172,904,039	1,172,904,039
Buildings and improvements	2,076,562,782	92,099,752	2,168,662,534
Infrastructure	1,250,362,847	1,667,343,110	2,917,705,957
Right-to-use lease assets	127,186,254	-	127,186,254
Accumulated depreciation	(1,847,295,261)	(829,749,283)	(2,677,044,544)
Accumulated amortization	(109,225,719)	(522,306,115)	(631,531,834)
Other non-current assets:			
Lease receivable	760,252	-	760,252
Net OPEB asset	38,488,226	1,014,287	39,502,513
Total assets	10,338,238,005	2,247,715,690	12,585,953,695
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow for pension contributions subsequent to the measurement date	269,941,807	5,510,229	275,452,036
Deferred outflow for change in proportion (pensions)	20,401,135	2,308,644	22,709,779
Deferred outflow for differences between expected and actual experience (pensions)	34,570,743	473,265	35,044,008
Deferred outflow for changes in assumptions (pensions)	227,367,879	4,421,253	231,789,132
Deferred outflow for OPEB contributions subsequent to the measurement date	17,333,870	446,602	17,780,472
Deferred outflow for change in proportion (OPEB)	95,121	-	95,121
Deferred outflow for differences between expected and actual experience (OPEB)	28,085,199	740,135	28,825,334
Deferred outflow for recognition of investments (OPEB)	-	-	-
Deferred outflow for changes in assumptions (OPEB)	52,264,752	1,377,343	53,642,095
Deferred loss on refunding of debt	48,817,925	32,996,246	81,814,171
Total deferred outflows of resources	\$ 698,878,431	48,273,717	747,152,148
See accompanying notes to the financial statements.			

EXHIBIT A

Total Component Units	Reclassifications (See Note A-13)	Total Reporting Entity	
			ASSETS
665,015,429	-	1,927,735,821	Equity in pooled cash and temporary investments
46,018,728	-	46,018,728	Cash in banks/with fiscal agents
8,494,000	-	1,357,998,551	Investments
			Receivables (net of allowances):
21,855,703	-	44,718,500	Accounts
898,484	-	1,170,356	Leases
47,970	-	7,760,883	Accrued interest
			Property taxes:
-	-	28,477,701	Delinquent
-	-	3,756,373,249	Not yet due
-	-	1,355,630	Business license taxes - delinquent
-	-	60,973,214	Loans
28,012,207	-	64,902,207	Notes
			Due from intergovernmental units (net of allowances):
-	-	211,313,944	Property tax relief - not yet due
150,739,881	-	390,815,454	Other
5,638,598	-	5,638,598	Due from primary government
-	-	174,606	Due from component units
-	-	9,380,000	Loan to component unit
2,057,604	-	6,545,070	Inventories of supplies
4,040,137	-	6,567,022	Prepaid and other assets
			Restricted assets:
131,517,270	-	309,251,878	Equity in pooled cash and temporary investments
53,144,332	-	248,104,871	Cash and temporary investments with fiscal agents
4,941,808	-	4,941,808	Deposit held in trust
482,318	-	32,802,247	Investments
-	-	1,236,754	Property held for sale
			Capital assets:
			Non-depreciable/non-amortizable:
491,314,632	-	994,979,187	Land and easements
378,468,012	-	987,062,804	Construction in progress
-	-	38,485,294	Equipment under construction
-	-	24,230,750	Software in development
			Depreciable/amortizable:
354,729,108	-	924,864,791	Vehicles and equipment
14,037,906	-	213,204,592	Software
18,706,970	-	140,885,111	Library collections
-	-	1,172,904,039	Purchased capacity
5,327,603,557	-	7,496,266,091	Buildings and improvements
-	-	2,917,705,957	Infrastructure
61,804,719	-	188,990,973	Right-to-use lease assets
(3,039,258,160)	-	(5,716,302,704)	Accumulated depreciation
(21,720,611)	-	(653,252,445)	Accumulated amortization
			Other non-current assets:
21,819,280	-	22,579,532	Lease receivable
2,584,120	-	42,086,633	Net OPEB asset
4,732,994,002	-	17,318,947,697	Total assets
			DEFERRED OUTFLOWS OF RESOURCES
458,175,539	-	733,627,575	Deferred outflow for pension contributions subsequent to the measurement date
24,831,238	-	47,541,017	Deferred outflow for change in proportion (pensions)
55,887,910	-	90,931,918	Deferred outflow for differences between expected and actual experience (pensions)
316,866,627	-	548,655,759	Deferred outflow for changes in assumptions (pensions)
			Deferred outflow for OPEB contributions subsequent to the measurement date
30,287,515	-	48,067,987	Deferred outflow for change in proportion (OPEB)
6,342,479	-	6,437,600	Deferred outflow for differences between expected and actual experience (OPEB)
84,286,550	-	113,111,884	Deferred outflow for recognition of investments (OPEB)
8,691,356	-	8,691,356	Deferred outflow for changes in assumptions (OPEB)
14,988,321	-	68,630,416	Deferred loss on refunding of debt
3,514,808	-	85,328,979	
1,003,872,343	-	1,751,024,491	Total deferred outflows of resources

continued

COUNTY OF FAIRFAX, VIRGINIA
Statement of Net Position
June 30, 2022

	Primary Government		Total
	Governmental	Business-type	Primary
	Activities	Activities	Government
LIABILITIES			
Accounts payable and accrued liabilities	\$ 144,112,802	4,841,183	148,953,985
Accrued salaries and benefits	105,804,468	2,346,063	108,150,531
Contract retainages	9,978,894	23,900,075	33,878,969
Accrued interest payable	35,109,372	10,075,630	45,185,002
Due to intergovernmental units	11,017,481	-	11,017,481
Due to primary government	-	-	-
Due to component units	5,638,598	-	5,638,598
Unearned revenue	-	-	-
Other	182,803,598	-	182,803,598
Performance and other deposits	140,971,214	-	140,971,214
Long-term liabilities:			
Portion due or payable within one year:			
General obligation bonds payable, net	253,931,524	-	253,931,524
Revenue bonds payable, net	48,572,149	32,626,090	81,198,239
Direct placements and borrowings	1,695,000	-	1,695,000
Notes payable, net	1,604,824	-	1,604,824
Compensated absences payable	73,685,530	1,610,874	75,296,404
Landfill closure and postclosure obligation	36,000	-	36,000
Lease liability	18,569,369	-	18,569,369
Insurance and benefit claims payable	28,096,000	-	28,096,000
Loan from primary government	-	-	-
Other	1,212,274	-	1,212,274
Portion due or payable after one year:			
General obligation bonds payable, net	2,369,915,333	-	2,369,915,333
Revenue bonds payable, net	582,876,137	791,187,099	1,374,063,236
Direct placements and borrowings	568,569,624	-	568,569,624
Notes payable, net	1,612,500	-	1,612,500
Compensated absences payable	91,558,791	1,540,971	93,099,762
Landfill closure and postclosure obligation	51,656,293	-	51,656,293
Lease liability	90,355,924	-	90,355,924
Insurance and benefit claims payable	65,209,000	-	65,209,000
Net pension liability	1,270,139,507	27,987,014	1,298,126,521
Net OPEB liability	-	-	-
Loan from primary government	-	-	-
Other	13,437,081	-	13,437,081
Total liabilities	6,168,169,287	896,114,999	7,064,284,286
DEFERRED INFLOWS OF RESOURCES			
Deferred tax revenue	4,000,339,223	-	4,000,339,223
Deferred revenue - other	44,595,923	-	44,595,923
Deferred gain on refunding	7,083,812	4,454,669	11,538,481
Deferred inflow related to differences between actual and expected experience (pensions)	58,938,827	902,547	59,841,374
Deferred inflow of recognition of pension investments	641,133,921	12,147,898	653,281,819
Deferred inflow for change in proportion (pensions)	-	104,348	104,348
Deferred inflow related to differences between actual and expected experience (OPEB)	5,602,377	147,641	5,750,018
Deferred recognition of OPEB investments	46,416,951	1,223,235	47,640,186
Deferred inflow for change in proportion (OPEB)	-	12,803	12,803
Deferred inflow for change in assumptions (OPEB)	106,338,604	2,802,362	109,140,966
Deferred inflow related to lease	1,010,856	-	1,010,856
Total deferred inflows of resources	4,911,460,494	21,795,503	4,933,255,997
NET POSITION			
Net investment in capital assets	2,411,445,112	1,181,439,831	3,592,884,943
Restricted for:			
Grant programs	38,979,414	-	38,979,414
Repair and replacement	-	-	-
Community centers	15,091,452	-	15,091,452
Housing	-	-	-
Transportation	388,743,344	-	388,743,344
Capital projects	-	-	-
Debt service	-	48,522,726	48,522,726
Unrestricted (deficit)	(2,896,772,667)	148,116,348	(2,748,656,319)
Net position	\$ (42,513,345)	1,378,078,905	1,335,565,560

See accompanying notes to the financial statements.

EXHIBIT A
concluded

Total Component Units	Reclassifications (See Note A-13)	Total Reporting Entity	
			LIABILITIES
76,352,308	-	225,306,293	Accounts payable and accrued liabilities
105,576,089	-	213,726,620	Accrued salaries and benefits
15,492,699	-	49,371,668	Contract retainages
14,468,879	-	59,653,881	Accrued interest payable
1,885,415	-	12,902,896	Due to intergovernmental units
174,606	-	174,606	Due to primary government
-	-	5,638,598	Due to component units
35,664,341	-	35,664,341	Unearned revenue
-	-	182,803,598	Other
25,313,914	-	166,285,128	Performance and other deposits
			Long-term liabilities:
			Portion due or payable within one year:
-	-	253,931,524	General obligation bonds payable, net
758,910	-	81,957,149	Revenue bonds payable, net
-	-	1,695,000	Direct placements and borrowings
20,500,063	-	22,104,887	Notes payable, net
30,210,887	-	105,507,291	Compensated absences payable
-	-	36,000	Landfill closure and postclosure obligation
9,785,075	-	28,354,444	Lease liability
34,936,213	-	63,032,213	Insurance and benefit claims payable
875,000	-	875,000	Loan from primary government
-	-	1,212,274	Other
			Portion due or payable after one year:
-	-	2,369,915,333	General obligation bonds payable, net
18,211,712	-	1,392,274,948	Revenue bonds payable, net
-	-	568,569,624	Direct placements and borrowings
123,460,035	-	125,072,535	Notes payable, net
15,955,941	-	109,055,703	Compensated absences payable
-	-	51,656,293	Landfill closure and postclosure obligation
42,264,252	-	132,620,176	Lease liability
39,732,350	-	104,941,350	Insurance and benefit claims payable
2,225,386,321	-	3,523,512,842	Net pension liability
380,070,500	-	380,070,500	Net OPEB liability
8,505,000	-	8,505,000	Loan from primary government
-	-	13,437,081	Other
3,225,580,510	-	10,289,864,796	Total liabilities
			DEFERRED INFLOWS OF RESOURCES
-	-	4,000,339,223	Deferred tax revenue
-	-	44,595,923	Deferred revenue - other
-	-	11,538,481	Deferred gain on refunding
143,130,177	-	202,971,551	Deferred inflow related to differences between actual and expected experience (pensions)
1,420,794,062	-	2,074,075,881	Deferred inflow of recognition of pension investments
50,121,990	-	50,226,338	Deferred inflow for change in proportion (pensions)
20,281,606	-	26,031,624	Deferred inflow related to differences between actual and expected experience (OPEB)
28,299,117	-	75,939,303	Deferred recognition of OPEB investments
2,456,976	-	2,469,779	Deferred inflow for change in proportion (OPEB)
93,096,910	-	202,237,876	Deferred inflow for change in assumptions (OPEB)
22,456,362	-	23,467,218	Deferred inflow related to lease
1,780,637,200	-	6,713,893,197	Total deferred inflow of resources
			NET POSITION
3,363,858,426	(1,947,740,936)	5,009,002,433	Net investment in capital assets
			Restricted for:
92,443,257	-	131,422,671	Grant programs
700,000	-	700,000	Repair and replacement
-	-	15,091,452	Community centers
42,567,218	-	42,567,218	Housing
-	-	388,743,344	Transportation
103,297,516	(103,297,516)	-	Capital projects
-	-	48,522,726	Debt service
(2,872,217,782)	2,051,038,452	(3,569,835,649)	Unrestricted (deficit)
730,648,635	-	2,066,214,195	Net position

COUNTY OF FAIRFAX, VIRGINIA
Statement of Activities
For the fiscal year ended June 30, 2022

Functions/Programs	Expenses	Program Revenues			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government:					
Governmental activities:					
General government administration	\$ 192,501,537	34,956,037	55,647,334	2,312,499	
Judicial administration	61,798,750	9,375,865	27,698,658	-	
Public safety	801,632,044	78,013,235	50,087,547	582,235	
Public works	223,892,691	184,156,413	3,952,131	3,719,679	
Health and welfare	775,306,233	62,217,830	310,028,802	5,673,980	
Community development	443,003,734	268,888,239	68,219,266	26,505,330	
Parks, recreation, and cultural	195,329,785	16,837,153	6,641,296	-	
Education - for Public Schools	2,368,929,073	3,730,000	-	-	
Interest on long-term debt	96,141,979	-	-	-	
Total governmental activities	5,158,535,826	658,174,772	522,275,034	38,793,723	
Business-type activities:					
Public works - Sewer	196,623,266	247,569,058	-	2,283,276	
Total business-type activities	196,623,266	247,569,058	-	2,283,276	
Total primary government	5,355,159,092	905,743,830	522,275,034	41,076,999	
Component units:					
Public Schools	3,121,966,572	108,546,146	587,818,653	196,671,034	
Redevelopment and Housing Authority	121,791,377	42,424,586	85,522,162	-	
Park Authority	107,224,363	47,366,982	-	22,132,277	
Economic Development Authority	11,481,480	-	-	1,025,000	
Total component units	\$ 3,362,463,792	198,337,714	673,340,815	219,828,311	

General revenues:

Taxes:

Real property

Personal property

Business licenses

Local sales and use

Consumers utility

Recordation

Occupancy, tobacco, and other

Grants and contributions not restricted
to specific programs

Revenue from the use of money

Revenue from primary government

Other

Total general revenues

Change in net position

Net position, July 1, 2021, as previously stated

Prior period adjustment

Net position, July 1, 2021, as restated

Net position, June 30, 2022

See accompanying notes to the financial statements.

EXHIBIT A-1

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Total	Functions/Programs
Governmental Activities	Business-type Activities	Total Primary Government	Component Units	
(99,585,667)	-	(99,585,667)	-	Primary government:
(24,724,227)	-	(24,724,227)	-	Governmental activities:
(672,949,027)	-	(672,949,027)	-	General government administration
(32,064,468)	-	(32,064,468)	-	Judicial administration
(397,385,621)	-	(397,385,621)	-	Public safety
(79,390,899)	-	(79,390,899)	-	Public works
(171,851,336)	-	(171,851,336)	-	Health and welfare
(2,365,199,073)	-	(2,365,199,073)	-	Community development
(96,141,979)	-	(96,141,979)	-	Parks, recreation, and cultural
(3,939,292,297)	-	(3,939,292,297)	-	Education - for Public Schools
				Interest on long-term debt
				Total governmental activities
-	53,229,068	53,229,068	-	Business-type activities:
-	53,229,068	53,229,068	-	Public works - Sewer
(3,939,292,297)	53,229,068	(3,886,063,229)	-	Total business-type activities
				Total primary government
-	-	-	(2,228,930,739)	Component units:
-	-	-	6,155,371	Public Schools
-	-	-	(37,725,104)	Redevelopment and Housing Authority
-	-	-	(10,456,480)	Park Authority
-	-	-	(2,270,956,952)	Economic Development Authority
				Total component units
				General revenues:
\$ 3,053,617,253	-	3,053,617,253	-	Taxes:
475,145,763	-	475,145,763	-	Real property
190,004,446	-	190,004,446	-	Personal property
294,262,843	-	294,262,843	-	Business licenses
106,582,505	-	106,582,505	-	Local sales and use
36,659,136	-	36,659,136	-	Consumers utility
30,164,116	-	30,164,116	-	Recordation
211,422,169	-	211,422,169	587,998,593	Occupancy, tobacco, and other
(61,502,432)	479,834	(61,022,598)	1,614,633	Grants and contributions not restricted to specific programs
-	-	-	2,241,864,097	Revenue from the use of money
-	-	-	3,541,361	Revenue from primary government
4,336,355,799	479,834	4,336,835,633	2,835,018,684	Other
397,063,502	53,708,902	450,772,404	564,061,732	Total general revenues
(439,598,423)	1,324,370,003	884,771,580	155,821,637	Change in net position
21,576	-	21,576	10,765,266	Net position, July 1, 2021, as previously stated
(439,576,847)	1,324,370,003	884,793,156	166,586,903	Prior period adjustment
\$ (42,513,345)	1,378,078,905	1,335,565,560	730,648,635	Net position, July 1, 2021, as restated
				Net position, June 30, 2022

COUNTY OF FAIRFAX, VIRGINIA
Balance Sheet
Governmental Funds
June 30, 2022

EXHIBIT A-2

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Equity in pooled cash and temporary investments	\$ 447,170,651	442,244,397	889,415,048
Investments	678,489,564	671,014,987	1,349,504,551
Receivables (net of allowances):			
Accounts	11,467,298	10,425,597	21,892,895
Leases	-	1,032,124	1,032,124
Accrued interest	-	7,712,913	7,712,913
Property taxes:			
Delinquent	28,477,701	-	28,477,701
Not yet due	3,756,373,249	-	3,756,373,249
Business license taxes - delinquent	1,355,630	-	1,355,630
Loans	-	60,973,214	60,973,214
Notes	-	36,890,000	36,890,000
Due from intergovernmental units (net of allowances):			
Not yet due	211,313,944	-	211,313,944
Other	59,419,717	119,998,244	179,417,961
Due from component units	174,148	458	174,606
Loan to component unit	-	9,380,000	9,380,000
Interfund receivables	4,736,672	-	4,736,672
Prepaid and other assets	1,755,384	771,501	2,526,885
Restricted assets:			
Equity in pooled cash and temporary investments	-	36,362,431	36,362,431
Cash with fiscal agents	673,686	145,764,127	146,437,813
Property held for sale	-	1,236,754	1,236,754
Total assets	5,201,407,644	1,543,806,747	6,745,214,391
DEFERRED OUTFLOWS OF RESOURCES			
Total deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	\$ 5,201,407,644	1,543,806,747	6,745,214,391
LIABILITIES			
Accounts payable and accrued liabilities	\$ 49,840,109	80,816,961	130,657,070
Accrued salaries and benefits	83,284,207	19,973,367	103,257,574
Contract retainages	4,348	9,974,546	9,978,894
Due to intergovernmental units	47,123	10,970,358	11,017,481
Due to component units	4,047,365	1,591,233	5,638,598
Interfund payables	1,956,937	4,736,672	6,693,609
Unearned revenue	214,569,992	31,836,783	246,406,775
Performance and other deposits	88,896,863	52,074,351	140,971,214
Total liabilities	442,646,944	211,974,271	654,621,215
DEFERRED INFLOWS OF RESOURCES			
Deferred tax revenue	4,000,339,223	-	4,000,339,223
Lease revenue	-	1,010,856	1,010,856
Unavailable revenue	22,119,301	49,019,849	71,139,150
Total deferred inflows of resources	4,022,458,524	50,030,705	4,072,489,229
Total liabilities and deferred inflows of resources	\$ 4,465,105,468	262,004,976	4,727,110,444

continued

EXHIBIT A-2

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
FUND BALANCES			
Nonspendable:			
Prepaid amounts	\$ 1,755,384	471,507	2,226,891
Total Nonspendable	1,755,384	471,507	2,226,891
Restricted for:			
Public safety, courts, and judicial	-	51,537,889	51,537,889
General public works	-	117,699,180	117,699,180
Stormwater management	-	166,940,593	166,940,593
Transportation	-	404,795,976	404,795,976
Social services, health and welfare	-	16,085,818	16,085,818
Housing and community development	-	42,920,731	42,920,731
Parks, recreation, and cultural	-	15,852,997	15,852,997
Debt service	-	4,928,321	4,928,321
Capital projects	-	109,461,236	109,461,236
Other purposes	-	7,072,814	7,072,814
Total Restricted	-	937,295,555	937,295,555
Committed to:			
Revenue stabilization	238,157,921	-	238,157,921
Managed reserves	191,927,260	-	191,927,260
Public safety, courts, and judicial	556,076	2,334,021	2,890,097
Transportation	-	26,978,197	26,978,197
Social services, health and welfare	2,158,633	56,404,461	58,563,094
Housing and community development	47,153,900	10,192,922	57,346,822
Parks, recreation, and cultural	1,186,673	-	1,186,673
Capital projects	-	248,125,108	248,125,108
Other purposes	51,009,752	-	51,009,752
Total Committed	532,150,215	344,034,709	876,184,924
Assigned to:			
Public safety, courts, and judicial	13,227,625	-	13,227,625
General public works	7,527,757	-	7,527,757
Social services, health and welfare	14,271,084	-	14,271,084
Housing and community development	4,390,279	-	4,390,279
Parks, recreation, and cultural	1,613,872	-	1,613,872
Other purposes	6,463,315	-	6,463,315
Total Assigned	47,493,932	-	47,493,932
Unassigned:	154,902,645	-	154,902,645
Total fund balances	736,302,176	1,281,801,771	2,018,103,947
Total liabilities, deferred inflows of resources, and fund balances	\$ 5,201,407,644	1,543,806,747	6,745,214,391

See accompanying notes to the financial statements.

continued

COUNTY OF FAIRFAX, VIRGINIA
Reconciliation of the Balance Sheet to the Statement of Net Position
Governmental Funds
June 30, 2022

EXHIBIT A-2
concluded

Fund balances - Total governmental funds \$ 2,018,103,947

Amounts reported for governmental activities in the Statement of Net Position (Exhibit A) are different because:

Capital assets used in governmental fund activities are not financial resources and, therefore, are not reported in the funds:

Non-depreciable/non-amortizable assets:		
Land and Easements	\$ 476,548,957	
Construction in progress	401,256,565	
Equipment under construction	34,278,939	
Software in development	24,230,750	
Depreciable/amortizable assets:		
Vehicles and equipment	350,932,943	
Software	196,966,099	
Library collections	122,178,141	
Buildings and improvements	2,054,347,045	
Infrastructure	1,245,765,057	
Right-to-use lease assets	<u>119,241,864</u>	
Total capital assets	5,025,746,360	
Less accumulated depreciation/amortization	<u>(1,782,871,322)</u>	3,242,875,038

Some of the County's receivables will not be collected soon enough to pay for the current period's expenditures and, therefore, are reported as deferred inflow in the funds:

Delinquent taxes (net of allowances):		
Property	\$ 24,536,269	
Business license	1,355,630	
Sales and use and other taxes		
Other charges for services	821,278	
Notes receivable from component unit	<u>36,890,000</u>	63,603,177

When an asset is recorded in governmental fund financial statements, but the revenue is not available, it is reported as deferred inflow of resources in the funds:

Sales and use and other taxes	\$ 24,722,046	
EMS transport and other charges for services	<u>1,821,181</u>	26,543,227

Investment fair value adjustment is recorded in the government-wide statements but not in the fund financial statements (68,176,565)

For debt refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt should be reported as a deferred outflows of resources or a deferred inflows of resources:

Deferred loss on refunding of debt	\$ 48,817,925	
Deferred gain on refunding of debt	<u>(7,083,812)</u>	41,734,113

Certain results experienced by pension plans and OPEB are required to be reported as a deferred outflow or inflow of resources:

Deferred outflow for pension contributions subsequent to the measurement date	\$ 269,941,807	
Deferred outflow for change in proportion (pensions)	20,401,135	
Deferred outflow for differences between expected and actual experience (pensions)	34,570,743	
Deferred inflow of recognition of pension investments	(641,133,921)	
Deferred outflow for changes in assumptions (pensions)	227,367,879	
Deferred inflow for differences between expected and actual experience (pensions)	(58,938,827)	
Deferred outflow for OPEB contributions subsequent to the measurement date	17,333,870	
Deferred outflow for change in proportion (OPEB)	95,121	
Deferred outflow for differences between expected and actual experience (OPEB)	28,085,199	
Deferred outflow for changes in assumptions (OPEB)	52,264,752	
Deferred inflow related to differences between actual and expected experience (OPEB)	(5,602,377)	
Deferred recognition of OPEB investments	(46,416,951)	
Deferred inflow for change in assumptions (OPEB)	<u>(106,338,604)</u>	(208,370,174)

Certain other receivables are accrued only in the government-wide statements 437,175

Internal service funds are used by management to provide certain goods and services to governmental funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.

Assets:		
Current assets	\$ 287,649,417	
Capital assets	272,093,590	
Less accumulated depreciation/amortization	(173,649,658)	
Liabilities	<u>(118,420,086)</u>	267,673,263

Long-term liabilities related to governmental fund activities are not due and payable in the current period and, therefore, are not reported in the funds:

General obligation bonds payable, net	\$ (2,623,846,857)	
Revenue bonds payable, net	(631,448,286)	
Direct placements and borrowings	(570,264,624)	
Notes payable	(3,217,324)	
Compensated absences payable	(161,162,941)	
Landfill closure and postclosure obligation	(51,692,293)	
Lease liability	(103,901,908)	
Net pension liability	(1,270,139,507)	
Net OPEB asset	38,488,226	
Other long-term liabilities	(14,649,355)	
Accrued interest on long-term debt	<u>(35,101,677)</u>	(5,426,936,546)

Net position of governmental activities \$ (42,513,345)



COUNTY OF FAIRFAX, VIRGINIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the fiscal year ended June 30, 2022

EXHIBIT A-3

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	\$ 4,124,173,610	61,604,678	4,185,778,288
Permits, privilege fees, and regulatory licenses	59,623,124	19,857,255	79,480,379
Intergovernmental	420,838,030	445,927,435	866,765,465
Charges for services	57,300,241	332,708,142	390,008,383
Fines and forfeitures	8,258,033	98,020	8,356,053
Developers' contributions	-	12,773,316	12,773,316
Revenue from the use of money and property	19,712,105	15,719,127	35,431,232
Recovered costs	7,739,784	7,955,304	15,695,088
Gifts, donations, and contributions	663,933	430,668	1,094,601
Total revenues	4,698,308,860	897,073,945	5,595,382,805
EXPENDITURES			
Current:			
General government administration	179,535,837	8,349,320	187,885,157
Judicial administration	67,398,758	979,963	68,378,721
Public safety	762,223,533	62,416,811	824,640,344
Public works	76,378,773	118,359,744	194,738,517
Health and welfare	399,379,528	379,420,733	778,800,261
Community development	106,855,793	232,456,533	339,312,326
Parks, recreation, and cultural	44,475,067	17,341,177	61,816,244
Intergovernmental:			
Community development	12,727,791	74,014,025	86,741,816
Parks, recreation, and cultural	40,387,304	28,317,024	68,704,328
Education - for Public Schools	2,185,874,587	183,054,486	2,368,929,073
Capital outlay:			
General government administration	26,641,908	19,198,127	45,840,035
Judicial administration	740,353	191,955	932,308
Public safety	2,571,769	45,681,206	48,252,975
Public works	83,029,734	49,568,899	132,598,633
Health and welfare	1,461,599	50,128,444	51,590,043
Community development	137,312	66,820,487	66,957,799
Parks, recreation, and cultural	5,690,186	13,558,389	19,248,575
Debt service:			
Principal retirement	12,946,009	277,207,306	290,153,315
Interest and other charges	1,011,614	122,082,124	123,093,738
Total expenditures	4,009,467,455	1,749,146,753	5,758,614,208
Excess (deficiency) of revenues over (under) expenditures	688,841,405	(852,072,808)	(163,231,403)
OTHER FINANCING SOURCES (USES)			
Transfers in	20,330,481	792,298,869	812,629,350
Transfers out	(740,804,424)	(87,842,365)	(828,646,789)
General obligation bonds issued	-	272,650,000	272,650,000
Premium on general obligation bonds issued	-	28,080,444	28,080,444
Revenue bonds issued	-	54,550,000	54,550,000
Premium on revenue bonds issued	-	13,725,957	13,725,957
Lease revenue refunding bonds issued	-	177,825,000	177,825,000
Premium on lease revenue refunding bonds issued	-	3,364,204	3,364,204
Payments to refunded bonds escrow agent	-	(163,535,669)	(163,535,669)
Leases	83,387,391	35,854,472	119,241,863
Total other financing sources (uses), net	(637,086,552)	1,126,970,912	489,884,360
Net change in fund balances	51,754,853	274,898,104	326,652,957
Fund balances, July 1, 2021	684,547,323	1,006,903,667	1,691,450,990
Fund balances, June 30, 2022	\$ 736,302,176	1,281,801,771	2,018,103,947

See accompanying notes to the financial statements.

continued

COUNTY OF FAIRFAX, VIRGINIA

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities

Governmental Funds

For the fiscal year ended June 30, 2022

EXHIBIT A-3

concluded

Net change in fund balances - Total governmental funds		\$ 326,652,957
Amounts reported for governmental activities in the Statement of Activities (Exhibit A-1) are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.		
Capital outlays	\$ 365,420,368	
Less depreciation/amortization expense	(148,075,102)	217,345,266
In the Statement of Activities, the gain or loss on the disposition of capital assets is reported. However, in the governmental funds, only the proceeds from sales are reported, which increase fund balance. Thus, the difference is the net book value (i.e., depreciated cost) of the capital asset dispositions.		
		(24,435,014)
Certain transactions such as donations of capital assets increase net position in the Statement of Activities, but do not appear in the governmental funds because they are not financial resources.		
		24,217,715
Build America Bonds interest subsidy accrual is not recognized as revenue in the fund statements		
		(49,742)
Some of the County's receivables will not be collected soon enough to pay for the current period's expenditures and, therefore, are reported as deferred inflow in the governmental funds:		
Delinquent property taxes	\$ 219,400	
Delinquent business license taxes	(1,262,629)	
Other charges for services	(227,639)	(1,270,868)
Some revenues will not be collected for several months after the fiscal year ends, hence, they are not considered "available" revenues and are deferred inflow of resources in the governmental funds:		
Sales and use and other taxes	\$ 1,701,003	
EMS transport and other charges for services	(693,977)	1,007,026
Investment fair value adjustment is recorded in the government-wide statements but not in the fund financial statements		
		(65,521,379)
The receipt of principal payments for the lease to the component unit does not result in a revenue in the Statement of Activities.		
		1,965,000
The issuance of long-term debt, including premiums, is reported as other financing sources in the governmental funds and thus, increases fund balance. In the government-wide statements, however, issuing debt increases long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities. The following were issued:		
General Obligation Bonds	\$ (300,730,444)	
Revenue Bonds	(68,275,957)	
Lease revenue refunding bonds	(181,189,204)	(669,437,468)
Leases	(119,241,863)	
OPEB costs are recognized as expenditures in the fund statements, but are deferred and amortized in the government-wide statements, resulting in a net difference.		
		22,146,469
Certain other long-term liabilities are recognized only in the government-wide statements, resulting in a net difference.		
		864,915
The repayment of the principal amounts of long-term debt is reported as an expenditure or as an other financing use when debt is refunded in governmental funds and thus, reduces fund balance. However, the principal payments reduce the liabilities in the Statement of Net Position and do not result in an expense in the Statement of Activities.		
Principal repayments of matured bonds, notes, and loans	\$ 274,813,359	
Payment to escrow agent to refund bonds	163,535,669	
Principal payments of leases	15,339,956	453,688,984
Interest on long-term debt is reported as an expenditure in the governmental funds when it is due. In the Statement of Activities, however, interest expense is affected as this interest accrues and as bond-related items are amortized. This difference in interest reporting is as follows:		
Accrued interest on bonds, loans, and leases	\$ (11,100,690)	
Amortization of bond premiums and discounts	48,147,334	
Amortization of deferred gains on bond refundings	213,116	
Amortization of deferred losses on bond refundings	(10,272,000)	26,987,760
Under the modified accrual basis of accounting used in the governmental funds, expenditures for the following are not recognized until they mature. In the Statement of Activities, however, they are reported as expenses and liabilities as they accrue. The timing differences are as follows:		
Landfill closure and postclosure costs	\$ (2,273,275)	
Compensated absences	(3,480,119)	
Net pension liability	91,623,038	85,869,644
Internal service funds are used by management to provide certain goods and services to governmental funds. The change in net position is reported with governmental activities.		
		(2,967,763)
Change in net position of governmental activities		\$ 397,063,502

COUNTY OF FAIRFAX, VIRGINIA
Statement of Net Position
Proprietary Funds
June 30, 2022

EXHIBIT A-4

	Business-type Activities - Enterprise Fund Integrated Sewer System	Governmental Activities - Internal Service Funds
ASSETS		
Current assets:		
Equity in pooled cash and temporary investments	\$ 159,797,206	281,684,703
Accounts receivable	519,256	2,407
Due from intergovernmental units (net of allowance)	60,199,817	20,620
Interfund receivables	-	1,956,937
Inventories of supplies	502,716	3,984,750
Total unrestricted current assets	221,018,995	287,649,417
Restricted assets:		
Equity in pooled cash and temporary investments	141,372,177	-
Temporary investments with fiscal agents	48,522,726	-
Investments with fiscal agents	32,319,929	-
Total restricted current assets	222,214,832	-
Total current assets	443,233,827	287,649,417
Long-term assets:		
Capital assets:		
Non-depreciable/non-amortizable:		
Land	24,477,054	1,938,688
Easements	699,856	-
Construction in progress	180,601,998	26,736,229
Equipment under construction	-	4,206,355
Depreciable/amortizable:		
Vehicles and equipment	16,948,926	202,253,814
Software	-	2,200,587
Purchased capacity	1,172,904,039	-
Buildings and improvements	92,099,752	22,215,737
Infrastructure	1,667,343,110	4,597,790
Right-to-use lease assets	-	7,944,390
Accumulated depreciation	(829,749,283)	(168,969,572)
Accumulated amortization	(522,306,115)	(4,680,086)
Total capital assets, net	1,803,019,337	98,443,932
Other long-term assets:		
Accounts receivable	448,239	-
Net OPEB asset	1,014,288	-
Total other long-term assets	1,462,527	-
Total long-term assets	1,804,481,864	98,443,932
Total assets	2,247,715,691	386,093,349
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow for pension contributions subsequent to the measurement date	5,510,229	-
Deferred outflow for change in proportion (pensions)	2,308,644	-
Deferred outflow for differences between expected and actual experience (pensions)	473,265	-
Deferred outflow for changes in assumptions (pensions)	4,421,253	-
Deferred outflow for OPEB contributions subsequent to the measurement date	446,602	-
Deferred outflow for differences between expected and actual experience (OPEB)	740,135	-
Deferred outflow for changes in assumptions (OPEB)	1,377,343	-
Deferred amounts from the refunding of debt	32,996,246	-
Total deferred outflows of resources	\$ 48,273,717	-

See accompanying notes to the financial statements.

continued

EXHIBIT A-4

concluded

	Business-type Activities - Enterprise Fund Integrated Sewer System	Governmental Activities - Internal Service Funds
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 4,841,183	13,455,732
Accrued salaries and benefits	2,346,063	2,546,894
Contract retainages	23,900,075	-
Accrued interest payable	10,075,630	7,695
Revenue bonds payable, net	32,626,090	-
Compensated absences payable	1,610,874	1,577,474
Lease liability	-	2,909,165
Insurance and benefit claims payable	-	28,096,000
Total current liabilities	75,399,915	48,592,960
Long-term liabilities:		
Revenue bonds payable, net	791,187,099	-
Compensated absences payable	1,540,971	2,503,906
Lease liability	-	2,114,220
Insurance and benefit claims payable	-	65,209,000
Net pension liability	27,987,014	-
Total long-term liabilities	820,715,084	69,827,126
Total liabilities	896,114,999	118,420,086
DEFERRED INFLOWS OF RESOURCES		
Deferred inflow related to differences between actual and expected experience (pensions)	902,547	-
Deferred inflow of recognition of pension investments	12,147,898	-
Deferred inflow for change in proportion (pensions)	104,348	-
Deferred inflow related to differences between actual and expected experience (OPEB)	147,641	-
Deferred recognition of OPEB investments	1,223,236	-
Deferred inflow for change in proportion (OPEB)	12,803	-
Deferred inflow for change in assumptions (OPEB)	2,802,362	-
Deferred gain on refunding	4,454,669	-
Total deferred inflow of resources	21,795,504	-
NET POSITION		
Net investment in capital assets	1,181,439,831	93,420,547
Restricted for:		
Debt service	48,522,726	-
Unrestricted	148,116,348	174,252,716
Net position	\$ 1,378,078,905	267,673,263

COUNTY OF FAIRFAX, VIRGINIA
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the fiscal year ended June 30, 2022

EXHIBIT A-5

	Business-type Activities - Enterprise Fund Integrated Sewer System	Governmental Activities - Internal Service Funds
OPERATING REVENUES:		
Charges for services	\$ 231,214,007	335,437,468
Recovered costs	-	155,621
Total operating revenues	231,214,007	335,593,089
OPERATING EXPENSES:		
Personnel services	36,692,825	33,154,682
Materials and supplies	16,235,691	3,158,902
Equipment operation and maintenance	-	50,364,130
Risk financing and benefit payments	-	202,865,636
Depreciation and amortization	67,411,472	18,786,750
Professional consultant and contractual services	50,617,103	35,827,992
Other	-	11,017,660
Total operating expenses	170,957,091	355,175,752
Operating income (loss)	60,256,916	(19,582,663)
NONOPERATING REVENUES (EXPENSES):		
Availability fees	16,355,051	-
Interest revenue	479,834	153,782
Interest expense	(25,737,037)	(36,001)
Gain on disposal of capital assets	70,862	479,680
Total nonoperating revenues (expenses), net	(8,831,290)	597,461
Income (loss) before contributions and transfers	51,425,626	(18,985,202)
Capital contributions	2,283,276	-
Transfers in	-	16,017,439
Change in net position	53,708,902	(2,967,763)
Net position, July 1, 2021	1,324,370,003	270,641,026
Net position, June 30, 2022	\$ 1,378,078,905	267,673,263

See accompanying notes to the financial statements.

COUNTY OF FAIRFAX, VIRGINIA
Statement of Cash Flows
Proprietary Funds
For the fiscal year ended June 30, 2022

EXHIBIT A-6

	Business-type Activities - Enterprise Fund Integrated Sewer System	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 235,569,368	-
Receipts from interfund services provided	-	335,198,136
Payments to suppliers and contractors	(63,627,239)	(84,240,926)
Payments to employees	(38,465,363)	(32,816,113)
Claims and benefits paid	-	(197,751,803)
Payments for interfund services used	-	(7,204,258)
Net cash provided by operating activities	133,476,766	13,185,036
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers from other funds	-	16,017,439
Net cash provided by noncapital financing activities	-	16,017,439
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Availability fees received	16,355,051	-
Capital grants received	618	-
Decrease in contracts payable	(4,057,190)	-
Principal payments on sewer revenue bonds	(29,136,770)	-
Interest payments on sewer revenue bonds	(23,659,110)	-
Proceeds from sale of capital assets	70,862	507,428
Purchase of capital assets, other than purchased capacity	(106,689,117)	(17,177,559)
Acquisition of purchased capacity	(20,737,917)	-
Principal payments on obligations under leases	-	(2,921,005)
Interest payments on obligations under leases	-	(36,001)
Net cash used in capital and related financing activities	(167,853,573)	(19,627,137)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sales of restricted investments	29,626,795	-
Purchases of restricted investments	(34,826,329)	-
Interest received	457,126	153,782
Net cash (used in) provided by investing activities	(4,742,408)	153,782
Net increase (decrease) in cash and cash equivalents	(39,119,215)	9,729,120
Cash and cash equivalents, July 1, 2021	340,288,598	271,955,583
Cash and cash equivalents, June 30, 2022	\$ 301,169,383	281,684,703
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	\$ 60,256,916	(19,582,663)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation and amortization	67,411,472	18,786,750
Change in assets and liabilities:		
Decrease in accounts receivable	-	2,255
(Increase)/Decrease in intergovernmental receivables	4,355,361	(18,268)
(Increase) in interfund receivables	-	(378,941)
(Increase) in inventories of supplies	(49,189)	(719,614)
Decrease in other assets	396,306	-
Increase in accounts payable and accrued liabilities	2,878,438	14,752,363
(Decrease) in pension and OPEB related deferred outflows and deferred inflows	(1,727,866)	-
Increase/(Decrease) in accrued salaries and benefits	(44,672)	343,154
Total adjustments to operating income	73,219,850	32,767,699
Net cash provided by operating activities	\$ 133,476,766	13,185,036
Noncash investing, capital, and financing activities:		
Capital contributions - sewer lines, manholes, and equipment	\$ 2,282,658	-
Gain on disposal of capital assets	-	479,680
Initiation of an obligation under lease	-	7,944,390
Increase in long-term debt resulting from the issuance of loans/revenue bonds by Fairfax County	25,100,076	-
Decrease in long-term debt resulting from the removal of loans/revenue bonds by UOSA	(2,388,948)	-
Amortization of bond premium	4,505,000	-
Increase in fair value of investments not classified as cash and cash equivalents	32,999	-
Removal of purchased capacity through credit of UOSA debt	237,841	-
UOSA adjustment to bond payments	55,045	-
Decrease in long-term debt resulting from the sale of purchased capacity	(418,535)	-

See accompanying notes to the financial statements.

COUNTY OF FAIRFAX, VIRGINIA
Statement of Fiduciary Net Position
Trust and Custodial Funds
June 30, 2022

EXHIBIT A-7

	Pension/OPEB Trust Funds	Custodial Funds
ASSETS		
Equity in pooled cash and temporary investments	\$ 18,889,239	3,014,559
Cash collateral for securities lending	193,923,203	-
Accounts receivable	-	35,273
Contributions receivable	12,214,283	-
Accrued interest and dividends receivable	12,855,069	-
Receivable from sale of pension investments	224,215,987	-
Due from intergovernmental units	-	196
Buildings and improvements	35,027	-
Vehicles and equipment	26,840	-
Investments:		
U.S. Government and agency securities	335,594,966	-
Asset-backed securities	207,876,094	-
Corporate and other bonds	378,665,740	-
Common and preferred stock	1,390,524,277	-
Short-term investments	492,420,634	-
Investment in pooled funds	6,108,483,591	-
Total assets	<u>9,375,724,950</u>	<u>3,050,028</u>
DEFERRED OUTFLOWS OF RESOURCES		
Total deferred outflows of resources	-	-
LIABILITIES		
Accounts payable and accrued liabilities	26,360,712	48
Payable for purchase of pension investments	204,116,786	-
Liabilities for collateral received under securities lending agreements	193,923,203	-
Due to intergovernmental units	-	205,676
Performance and other deposits	-	790,526
Compensated absences	555,683	-
Total liabilities	<u>424,956,384</u>	<u>996,250</u>
DEFERRED INFLOWS OF RESOURCES		
Total deferred inflows of resources	-	-
NET POSITION		
Net position restricted for OPEB benefits	382,374,168	-
Net position restricted for pension benefits	8,568,394,398	-
Net position restricted for individuals, organizations, and other governments	-	2,053,778
Total net position	<u>\$ 8,950,768,566</u>	<u>2,053,778</u>

See accompanying notes to the financial statements.

COUNTY OF FAIRFAX, VIRGINIA
Statement of Changes in Fiduciary Net Position
Trust and Custodial Funds
For the fiscal year ended June 30, 2022

EXHIBIT A-8

	Pension/OPEB Trust Funds	Custodial Funds
ADDITIONS		
Contributions:		
Employer	\$ 363,964,691	-
Plan members	62,581,858	-
Other	2,013,058	-
Total contributions	428,559,607	-
Investment income (loss):		
From investment activities:		
Net depreciation in fair value of investments	(390,669,922)	-
Interest	56,973,141	2,714
Dividends	41,987,398	-
Total income from investment activities	(291,709,383)	2,714
Less investment activities expenses:		
Management fees	106,248,347	516
Other	3,934,929	-
Total investment activities expenses	110,183,276	516
Net income (loss) from investment activities	(401,892,659)	2,198
From securities lending activities:		
Securities lending income	2,672,102	-
Less securities lending expenses:		
Management fees	775,559	-
Total securities lending activities expenses	775,559	-
Net income from securities lending activities	1,896,543	-
Net investment income (loss)	(399,996,116)	2,198
Collections:		
Taxes and fees for other governments	-	24,425,351
Intergovernmental for individuals	-	555,372
Penalty for other governments and organizations	-	1,000,799
Other for organizations and individuals	-	482,574
Total collections	-	26,464,096
Total additions	28,563,491	26,466,294
DEDUCTIONS		
Benefits	610,366,090	-
Refunds of contributions	6,835,050	-
Administrative expenses	3,937,677	83,439
Payments:		
Taxes and fees to other governments	-	24,234,686
Intergovernmental collections to individuals	-	479,419
Penalties to other governments and organizations	-	1,001,441
Other collections to organizations and individuals	-	554,744
Total payments	-	26,270,290
Total deductions	621,138,817	26,353,729
Change in net position	(592,575,326)	112,565
Net position, July 1, 2021	9,543,343,892	1,941,213
Net position, June 30, 2022	\$ 8,950,768,566	2,053,778

See accompanying notes to the financial statements.

COUNTY OF FAIRFAX, VIRGINIA
Combining Statement of Net Position
Component Units
June 30, 2022

	Public Schools	Redevelopment and Housing Authority	Park Authority
ASSETS			
Equity in pooled cash and temporary investments	\$ 593,944,023	20,175,651	50,895,755
Cash in banks/with fiscal agents/escrow	413,062	45,605,666	-
Investments	-	8,494,000	-
Receivables (net of allowances):			
Accounts	15,868,019	5,651,070	336,614
Accrued interest	10,744	37,226	-
Notes	-	28,012,207	-
Lease	551,439	347,045	-
Due from intergovernmental units	150,616,563	-	123,318
Due from primary government	268,459	-	4,729,193
Inventories of supplies	2,057,604	-	-
Prepaid and other assets	107,242	3,655,590	277,305
Restricted assets:			
Equity in pooled cash and temporary investments	121,365,892	-	7,470,378
Cash with fiscal agents	-	53,144,332	-
Deposit held in trust	-	4,941,808	-
Investments	-	482,318	-
Net OPEB Asset	-	698,638	1,776,056
Capital assets:			
Non-depreciable/non-amortizable:			
Land and easements	46,837,095	43,138,347	401,339,190
Construction in progress	343,497,904	4,528,611	30,441,497
Depreciable/amortizable:			
Vehicles and equipment	332,629,685	7,433,190	14,646,944
Software	14,037,906	-	-
Library collections	18,706,970	-	-
Buildings and improvements	4,530,124,635	240,778,097	555,524,014
Right-to-use lease assets	56,536,496	254,904	2,569,418
Accumulated depreciation	(2,571,559,689)	(154,513,034)	(313,166,148)
Accumulated amortization	(19,655,755)	-	(169,823)
Lease receivable	1,354,229	20,465,051	-
Total assets	3,637,712,523	333,330,717	756,793,711
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow for pension contributions subsequent to the measurement date	447,021,099	3,098,076	7,092,779
Deferred outflow for change in proportion (pensions)	23,299,700	871,399	-
Deferred outflow for differences between expected and actual experience (pensions)	54,848,250	328,406	626,954
Deferred outflow for changes in assumptions (pensions)	307,154,084	3,067,980	5,857,026
Deferred outflow for OPEB contributions subsequent to the measurement date	29,063,635	343,979	830,490
Deferred outflow for change in proportion (OPEB)	6,105,070	-	237,409
Deferred outflow for differences between expected and actual experience (OPEB)	82,400,895	509,802	1,296,004
Deferred outflow for recognition of investments (OPEB)	8,691,356	-	-
Deferred outflow for changes in assumptions (OPEB)	11,479,238	948,710	2,411,780
Deferred amounts from the refunding of debt	3,514,808	-	-
Total deferred outflows of resources	\$ 973,578,135	9,168,352	18,352,442

See accompanying notes to the financial statements.

EXHIBIT A-9

Economic Development Authority	Total Component Units	
		ASSETS
-	665,015,429	Equity in pooled cash and temporary investments
-	46,018,728	Cash in banks/with fiscal agents/escrow
-	8,494,000	Investments
		Receivables (net of allowances):
-	21,855,703	Accounts
-	47,970	Accrued interest
-	28,012,207	Notes
-	898,484	Lease
-	150,739,881	Due from intergovernmental units
640,946	5,638,598	Due from primary government
-	2,057,604	Inventories of supplies
-	4,040,137	Prepaid and other assets
		Restricted assets:
2,681,000	131,517,270	Equity in pooled cash and temporary investments
-	53,144,332	Cash with fiscal agents
-	4,941,808	Deposit held in trust
-	482,318	Investments
109,426	2,584,120	Net OPEB Asset
		Capital assets:
		Non-depreciable/non-amortizable:
-	491,314,632	Land and easements
-	378,468,012	Construction in progress
		Depreciable/amortizable:
19,289	354,729,108	Equipment
-	14,037,906	Software
-	18,706,970	Library collections
1,176,811	5,327,603,557	Buildings and improvements
2,443,901	61,804,719	Right-to-use lease assets
(19,289)	(3,039,258,160)	Accumulated depreciation
(1,895,033)	(21,720,611)	Accumulated amortization
-	21,819,280	Lease receivable
5,157,051	4,732,994,002	Total assets
		DEFERRED OUTFLOWS OF RESOURCES
963,585	458,175,539	Deferred outflow for pension contributions subsequent to the measurement date
660,139	24,831,238	Deferred outflow for change in proportion (pensions)
84,300	55,887,910	Deferred outflow for differences between expected and actual experience (pensions)
787,537	316,866,627	Deferred outflow for changes in assumptions (pensions)
49,411	30,287,515	Deferred outflow for OPEB contributions subsequent to the measurement date
-	6,342,479	Deferred outflow for change in proportion (OPEB)
79,849	84,286,550	Deferred outflow for differences between expected and actual experience (OPEB)
-	8,691,356	Deferred outflow for recognition of investments (OPEB)
148,593	14,988,321	Deferred outflow for changes in assumptions (OPEB)
-	3,514,808	Deferred amounts from the refunding of debt
2,773,414	1,003,872,343	Total deferred outflows of resources

continued

COUNTY OF FAIRFAX, VIRGINIA
Combining Statement of Net Position
Component Units
June 30, 2022

	Public Schools	Redevelopment and Housing Authority	Park Authority
LIABILITIES			
Accounts payable and accrued liabilities	\$ 64,519,037	5,006,907	6,639,270
Accrued salaries and benefits	99,655,825	832,668	4,651,786
Contract retainages	14,712,990	-	779,709
Accrued interest payable	874,300	13,591,118	3,461
Due to intergovernmental units	1,309,583	571,272	4,560
Due to primary government	-	-	174,606
Unearned revenue	17,487,054	1,184,975	14,293,200
Performance and other deposits	22,265,979	2,286,321	761,614
Long-term liabilities:			
Portion due or payable within one year:			
Revenue bonds payable, net	-	758,910	-
Notes payable	19,176,713	1,294,490	28,860
Compensated absences payable	27,417,964	370,966	2,201,677
Lease liability	8,902,524	5,461	345,969
Insurance and benefit claims payable	34,936,213	-	-
Loan from primary government	-	-	875,000
Portion due or payable after one year:			
Revenue bonds payable, net	-	18,211,712	-
Notes payable	61,730,082	61,670,874	59,079
Compensated absences payable	11,750,556	301,747	3,571,075
Lease liability	38,798,134	244,247	2,109,535
Insurance and benefit claims payable	39,732,350	-	-
Net OPEB liability	380,070,500	-	-
Loan from primary government	-	-	8,505,000
Net pension liability	2,163,904,859	19,420,648	37,075,616
Total liabilities	3,007,244,663	125,752,316	82,080,017
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow related to differences between actual and expected experience (pensions)	141,147,474	626,292	1,195,644
Deferred recognition of pension investments	1,394,107,737	8,429,626	16,092,850
Deferred inflow for change in proportion and assumptions (pensions)	45,558,828	784,887	3,062,446
Deferred inflow related to differences between actual and expected experience (OPEB)	19,905,460	101,694	258,524
Deferred recognition of OPEB investments	25,182,660	842,561	2,141,930
Deferred inflow for change in proportion (OPEB)	2,137,249	130,903	-
Deferred inflow for change in assumptions (OPEB)	85,957,281	1,930,258	4,907,041
Deferred inflows related to lease	1,886,109	20,570,253	-
Total deferred inflow of resources	1,715,882,798	33,416,474	27,658,435
NET POSITION			
Net investment in capital assets	2,607,834,804	76,679,751	679,261,649
Restricted for:			
Grant and education programs	90,935,331	-	-
Repair and replacement	-	-	700,000
Housing	-	42,567,218	-
Capital projects	77,610,385	-	25,687,131
E.C. Lawrence Trust - Nonexpendable reserve	-	-	1,507,926
Unrestricted (deficit)	(2,888,217,323)	64,083,310	(41,749,005)
Net position	\$ (111,836,803)	183,330,279	665,407,701

See accompanying notes to the financial statements.

EXHIBIT A-9

concluded

Economic Development Authority	Total Component Units	
		LIABILITIES
187,094	76,352,308	Accounts payable and accrued liabilities
435,810	105,576,089	Accrued salaries and benefits
-	15,492,699	Contract retainages
-	14,468,879	Accrued interest payable
-	1,885,415	Due to intergovernmental units
-	174,606	Due to primary government
2,699,112	35,664,341	Unearned revenue
-	25,313,914	Performance and other deposits
		Long-term liabilities:
		Portion due or payable within one year:
-	758,910	Revenue bonds payable, net
-	20,500,063	Notes payable
220,280	30,210,887	Compensated absences payable
531,121	9,785,075	Lease liability
-	34,936,213	Insurance and benefit claims payable
-	875,000	Loan from primary government
		Portion due or payable after one year:
-	18,211,712	Revenue bonds payable, net
-	123,460,035	Notes payable
332,563	15,955,941	Compensated absences payable
1,112,336	42,264,252	Lease liability
-	39,732,350	Insurance and benefit claims payable
-	380,070,500	Net OPEB liability
-	8,505,000	Loan from primary government
4,985,198	2,225,386,321	Net pension liability
10,503,514	3,225,580,510	Total liabilities
		DEFERRED INFLOWS OF RESOURCES
		Deferred inflow related to differences between actual and expected experience (pensions)
160,767	143,130,177	Deferred recognition of pension investments
2,163,849	1,420,794,062	Deferred inflow for change in proportion (pensions)
715,829	50,121,990	Deferred inflow related to differences between actual and expected experience (OPEB)
15,928	20,281,606	Deferred recognition of OPEB investments
131,966	28,299,117	Deferred inflow for change in proportion (OPEB)
188,824	2,456,976	Deferred inflow for change in assumptions (OPEB)
302,330	93,096,910	Deferred inflows related to lease
-	22,456,362	Total deferred inflow of resources
3,679,493	1,780,637,200	
		NET POSITION
82,222	3,363,858,426	Net investment in capital assets
		Restricted for:
-	90,935,331	Grant and education programs
-	700,000	Repair and replacement
-	42,567,218	Housing
-	103,297,516	Capital projects
-	1,507,926	E.C. Lawrence Trust
(6,334,764)	(2,872,217,782)	Unrestricted (deficit)
(6,252,542)	730,648,635	Net position

COUNTY OF FAIRFAX, VIRGINIA
Combining Statement of Activities
Component Units
For the fiscal year ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Public Schools:				
Education	\$ 3,121,966,572	108,546,146	587,818,653	196,671,034
Redevelopment and Housing Authority:				
Community development	121,791,377	42,424,586	85,522,162	-
Park Authority:				
Parks, recreation, and cultural	107,224,363	47,366,982	-	22,132,277
Economic Development Authority:				
Community development	11,481,480	-	-	1,025,000
Total component units	\$ 3,362,463,792	198,337,714	673,340,815	219,828,311

General revenues:

Grants and contributions not restricted to specific programs
Revenue from the use of money
Revenue from primary government
Other

Total general revenues

Change in net position

Net position, July 1, 2021, as previously stated

Prior period adjustment *

Net position, July 1, 2021, as restated

Net position, June 30, 2022

See accompanying notes to the financial statements.

*Fiscal year 2021 amounts restated due to the implementation of GASB Statement 87 for FCPS, FCRHA, and EDA.

**Fiscal year 2021 amounts for FCPA restated due to the implementation of GASB Statement 14.

EXHIBIT A-10

Net (Expense) Revenue and Changes in Net Position				
	Public Schools	Redevelopment and Housing Authority	Park Authority	Economic Development Authority
	(2,228,930,739)	-	-	-
	-	6,155,371	-	-
	-	-	(37,725,104)	-
	-	-	-	(10,456,480)
	(2,228,930,739)	6,155,371	(37,725,104)	(10,456,480)
\$	587,148,643	-	849,950	-
	756,579	771,045	35,195	51,814
	2,172,661,166	3,850,740	54,515,158	10,837,033
	3,541,361	-	-	-
	2,764,107,749	4,621,785	55,400,303	10,888,847
	535,177,010	10,777,156	17,675,199	432,367
	(654,854,927)	170,966,369	646,670,927	(6,960,732)
	7,841,114	1,586,754	1,061,575	275,823
	(647,013,813)	172,553,123	647,732,502	(6,684,909)
\$	(111,836,803)	183,330,279	665,407,701	(6,252,542)



COUNTY OF FAIRFAX, VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Fairfax, Virginia, (the County) is organized under the Urban County Executive form of government (as defined under Virginia law). The governing body of the County is the Board of Supervisors (the Board), which makes policies for the administration of the County. The Board is comprised of ten members: a Chairman, elected at large for a four-year term, and one member from each of nine supervisor districts, elected for a four-year term by the voters of the district in which the member resides. The Board appoints a County Executive to act as the administrative head of the County. The County Executive serves at the pleasure of the Board, carries out the policies established by the Board, directs business and administrative procedures, and recommends officers and personnel to be appointed by the Board.

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted primary standard-setting body for establishing governmental accounting and financial reporting principles. The County's significant accounting policies are described below.

1. Reporting Entity

As required by GAAP, the accompanying financial statements present the financial data of the County (the primary government) and its component units. The financial data of the component units are included in the County's basic financial statements because of the significance of their operational or financial relationships with the County. The County and its component units are together referred to herein as the Reporting Entity.

Blended Component Units

Blended component units are entities that are legally separate from the County but that are so closely related to the County that they are, in essence, extensions of the County. The blended component units that are reported as part of the Primary Government are:

Solid Waste Authority of Fairfax County (SWA) - The SWA is considered a blended component unit because the Board of Supervisors comprises the Board of Directors of the SWA and has the ability to impose its will on the SWA. The SWA is authorized under the Virginia Water and Waste Authorities Act and was created by the Board of Supervisors on June 29, 1987. The SWA has financed the construction of a solid waste to energy facility, which is contractually owned and operated by a commercial entity in accordance with agreements between the County, the SWA, and the commercial entity. The County has assumed the responsibility for the management of the arrangement between the SWA and the commercial entity and for providing sufficient solid waste to result in a financially viable operation; associated activity is reported in a special revenue fund of the County, the Refuse Disposal Fund, but the Authority as an entity is not engaged in financial activity. Separate financial statements are not prepared for the SWA.

Small District One - The Board of Supervisors created Small District One, which is located within the Dranesville Magisterial District, in 1970 to provide for the construction of a

community center and the operation of its social, cultural, educational, and recreational facilities. This small district is reported as a separate special revenue fund of the County, the McLean Community Center Fund, it is governed by the Board, and the County maintains operational and management responsibility for the district. Separate financial statements are not prepared for Small District One.

Small District Five - The Board of Supervisors created Small District Five, which was located within the Sully, Dranesville and Hunter Mill Magisterial Districts, in 1975 to provide for the construction of a community center and the operation of its social, cultural, educational, and recreational facilities. In March 2006, the Board of Supervisors voted to change the boundaries, placing all boarders within the Hunter Mill Magisterial District. This change became effective January 1, 2007. This small district is reported as a separate special revenue fund of the County, the Reston Community Center Fund, it is governed by the Board, and the County maintains operational and management responsibility for the district. Separate financial statements are not prepared for Small District Five.

Dulles Rail Phase I Transportation Improvement District - The Board of Supervisors created the Dulles Rail Phase I Transportation Improvement District in 2004 to provide funds for the construction of certain transportation improvements in the district. This district is reported as a separate special revenue fund of the County. The District is governed by the members of the Board of Supervisors representing the property owners within the district, and the County management oversees its operation. Separate financial statements are not prepared for the Dulles Rail Phase I Transportation Improvement District.

Dulles Rail Phase II Transportation Improvement District - The Board of Supervisors created the Dulles Rail Phase II Transportation Improvement District in 2009 to provide funds for the construction of certain transportation improvements in the district. This district is reported as a separate special revenue fund of the County. The District is governed by the members of the Board of Supervisors representing the property owners within the district, and the County management oversees its operation. Separate financial statements are not prepared for the Dulles Rail Phase II Transportation Improvement District.

Mosaic District Community Development Authority (CDA) - The CDA is an independent authority legally authorized by an act of the Virginia General Assembly and was formally created by the Board of Supervisors in April 2009. The CDA's purpose is to assist in the development of infrastructure improvements within the district. The CDA presentation consists of a special revenue, a debt service fund, and a capital projects fund. The CDA provides services that exclusively benefit the County and was established with a tax increment financing agreement. Separate financial statements are not prepared for the CDA.

Discretely Presented Component Units

The columns for the component units in the financial statements include the financial data of the County's other component units. They are presented in separate columns to emphasize that they are legally separate from the County. Separate financial statements of the component units can be obtained by writing to the Financial Reporting Division, Department of Finance, 12000 Government Center Parkway, Suite 214, Fairfax, Virginia 22035. All the component units have a fiscal year end of June 30. The discretely presented component units are:

Fairfax County Public Schools (Public Schools) - Public Schools is responsible for elementary and secondary education within the County. The School Board is elected by County voters. Public School systems do not have taxing authority under Virginia Code;

Public Schools is fiscally dependent on the County. Public Schools operations are funded primarily by the County's General Fund, and the County issues general obligation debt for Public Schools' capital projects.

Fairfax County Redevelopment and Housing Authority (FCRHA) - FCRHA plans, coordinates, and directs the low income housing programs within the County under the Virginia Housing Authorities Law. FCRHA was approved by a voter referendum in November 1965 and was activated by the Board of Supervisors in February 1966. FCRHA is a political subdivision of and reports to the Commonwealth of Virginia. The Board appoints FCRHA's Board of Commissioners, and the County provides certain managerial and related financial assistance to FCRHA.

Fairfax County Park Authority (Park Authority) - The Park Authority was created by the Board of Supervisors of the County on December 6, 1950, to maintain and operate the public parks and recreational facilities located in the County. The Board appoints the Park Authority's governing board, and the County provides funding for the Park Authority's General Fund and one of its capital projects funds. A memorandum of understanding currently in effect between the County and the Park Authority defines the roles of the County and the Park Authority.

Fairfax County Economic Development Authority (EDA) - The EDA is an independent authority legally authorized by an act of the Virginia General Assembly and was formally created by resolutions of the Board of Supervisors. The EDA's mission is to create demand for the new commercial construction that expands the tax base and contributes to the quality of life and overall prosperity of the County. The Board appoints the seven members of the EDA's commission which appoints the EDA's President. The Board appropriates funds annually to the EDA for operating expenditures incurred in carrying out its mission.

Related Organizations

The Board of Supervisors is also responsible for appointing the members of the boards of Fairfax Water, and the Industrial Development Authority of Fairfax County (IDAFIC). The IDAFIC does not have a significant operational or financial relationship with the County. Fairfax Water bills and collects for the sales of sewer services on behalf of the County's sewer system. During fiscal year 2022, Fairfax Water collected approximately \$219.8 million on behalf of the County, and as of June 30, 2022, the County has receivables of approximately \$49.0 million due from Fairfax Water.

Joint Ventures

The County is a participant in the Upper Occoquan Service Authority (UOSA), which is a joint venture created under the provisions of the Virginia Water and Waste Authorities Act to construct, finance, and operate the regional sewage treatment facility in the upper portion of the Occoquan Watershed. UOSA was formed on March 3, 1971, by a concurrent resolution of the governing bodies of Fairfax and Prince William Counties and the Cities of Manassas and Manassas Park. The governing body of UOSA is an eight-member board of directors consisting of two members from each participating jurisdiction appointed to four-year terms. The UOSA Board of Directors adopts an annual operating budget based on projected sewage flows. The County has no explicit and measurable financial interest in UOSA but does have an ongoing financial responsibility for its share of UOSA's operating costs, construction costs and annual debt service. Complete financial statements of UOSA can be obtained by writing to UOSA, 14631 Compton Road, Centreville, Virginia 20121.

The County is a participant in the Northern Virginia Regional Park Authority (NVRPA), which is a joint venture created under the Virginia Park Authorities Act of 1959 to protect and preserve Northern Virginia's rich heritage of woods, meadows, lakes, and streams. The governing body of NVRPA is comprised of two members from each of the 6 member jurisdictions: Fairfax, Arlington, and Loudoun Counties, and the Cities of Alexandria, Falls Church, and Fairfax. Each member jurisdiction provides contributions in direct proportion to its share of the region's population. The County's contributions are accounted for in the County Construction capital projects fund. The County has no explicit and measurable financial interest in NVRPA. Complete financial statements of NVRPA can be obtained by writing to NVRPA, 5400 Ox Road, Fairfax Station, Virginia 22039.

Jointly Governed Organization

The State Route 28 Highway Transportation Improvement District (District) was created in 1987 under the provisions of the Transportation Improvements District Act by the County and Loudoun County, Virginia, in conjunction with the Commonwealth of Virginia Transportation Board (CVTB), for the purpose of undertaking various improvements to State Route 28. The District is governed by a nine-member Commission comprised of four members from each of the Boards of Supervisors of the County and Loudoun County and the Chairman of the CVTB or his designee. The County has no financial interest in the District. See Note J-8 for additional information related to the District.

2. Basis of Presentation

Government-wide Statements

The Statement of Net Position and the Statement of Activities display information about the Primary Government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to avoid the double-counting of interfund activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed primarily by fees charged to external parties. Likewise, the Primary Government is reported separately from certain legally separate component units for which the Primary Government is financially accountable.

The Statement of Activities presents a comparison between direct expenses and program revenues for each activity of the County. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular activity. Program revenues include: (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and, (b) grants and contributions that are restricted to meet the operations or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The accounts of the Reporting Entity are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for in a separate set of self-balancing accounts comprised of assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, with each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major fund types:

General Fund - The General Fund is the County's primary operating fund, and it is used to account for all revenue sources and expenditures which are not accounted for in other funds.

Enterprise Fund - The Fairfax County Integrated Sewer System (Sewer System) is the only enterprise fund of the County. This fund is used to account for the financing, construction, and operations of the countywide sewer system.

The County reports the following nonmajor governmental fund types:

Special Revenue Funds - The special revenue funds are used to account for the proceeds of specific revenue sources (other than debt service and major capital projects) that are legally restricted or committed to expenditure for specified purposes.

Debt Service Funds - The debt service funds are used to account for the accumulation of resources for, and the payment of, the general obligation debt service of the County and for the debt service of the lease revenue bonds and special assessment debt. This includes the general obligation debt the County has issued to fund Public Schools capital projects.

Capital Projects Funds - The capital projects funds are used to account for financial resources used for all general construction projects other than enterprise fund construction.

The County reports the following additional fund types:

Internal Service Funds - These funds are proprietary funds used to account for the provision of general liability, malpractice, and workers' compensation insurance, health benefits for employees and retirees, vehicle services, document services, and technology infrastructure support that are provided to County departments on a cost reimbursement basis.

Pension and Other Postemployment Benefits (OPEB) Trust funds - These are fiduciary funds used to account for the assets held in trust by the County for the employees and beneficiaries of its defined benefit pension and OPEB plans – the Employees' Retirement System, the Police Officers' Retirement System, the Uniformed Retirement System, and the Other Postemployment Benefits Trust Fund.

Custodial Funds - These are fiduciary funds used to account for monies received, held, and disbursed on behalf of developers, welfare recipients, the Commonwealth of Virginia, the recipients of certain bond proceeds, and certain other local governments.

3. Measurement Focus and Basis of Accounting

Government-wide, Proprietary, and Fiduciary Fund Statements

The government-wide, proprietary, trust, and custodial fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and entitlements. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. For the trust funds, consisting of employee retirement and OPEB plans, member and employer contributions as applicable are

recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. For the Sewer System, principal operating revenues include sales to existing customers for continuing sewer service. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Also, unbilled Sewer System receivables, net of an allowance for uncollectible accounts, are recorded at year end to the extent they can be estimated.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's Sewer System and various other functions of the government; elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Governmental Funds' Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Revenue from the use of money and property and from intergovernmental reimbursement grants is recorded as earned. Other revenues are considered available to be used to pay liabilities of the current period if they are collectible within the current period or within 45 days thereafter. The primary revenues susceptible to accrual include property, business license, and other local taxes and intergovernmental revenues. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance. Expenditures are recorded when the related fund liability is incurred, except that principal and interest on general long-term debt and certain other general long-term obligations, such as compensated absences and landfill closure and postclosure care costs, are recognized only to the extent they have matured. General capital asset acquisitions are reported as capital outlays in governmental funds. The issuance of general long-term debt and acquisitions under capital leases are reported as other financing sources. The effect of interfund activity has not been eliminated from the governmental fund financial statements.

4. Pooled Cash and Temporary Investments

The County maintains cash and temporary investments for all funds and component units in a single pooled account, except for certain cash and investments required to be maintained with fiscal agents or in separate pools or accounts in order to comply with the provisions of bond indentures. As of June 30, 2022, the pooled cash and temporary investments have been allocated between the County and the respective component units based upon their respective ownership percentages. Temporary investments consist of money market investments that have a remaining maturity at the time of purchase of one year or less and are reported at amortized cost, which approximates fair value. Interest earned, less an administrative charge, is allocated generally to the respective funds and component units based on each fund's or unit's equity in the pooled account. In accordance with the County's legally adopted operating budget, interest earned by certain funds is assigned directly to the General Fund. For the year ended June 30, 2022, interest earned by these funds and assigned directly to the County's General Fund is as shown on the right.

Primary Government	
Nonmajor Governmental Funds	\$ 576,036
Internal Service Funds	84,338
Custodial Funds	354
Total primary government	660,728
Component Units	
Public Schools	573,398
FCRHA	1,529
Park Authority	8,417
Total component units	583,344
Total reporting entity	\$ 1,244,072

5. Cash and Cash Equivalents

For purposes of the statements of cash flows, the amounts reported as cash and cash equivalents for the proprietary fund types represent amounts maintained in the Reporting Entity's investment pool, as they are considered to be demand deposits for the purpose of complying with GAAP.

6. Investments

Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost, which approximates fair value. Other investments are reported at fair value or net asset value as required by GAAP. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Asset-backed securities are valued on the basis of future principal and interest payments and are discounted at prevailing interest rates for similar investments. Investment ownership is recorded as of the trade date. Transactions are finalized and money movement occurs on the settlement date. Investments are held as pooled assets and not individually attributed to funds. For presentation purposes, these have been allocated proportionally between the County General Fund and Nonmajor Governmental Funds. For the retirement system, cash received as collateral on securities lending transactions and investments made with such cash are reported as assets and as related liabilities for collateral received.

7. Investments in Derivatives

The County Retirement Systems (the Systems), which include the Employees' (ERS), Police Officers (PORS), and Uniformed (URS) Retirement Systems, as well as the Educational Retirement System (ERFC) of the Public Schools component unit, invest in derivatives as permitted by the Code of Virginia and in accordance with policies set by their respective Board of Trustees. Derivative instruments are financial contracts with valuations dependent on the values of one or more underlying assets, reference rates or financial indices. Detailed information on derivative investments is found in Note B.

8. Inventories and Prepaid Items

For inventories and prepaid items the consumption method of accounting is used. Under this method, inventories are expensed as they are consumed as operating supplies and spare parts in the period to which they apply. Inventories are valued and carried on an average unit cost basis. Prepaid items represent non-inventory transactions that do not qualify for expense or expenditure recognition, but the cash flow occurred as of the end of the fiscal year but prior to meeting the requirements for liability recognition.

9. Restricted Assets

Restricted assets are liquid assets which have third-party limitations on their use. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Unspent amounts from the issuance of general obligation bonds are reported as restricted assets in the County's capital projects funds. The County also holds deposits under the terms of performance agreements. The County may require a developer to enter into these agreements in order to ensure that certain structures and improvements are completed according to approved site plans. The deposits are released to the developer when the terms of the agreement have been satisfied. If the terms of the agreement are not satisfied, the County uses the deposits to correct or complete the project as necessary. The amount of the deposits held is reported as restricted assets in the General Fund.

In accordance with the provisions of the 1985 General Bond Resolution as modified through July 2009, certain assets of the Sewer System are restricted for specific future uses, such as repayment of debt obligations, payments on construction projects, extensions and improvements, or the purchase of additional capacity at certain wastewater treatment facilities for the benefit of the County. As of June 30, 2022, the Sewer System has cash and investments that are restricted for the following uses:

Restricted Assets of the Sewer System	
Unspent bond proceeds	\$ 141,372,177
Long-term debt service requirements	32,319,929
Current debt service requirements	48,522,726
Total restricted assets	<u>\$ 222,214,832</u>

In accordance with requirements of the U.S. Department of Housing and Urban Development and the Virginia Housing Development Authority, the FCRHA is required to maintain certain restricted deposits and funded reserves for repairs and replacements.

The Park Authority and Public School System have restricted assets representing the amount of the debt service reserve requirement pertaining to unspent amounts from general obligation bonds issued by the County.

10. Capital Assets

Depreciable capital assets, including buildings, improvements, equipment, library collections, purchased capacity, and infrastructure, that individually cost \$5,000 or more and software with a cost of \$100,000 or more, with useful lives greater than one year, and non-depreciable assets including land and permanent right-of-way easements which have no threshold, are reported in the proprietary funds and applicable governmental or business-type activities columns in the government-wide

financial statements. The County has capitalized general infrastructure assets, including solid waste disposal facilities, storm water management facilities, public drainage systems, mass transportation facilities, commercial revitalization improvements, and public trails and walkways that were acquired or substantially improved subsequent to July 1, 1980. The County does not capitalize roads and bridges as these belong to the Commonwealth of Virginia.

Purchased capacity consists of payments made by the Sewer System under intermunicipal agreements with the District of Columbia Water and Sewer Authority (Blue Plains), UOSA, Alexandria Sanitation Authority (ASA), Arlington County, Loudoun Water, and Prince William County Service Authority (PWSA) for the Sewer System's allocated share of improvements to certain specified treatment facilities owned and operated by these jurisdictions.

Purchased capital assets are stated at historical cost or estimated historical cost. Donated capital assets are recorded at their estimated acquisition value as of the date of donation. Capital assets are depreciated/amortized over their estimated useful lives using the straight-line method. The estimated useful lives are shown in the table on the right.

Capital Assets	Useful Lives
Infrastructure	5 - 99 years
Buildings	15 - 50 years
Purchased capacity	30 - 99 years
Improvements	5 - 70 years
Vehicles	5 - 20 years
Equipment	5 - 20 years
Library collections	5 years
Software	5 - 15 years

No depreciation is taken in the year of acquisition for library collections; depreciation/amortization on other capital assets commences when the assets are purchased or are substantially complete and ready for use. For constructed assets, all associated costs necessary to bring such assets to the condition and location necessary for their intended use are initially capitalized as construction in progress and are transferred to buildings, improvements, and equipment when the assets are substantially complete and ready for use.

11. Compensated Absences

All Reporting Entity employees earn annual leave based on a prescribed formula which allows employees with less than ten years of service to accumulate a maximum of 240 hours and employees with ten years or more of service to accumulate a maximum of 320 hours of annual leave as of the end of each year. In addition, employees, except for Public Schools' employees, may accrue compensatory leave for hours worked in excess of their scheduled hours. Compensatory leave in excess of 240 hours at the end of the calendar year is forfeited.

The current pay rate is used to calculate compensated absences accruals at June 30. The entire liability for compensated absences is reported in the government-wide and proprietary fund statements; whereas, only the matured portion resulting from employee resignations and retirements is reported in the governmental fund statements.

12. Pensions and OPEB Plans (Fiduciary Component Units)

The reporting entity administers multiple public employee retirement systems and OPEB plans. The net pension and OPEB liabilities and associated deferred outflows of resources and deferred inflows of resources are reported with a one year lag when compared with the fiduciary net position as reported by the retirement systems and OPEB plans. Employer contributions during the current fiscal year are reflected as a deferred outflow of resources which will impact the pension expense of the subsequent year. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Detailed information about the individual retirement systems and their respective pension plans is found in Note G. Information regarding the OPEB plans is found in Note H.

13. Net Position

Net position is comprised of three categories: Net investment in capital assets; Restricted net position; and Unrestricted net position. The first category of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of debt that is attributable to these capital assets. Restricted net position is restricted assets reduced by liabilities and deferred inflows of resources related to those assets. As of June 30, 2022, the Primary Government had \$491.3 million restricted net position, of which \$403.8 million was restricted by enabling legislation. Net position which is neither restricted nor related to net investment in capital assets, is reported as unrestricted net position.

The County issues debt to finance the construction of school facilities for the Public Schools and park facilities for the Park Authority component units because Public Schools does not have borrowing or taxing authority and the Park Authority does not have taxing authority. The County reports this debt, whereas the Public Schools and Park Authority report the related capital assets and unspent bond proceeds. As a result, in the Statement of Net Position (Exhibit A), the debt reduces unrestricted net position for the Primary Government, while the capital assets are reported in net investment in capital assets and the unspent bond proceeds are reported in restricted net position for Public Schools and the Park Authority.

Because this debt is related to capital assets and restricted assets of the Reporting Entity as a whole, the debt amount of \$2,051.0 million should be reclassified as shown below to present the total Reporting Entity column of Exhibit A. Reclassification as presented on Exhibit A consumes restricted in the amount of \$103.3 million for capital projects with the balance of \$2,051.0 million to unrestricted.

Net Position (summarized)	Primary Government	Component Units	Reclassification of Debt Issued for:			Total Reporting Entity
			Public Schools Facilities	Park Authority Facilities	Total Reclassification of Debt Issued	
Net investment in capital assets	\$ 3,592,884,943	3,363,858,426	(1,771,270,381)	(176,470,555)	(1,947,740,936)	5,009,002,433
Restricted	491,336,936	239,007,991	(98,374,082)	(4,923,434)	(103,297,516)	627,047,411
Unrestricted	(2,748,656,319)	(2,872,217,782)	1,869,644,463	181,393,989	2,051,038,452	(3,569,835,649)
Net position	\$ 1,335,565,560	730,648,635	-	-	-	2,066,214,195

14. Fund Balance Classification

The Board of Supervisors, as the highest level of authority within the County, establishes the commitment of fund balance to purposes through the approval of the annual budget plan by resolution, in conjunction with the resolutions associated with the establishment of fee and tax rates, and acceptance or appropriation of funds. All subsequent changes to the budget plan to add, reduce, or redirect resources to other purposes are also accomplished by board resolution. As a result, all unrestricted amounts directed toward a purpose are shown as committed. Balances shown as assigned in the General Fund represent encumbrances which would otherwise be unassigned.

The County considers restricted balances to be expended first in cases where both restricted and unrestricted amounts are available. When utilizing unrestricted balances, committed balances are applied first, followed by assigned then unassigned balances.

15. Encumbrances

The County uses encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to reserve that portion of the applicable appropriation. Encumbrances represent the estimated amount of expenditures ultimately to result if unperformed contracts and open purchase orders are completed. Encumbrances for the capital projects funds do not lapse until the completion of the projects and are included within the highest level of fund balance constraint in accordance with the order of expenditure as noted in note A-13. Encumbrances in the general fund are generally reported as assigned fund balance, but balances included in other funds within the General Fund group are committed. Funding for all other encumbrances lapses at year end and requires reappropriation by the Board. Funds with significant encumbrance balances are as follows:

	Encumbrance Balance
Primary Government	
General Fund	
Public safety, courts, and judicial	\$ 13,227,625
General public works	7,527,757
Social services, health and welfare	14,271,084
Housing and community development	4,390,279
Parks, recreation, and cultural	1,613,872
Other purposes	20,213,183
Total General Fund	61,243,800
Capital Projects Funds	
Capital Project	\$ 179,908,246

16. Stabilization and Managed Reserve

In 1983, through resolution the Board of Supervisors established a policy to maintain a managed reserve in the general fund at a level sufficient for temporary financing of unforeseen emergency needs or to permit orderly adjustment to changes resulting from the termination of revenue sources through actions of other governmental bodies. The reserve is maintained at a level of not less than 2.0 percent of total General Fund disbursements. The balance is adjusted as a part of the quarterly budget review process. The Board increased the target to 4.0 percent in April of 2015.

In 1999, the Board passed a resolution establishing the revenue stabilization fund. The revenue stabilization fund is included in the general fund for reporting purposes. The purpose of the revenue stabilization fund is to provide a mechanism for maintaining a balanced budget without resorting to tax increases and expenditure reductions that aggravate the stresses imposed by the cyclical nature of the economy. Three specific criteria must be met to draw from this fund. Projected revenues must reflect a decrease greater than 1.5 percent from the current year estimate, withdrawals must not exceed one-half of the fund balance in any fiscal year, and withdrawals must be used in conjunction with spending cuts or other measures.

17. Recovered Costs

Reimbursements from another government, organization, or private company for utilities, tuition fees, vehicle insurance, and services rendered or provided to citizens are recorded as recovered costs in the fund financial statements.

18. Intermunicipal Agreements

The Sewer System has entered into several intermunicipal agreements for the purpose of sharing sewage flow and treatment facility costs (see Note K). The payments made to reimburse operating costs and debt service requirements are recorded as expenses in the year due. Payments made to fund the Sewer System's portion of facility expansion and upgrade costs are capitalized as purchased capacity (see Note F). The Sewer System amortizes these costs over the period in which benefits are expected to be derived, which is between 30 and 99 years, depending on time of installation.

The City of Fairfax, Virginia (the City) makes payments to the County for the City's share of certain governmental services and debt service costs. Payments for governmental services such as court, jail, custody, health, library, and County agent services are recorded as revenue in the General Fund. Debt service payments represent the City's share of principal and interest and are recorded as revenue in the County Debt Service Fund. In addition, the City pays the County a share of the local portion of all public assistance payments and services including related administrative costs, which is recorded as revenue in the General Fund. The City of Falls Church, Virginia makes payments to the County for the full cost of the local portion of public assistance payments (including allocated administrative costs) and for the use of special County health facilities by Falls Church residents. These payments are recorded as revenue in the General Fund.

The County and the Cities of Fairfax and Falls Church comprise the Fairfax-Falls Church Community Services Board (CSB), established under State mandate in 1969, to provide community-based supports for individuals and families of the three jurisdictions that are affected by developmental delay, developmental disabilities, serious emotional disturbance, mental illness and/or substance use disorders. The CSB uses the County as its fiscal agent. The operations of the CSB, including payments received from these cities for services performed by the County, are reported in a special revenue fund.

19. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. The differences are reflected in the period known unless deemed significant by management.

B. DEPOSITS AND INVESTMENTS**1. Deposit and Investment Policies**

The Reporting Entity maintains an investment policy, the overall objectives of which are the preservation of capital and the protection of investment principal; maintenance of sufficient liquidity to meet operating requirements; conformance with federal, state, and other legal requirements; diversification to avoid incurring unreasonable risks regarding specific security types or individual financial institutions; and attainment of a market rate of return. Oversight of investment activity is the responsibility of the Investment Committee, which is comprised of the Chief Financial Officer and certain key management and investment staff.

It is the Reporting Entity's policy to pool for investing purposes all available funds of the County and its component units that aren't otherwise required to be kept separate. The investment policy, therefore, applies to the activities of the Reporting Entity with regard to investing the financial assets of its pooled investment funds.

The Primary Government is a participant in the Virginia Investment Pool Trust Fund (VIP Trust). VIP Trust is a Section 115 governmental trust fund created under the Joint Exercise of Powers statute of the Commonwealth of Virginia to provide political subdivisions with an investment vehicle to pool surplus funds and to invest such funds into one or more investment portfolios under the direction and daily supervision of a professional fund manager. The VIP Trust is governed by a Board of Trustees.

The Primary Government is a participant in the Virginia State Non-Arbitrage Program (SNAP), sponsored by the Virginia Treasury Board. The SNAP Program provides comprehensive investment management, accounting and arbitrage calculation services for the proceeds of tax-exempt financings of Virginia governments. The Treasury Board has hired a program/investment manager, rebate calculation agent, central depository, custodian bank, and legal counsel to manage the program and provide services to investors.

The Primary Government's pension trust funds have adopted investment policies to provide a well-managed investment program to meet the long-term goals of the pension trust funds, provide a high degree of diversification, maintain appropriate asset coverage of fund liabilities, and also optimize investment return without introducing higher volatility to contribution levels. Investment decisions for the funds' assets are made by the Boards of Trustees or investment managers selected by the Boards of Trustees. The Boards of Trustees believe that risks can be managed, but not eliminated, by establishing constraints on the investment portfolio and by properly monitoring the investment markets, the pension trust funds' asset allocation, and investment managers. Furthermore, investment portfolios have specific benchmarks and investment guidelines.

The component unit's pension trust fund's investment decisions are made by its Board of Trustees or the investment advisors selected by the Board of Trustees. The Board of Trustees manages the fund's investments under the umbrella of an approved set of investment objectives, guidelines, and performance standards. The objectives are formulated in response to the fund's anticipated financial needs, risk tolerance, and the need to document and communicate objectives, guidelines, and standards to the fund's investment managers. The Board of Trustees may grant exceptions to the investment guidelines based on written requests and appropriate justification. All exceptions that are approved are included in an appendix to the written guidelines.

The Primary Government's OPEB trust fund and its component unit's OPEB trust fund are participants in the Virginia Pooled OPEB Trust. Funds of participating jurisdictions are pooled and are invested in the name of the Virginia Pooled OPEB Trust, sponsored by the Virginia Municipal League and the Virginia Association of Counties (VML/VACo). The primary government's and component unit's respective shares in this pool are reported on the face of the corresponding OPEB trust fund statements as found in the other supplementary information section of the ACFR. The Board of Trustees of the Virginia Pooled OPEB Trust has adopted an investment policy to achieve a compound annualized total rate of return over a market cycle, including current income and capital appreciation, in excess of 5 percent after inflation, in a manner consistent with prudent risk-taking. Investment decisions for the funds' assets are made by the Board of Trustees. The Board of Trustees establishes investment objectives, risk tolerance and asset allocation policies in light of the investment policy, market and economic conditions, and generally prevailing prudent investment practices. The Board of Trustees also monitors the investments to ensure adherence to the adopted policies and guidelines. In addition, the Trustees review, monitor, and evaluate the performance of the investments and its investment advisors in light of available investment opportunities, market conditions, and publicly available indices for the generally accepted evaluation and measurement of

such performance. Specific investment information for the Virginia Pooled OPEB Trust can be obtained by writing to VML/VACo Finance Program, 8 East Canal Street, Suite 100, Richmond, Virginia 23219.

The Code of Virginia (Code) authorizes the reporting entity to purchase the following types of investments:

- Commercial paper
- U.S. Treasury and agency securities
- U.S. Treasury strips
- Certificates of deposits and bank notes
- Insured Deposits
- Demand Deposit Accounts
- Money market funds
- Bankers' acceptances
- Repurchase agreements
- Medium term corporate notes
- Local government investment pool
- Asset-backed securities
- Hedged debt obligations of sovereign governments
- Securities lending programs
- Obligations of the Asian Development Bank
- Obligations of the African Development Bank
- Obligations of the International Bank for Reconstruction and Development
- Obligations of the Commonwealth of Virginia and its instrumentalities
- Obligations of counties, cities, towns, and other public bodies located within the Commonwealth of Virginia
- Obligations of state and local government units located within other states
- Savings accounts or time deposits in any bank or savings institution within the Commonwealth that complies with the Code
- Qualified investment pools

However, the investment policy precludes the investment of pooled funds in derivative securities, reverse repurchase agreements, security lending programs, asset-backed securities, hedged debt, obligations of sovereign governments, obligations of the Commonwealth of Virginia and its instrumentalities, obligations of counties, cities, towns, and other public bodies located within the Commonwealth of Virginia and obligations of state and local government units located within other states.

The Code also authorizes the reporting entity to purchase other investments for its pension trust funds and OPEB trust funds, including common and preferred stocks and corporate bonds that meet the standard of judgment and care set forth in the Code. The pension trust funds' Boards of Trustees' investment policies permit these funds to lend their securities to broker-dealers and other entities (borrowers) for collateral that will be returned for the same securities in the future.

2. Fair Value Measurement

The reporting entity's pooled investments are reported at fair value, except for money market funds and investments that have a remaining maturity at the time of purchase of one year or less. These are carried at amortized cost, which approximates fair value. The fair value of all investments is determined annually and is based on current market prices.

The reporting entity categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the source and type of information used to determine the fair value of the asset. The hierarchy gives the highest level to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest level to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 Information is unadjusted quoted prices for identical instruments in active markets that the County has the ability to access.

Level 2 Information is quoted prices for similar assets in active markets, quoted prices for identical or similar assets in inactive markets, quoted prices that are observable, either directly or indirectly from a source other than an active market.

Level 3 Includes unobservable information to arrive at the valuation.

The Primary Government has the following investments measured at fair value as of June 30, 2022:

Pooled investments		Quoted Prices in Active markets for Identical Assets Level 1		Observable Inputs other than Quoted Prices Level 2		Significant Unobservable Inputs Level 3
Investments by Fair Value Level	6/30/2022		Primary Government	Component Unit		
Cash & Cash Equivalents:						
Negotiable Certificates of Deposit	\$ 640,000,000	-	512,331,626	127,668,374	-	-
Commercial Paper	607,580,100	-	486,378,908	121,201,192	-	-
Fixed Income Securities:						
US Treasury and Agencies	1,048,924,151	-	839,682,838	209,241,313	-	-
Corporate Notes	153,983,400	-	123,266,509	30,716,891	-	-
Total investment by Fair Value Level	\$ 2,450,487,651	-	1,961,659,881	488,827,770	-	-

The income from pooled investments held by the Primary Government is allocated at month-end to the individual funds based on the fund's average daily cash balance in relation to total equity in pooled cash.

Securities and equities held by the County and component pension systems classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Securities in Level 2 are valued using bid evaluation which may include market quotations, yields, maturity call features and ratings. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices. Level 3 securities use proprietary information or single source pricing. Additional information regarding the holdings of the individual retirement systems is

available in their separately issued ACFRs. Information on how these may be viewed can be found in Note G.

Primary Government pension holdings reported at fair value and net asset value are presented below:

Primary Government - Pension Trust Funds:		Fair Value Measurements Using		
		Quoted Prices in Active markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
Investments by Fair Value Level	6/30/2022	Level 1	Level 2	Level 3
Asset-backed securities	\$ 207,876,094	-	77,372,947	130,503,147
Convertible or exchangeable securities	11,667,290	159,011	11,508,279	-
Convertible securities	37,476	37,476	-	-
Corporate and other bonds	301,398,707	31,331,716	156,575,466	113,491,525
Equity	1,380,184,134	1,283,488,256	-	96,695,878
Futures contracts	4,634,868	4,634,868	-	-
International bonds	60,927,399	-	60,727,253	200,146
Natural resources	4,698,902	-	-	4,698,902
Preferred securities	5,641,241	1,583,874	4,029,721	27,646
US government obligations	335,594,966	-	335,594,966	-
Total investment by Fair Value Level	\$ 2,312,661,077	1,321,235,201	645,808,632	345,617,244
Investments measured at the net asset value (NAV)		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Absolute return	\$1,360,865,718	15,000,000	Daily, Monthly, Quarterly	2-90 days
Global equity	1,447,616,827	661,281,673	None, Daily, Monthly, Quarterly	0-90 days, N/A
Global fixed income	1,612,431,791	413,360,811	None, Daily, Monthly, Quarterly, Semi-Annually	0-90 days, N/A
Global multi-asset	587,865,062	-	Daily, Monthly, Quarterly	1-90 days
Global real assets	723,860,306	324,367,180	None, Daily, Quarterly	0-60 days, N/A
Total investments measured at the NAV	5,732,639,704	1,414,009,664		
Investments Measured at Amortized Cost				
Short-Term	492,420,634			
Total investments	\$ 8,537,721,415			

Absolute Return: This type includes relative value hedge funds which implement long and short relative value strategies to capture structural returns across multiple asset classes including equity sectors, equity indices, fixed income, currency and commodities. The funds classified as absolute return also include the following:

Global Macro: This type includes hedge funds that invest long/short across fixed income, currency, equity and commodity markets. The process is equally driven by analysis of the macro environment, flows of capital, the expected reaction to changes in interest rates, trend following and other drivers. This type also includes Commodity Trading Advisor (CTA) that analyzes market prices to determine trends then uses tactical asset allocation to capture and ride market trends. The fund is a diversified portfolio with exposure to currencies, commodities, bonds and short interest rates, and equity indices at various times. These exposures are typically achieved through the use of derivatives which allows quick response because of the high liquidity in the derivative markets.

Equity long/short hedge funds: This type includes hedge funds that invest both long and short primarily in the U.S. common stock market. Each of the funds have different strategies. Each of the hedge fund strategies requires a longer hold period to realize value so each fund has quarterly liquidity and forty five day notice period for redemptions.

Multi-strategy: This type includes an event-driven multi-strategy fund that invests in distressed debt, risk arbitrage, event equities, convertible arbitrage, and volatility trades. This type includes hedge funds that use quantitative and qualitative tools to optimize return per unit of volatility.

Event Driven: This type includes investment in a hedge fund that focuses on global long/short credit and event driven positions, investing across the capital structure.

Global Equity: This type includes domestic equity fund that uses derivative instruments to replace long equity exposures, and international equity funds providing traditional long-only international equity exposure.

U.S. Equities: This type includes a private hedge fund. A bundled portable alpha mandate which uses futures on the S&P 500 Index and ports it to a fundamental global macro/fixed income fund. The fund has exposure to interest rates, FX, equity indices and commodities. However, the majority of its exposure is generally to interest rates. Another type of hedge fund is a U.S. small cap deep value long/short equity fund. This type also includes a hedge fund that is based on the fundamental concepts of value and momentum investing. The fund applies both concepts through the use of numerous proprietary indicators across many sectors, while generally giving more weight to value than momentum. This is a long/short strategy that maintains a net 100percent invested position by investing 130percent of portfolio assets in long positions and 30percent in short positions.

International Equities: This type includes an international small cap fund that uses a quantitative approach. In addition to traditional value measures such as price/earnings and price/book ratios, the fund also considers growth-related factors, such as price momentum and trends in analysts' earnings estimates, to target undervalued companies that have strong prospects for future outperformance. This type also includes emerging markets equity fund that uses both quantitative and qualitative analysis to build a diversified portfolio.

Private Equity: This type includes private equity stakes in investment management firms and thus a share of the firm's revenues and capital appreciation. They are invested in management buy-in, buy-outs, venture capital, growth and expansion capital, mezzanine, distressed and venture debt, special situation, recapitalization and other private equity funds.

Global Fixed Income: This includes fixed income, direct lending, and opportunistic types of securities. Fixed income consists of funds providing leveraged exposure to US and international government issued inflation-linked bonds, and emerging market debt fund. This also includes funds that invests in Mortgage Backed, Asset Backed and other distressed securities believed to be priced below the fundamental credit risk inherent in those securities. Direct Lending includes private debt funds conducting middle market corporate and commercial mortgage direct lending with negotiated senior secured loans to borrowers that are too small to attract the attention of conventional banks and lenders. Loan payments are also distributed on a monthly or quarterly basis. The loans are held at book value unless a payment default has occurred at which time a third-party appraisal value is determined. Opportunistic credit includes funds investing in public and private debt, equity and real estate as opportunities present themselves. These investments cannot be redeemed. The distributions are received through the liquidation of underlying assets of the funds over a period of years as per the terms of the fund.

Global Multi-Asset: This type includes funds that invest across multiple asset classes using a risk balance approach in their asset allocation with the intent to balance risk across all combinations of Rising and Falling Growth and Inflation. The main goal is to construct a portfolio that achieves the best risk adjusted return at a given expected level of volatility which varies by fund. This is achieved through the use of derivatives and liquid long positions across multiple asset classes.

Global Real Assets: This type includes fund that owns and operates a fleet of commercial bulk container and tanker vessels, fund that purchases interests in other private real estate funds on the secondary market, and fund that owns and operates the real estate, infrastructure and inventory of a cattle feeding operation. This type also includes funds that focuses on publicly traded REITs, listed infrastructures, commodities, MLPs, natural resource equities, precious metals, TIPS, and floating rate/bank loans. The strategy will set long term strategic allocations to those asset classes with broad ranges. The portfolio will be tactically reviewed on a quarterly basis. The other funds classified under this type include the following:

Inflation Hedges: This type includes funds that invest in inflation sensitive asset classes to help hedge against inflation risks in the broader portfolio. One of the funds uses a diversified commodity portfolio to lower commodity volatility more than equities, provide an inflation hedge, and perform better in most economic environments, except for recessions. The portfolio is invested in inflation sensitive assets and inflation linked assets. Exposure to the inflation sensitive assets is achieved through global equity and derivative positions in precious metals, mining, agriculture, energy, and other commodities and commodity dependent equities. Global inflation linked bonds such as TIPS and emerging market inflation linked bonds provide exposure to the assets directly linked to inflation.

Real Estate funds: One fund in this type is primarily a core portfolio of U.S. equity real estate with a goal to provide good returns while limiting downside risk through property type, geographic, and economic diversification with moderate leverage. This type also includes distressed real estate fund-of-funds that invest in local real estate managers that purchase distresses properties and renovate them. Distributions in this fund are received through the liquidation of the underlying properties over five to ten years, and rental income is received as a current yield from the underlying funds.

Component unit pension holdings reporting at fair value and net asset value are presented below:

Component Unit - Pension Trust Fund:		Fair Value Measurements Using		
		Quoted Prices in Active markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Investments by Fair Value Level	6/30/2022			
Short-term securities	\$ 55,357,186	-	55,357,186	-
Asset and mortgage backed securities	147,774,908	-	147,774,908	-
Corporate bonds	274,702,006	-	267,484,870	7,217,136
Convertible securities	5,650,315	400,260	5,250,055	-
International bonds	2,403,350	-	2,403,350	-
Municipal bonds	538,258	-	538,258	-
US government obligations	140,353,981	140,353,981	-	-
Total debt securities	626,780,004	140,754,241	478,808,627	7,217,136
Equity investments	288,897,994	288,897,994	-	-
Total investment by Fair Value Level	\$ 915,677,998	429,652,235	478,808,627	7,217,136
Investments measured at the net asset value (NAV)		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Commingled large cap equity funds	\$ 390,598,945	-	Daily	None
Commingled emerging markets equity funds	113,883,088	-	Daily	3 days
Commingled global equity fund	338,464,595	-	Daily	None
Commingled global fixed income funds	103,832,166	-	Daily	None
Commingled emerging markets debt funds	77,382,498	-	Monthly	30 days
Private markets	389,632,067	199,739,006	Not eligible	N/A
Commingled Multi asset class solutions	192,343,465	-	Monthly	5 days
Commingled Hedge funds	263,871,419	-	Monthly	30 days
Commingled real estate equity funds	174,568,128	-	Daily, quarterly	1-90 days
Private real estate fund	48,287,492	125,673,861	Not eligible	N/A
Total investments measured at the NAV	2,092,863,863	325,412,867		
Total investments	\$ 3,008,541,861			

Commingled Large Cap Equity Fund: The objective of this index fund is to invest in securities and collective funds that together are designed to track the performance of the Russell 1000®.

Commingled Emerging Markets Equity Fund: The fund invests in common stocks and other forms of equity investments issued by emerging market companies of all sizes to obtain long-term capital appreciation.

Commingled Global Equity Funds: The fund in this category is an actively managed, multi-capitalization fund focused on attractively priced companies with strong and/or improving financial productivity. The fund invests in listed global equity securities located in both developed and emerging markets.

Commingled Global Fixed Income Funds: The fund seeks to generate strong risk-adjusted returns from the global bond markets. The strategy focuses on selecting securities with attractive valuations in countries with stable to improving structural outlooks and growth trajectories.

Commingled Emerging Markets Debt Fund: This fund invests in fixed income securities of emerging or developing countries to achieve high current income and long-term capital growth.

Private Equity and Debt Partnerships: This type includes investments in limited partnerships, which generally include the following strategies: buyouts, venture capital, mezzanine, distressed debt, growth equity and special situations. These investments have an approximate life of 10 years and are considered illiquid. Redemptions are restricted over the life of the partnership. During the life of the partnerships, distributions are received as underlying partnership investments are realized. As of June

30, 2022, it is probable that all of the investments in this type will be sold at an amount different from the NAV per share of the plan's ownership interest in partners' capital.

Infrastructure - This type invests in assets which provide essential services or facilities to a community such as schools, hospitals, transportation, distribution, communication, power generation, water and waste management. These investments can include limited partnerships and commingled funds and are considered illiquid. The investment seeks to provide long-term risk-adjusted returns, a stable income stream and inflation protection.

Commingled Multi-Asset Class Solutions Funds: This type of fund typically has an unconstrained, non-benchmark oriented investment approach with investments across various asset classes. It may invest in, but is not limited to, equities, fixed income, inflation-linked bonds, currencies and commodities. The objective is to provide attractive returns in any type of economic environments.

Commingled Real Estate Equity Funds: This type of fund provides diversified exposure to a core portfolio of US real estate investments across different sectors. The investment primarily focused on income with some value-add properties seeking higher returns from potential appreciation.

Private Real Estate Funds: This fund is a limited partnership that makes secondary investments in various types of real estate and real estate entities, such as commingled real estate funds, limited partnerships, joint ventures, real estate operating companies and non-traded REIT vehicles.

Hedge Funds – Opportunistic: This is an alternative type of strategy with a typical return objective of cash plus a premium. It invests across different asset classes.

Information related to the investments held in the OPEB trust funds of both the County and component unit is discussed in Note H.

3. Interest Rate Risk

The reporting entity's policy is to minimize the risk that the fair value of securities in its portfolio will fall due to changes in market interest rates. To achieve this minimization of risk, the reporting entity structures the pooled investment portfolio so that sufficient securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. Pooled investments that are purchased to meet liquidity needs shall have a target weighted average maturity of ninety days or less. All other pooled funds are invested primarily in shorter-term securities, with a maximum maturity of five years. The reporting entity's pooled investments as of June 30, 2022, are summarized on the following page:

Investment Type	Valuation	Weighted Average Maturity (Days)
Primary Government - Pooled Investments:		
U.S. Treasury Securities and Agencies	\$ 822,238,416	935
Commercial Paper	476,906,992	59
Corporate Notes and Bonds	59,774,673	1
Money Market Funds	275,834,878	37
Negotiable Certificates of Deposit	501,689,365	486
Virginia Investment Pool LGIP	144,361,270	1
Total	<u>\$ 2,280,805,594</u>	
Portfolio weighted average maturity		461
Component Unit - Pooled Investments:		
U.S. Treasury Securities and Agencies	\$ 226,682,735	935
Commercial Paper	131,478,388	59
Corporate Notes	33,277,409	1
Money Market Funds	76,044,859	37
Negotiable Certificates of Deposit	138,310,635	486
Virginia Investment Pool LGIP	39,798,928	1
Total	<u>\$ 645,592,954</u>	
Portfolio weighted average maturity		449

The primary government's pension trust funds manage interest rate risk for fixed income accounts by limiting the credit quality of the securities held as well as the duration of the portfolio against the duration of the benchmark. The component unit's pension trust fund's fixed income managers utilize the modified duration method to manage interest rate risk. In addition, the fund's investment policy states that the average effective duration of each manager's portfolio should be within 30 percent of the portfolio's benchmark duration.

The investments in debt securities of the pension trust funds of the reporting entity as of June 30, 2022, are summarized as follows:

Investment Type	Valuation	Duration (Years)
Primary Government - Pension Trust Funds:		
U.S. Government securities		
Employees' Retirement System	\$ 213,346,287	14.6
Police Officers Retirement System	63,091,159	12.1
Uniformed Retirement System	59,157,520	10.9
Corporate and other bonds		
Employees' Retirement System	187,339,886	2.3
Police Officers Retirement System	40,644,317	3.3
Uniformed Retirement System	89,754,138	2.7
International Bonds		
Employees' Retirement System	56,373,540	5.9
Police Officers Retirement System	4,131,287	2.1
Uniformed Retirement System	422,572	2.8
Asset-backed securities		
Employees' Retirement System	96,445,096	3.6
Police Officers Retirement System	35,162,571	4.2
Uniformed Retirement System	76,268,427	3.5
Short-term investments		
Employees' Retirement System	268,286,503	-
Police Officers Retirement System	38,652,667	-
Uniformed Retirement System	185,481,464	-
Total	<u>\$ 1,414,557,434</u>	
Component Unit - Pension Trust Fund:		
Asset and mortgage backed	\$ 147,774,908	1.2
Convertible securities	5,650,314	0.1
Corporate bonds	274,702,007	2.7
International bonds	2,403,350	0.1
Municipal bonds	538,258	0.0
US government obligations	140,353,981	2.0
Total	<u>\$ 571,422,818</u>	

* The underlying assets of the asset-backed securities are predominantly mortgages.

4. Credit Risk

The reporting entity's policy is to minimize the risk of loss due to the failure of an issuer or other counterparty to an investment to fulfill its obligations. The reporting entity pre-qualifies financial institutions, broker-dealers, intermediaries, and advisers with which the County does business. In addition, the reporting entity limits its pooled investments to the safest types of securities and diversifies its pooled investment portfolio so that potential losses on individual securities will be minimized. Also, new investments shall not be made in securities that are listed on Moody's Investors Service, Inc. (Moody's) Watchlist or Standard & Poor's, Inc. (S&P) Credit Watch with a

negative short-term rating. The policy specifies the following acceptable credit ratings for specific types of investments in the pooled portfolio:

- U.S. government agency and GSE instruments should have a rating of least Prime-1 by Moody's and A-1 by S&P. In those instances when a GSE does not have a rating, a thorough credit and financial analysis will be conducted by county investment staff.
- Prime quality commercial paper shall be rated by at least two of the following: Moody's, with a rating of P-1; S&P, A-1; Fitch Investor's Services, Inc. (Fitch), F-1; or by Duff and Phelps, Inc., D-1.
- Mutual funds must have a rating of AAA or better by S&P, Moody's, or another nationally recognized rating agency.
- Negotiable certificates of deposit must have a rating of at least A-1 by S&P and P-1 by Moody's if less than 1 year and a rating of AA by S&P if more than 1 year.
- Bankers' acceptances shall be rated by at least two of the following: Moody's, with a rating of P-1; S&P, A-1; Fitch, F-1; or by Duff and Phelps, Inc., D-1.
- Corporate notes must have a rating of at least Aa by Moody's and a rating of at least AA by S&P.
- Local government investment pool (LGIP) bond fund must have a rating of AAA by S&P, and AAAm by S&P for VIP Stable NAV Liquidity Pool.
- Supranationals must have a rating of AAA by S&P or Moody's.

While the overall investment guidelines for the primary government's pension trust funds do not specifically address credit risk, investment managers have specific quality limits appropriate for the type of mandate they are managing and that fit within the total risk tolerance of the fund. The component unit's pension trust fund's investment policy states that the average credit quality of a fixed income portfolio must be at least A. The policy also permits up to 20 percent of the portfolio to be invested in Moody's or S&P's quality rating below Baa or BBB, respectively. If a security is downgraded below the minimum rating, the investment manager must notify the Board of Trustees and an exception to the guidelines must be granted in order for the security to remain in the portfolio.

As of June 30, 2022, investments held by the county pool were rated as follows:

Credit Quality Rating *							
AA		A-1		AAA-m		Unrated	
Corporate Notes	4.4%	Commercial paper	16.7%	Money Market Funds	1.9%	Demand Deposit Accounts	2.1%
US Treasury and Agencies**	30.5%	Negotiable CD	17.6%	LGIP	15.1%	Collateralized CDs	4.0%
				Bond Funds	7.7%		
34.9%		34.3%		24.7%		6.1%	

* Credit quality ratings are determined using S&P's short-term and long-term ratings, which approximates the greatest degree of risk as of June 30, 2022.

** U.S. Treasury and Agencies AA+

The primary government and component units' pension trust funds' credit quality ratings at June 30, 2022, were as follows:

Investment Type	Credit Quality Rating *							
	AAA	AA	A	BBB	BB	B	Below B	Unrated
Primary Government								
Pension Trust Funds:								
U.S. Government obligations	- %	- %	- %	- %	- %	- %	- %	23.7 %
Corporate and other bonds	-	0.3	1.1	2.0	4.5	5.4	2.3	7.0
Asset-backed securities	0.1	2.6	0.2	0.4	1.5	0.4	0.7	8.8
Short-term investments	-	-	-	-	-	-	-	34.7
International bonds	0.1	0.1	0.1	0.9	0.6	0.3	-	2.2
Component Unit								
Pension Trust Fund:								
Asset and mortgage-backed securities	6.1 %	15.1 %	3.4 %	5.5 %	0.6 %	0.3 %	2.0 %	1.2 %
Corporate bonds	0.5	1.1	6.2	37.3	11.9	6.1	0.5	0.2
Convertible securities	-	-	-	0.8	-	0.5	-	-
International bonds	-	0.1	-	0.5	-	-	-	-
Municipal bonds	-	-	-	0.1	-	-	-	-

* Credit quality ratings are determined using S&P's long-term rating schema, which approximates the greatest degree of risk as of June 30, 2022.

5. Concentration of Credit Risk

The reporting entity's investment policy sets the following limits for the types of securities held in its pooled investment portfolio:

Investment Type	Maximum Diversification
U.S. Treasury securities and agencies	100% maximum
Negotiable certificates of deposit	40% maximum
Banker's acceptances	35% maximum
Commercial paper	35% maximum
Repurchase agreements	30% maximum
Mutual funds	30% maximum
Virginia investment pool - daily liquidity	30% maximum
Corporate notes	25% maximum
Non-negotiable certificates of deposit	25% maximum
Virginia investment pool - LGIP bond fund	25% maximum
Insured certificates of deposit	15% maximum
Bank demand deposit	10% maximum
Supranationals	10% maximum

In addition, not more than 5 percent of the total pooled funds available for investment at the time of purchase may be invested in any one issuing or guaranteeing corporation for commercial paper, corporate notes, and negotiable certificates of deposits. The County shall seek to maintain 5 percent of the investment portfolio in a combination of mutual funds, demand deposit accounts or open repurchase agreements to meet liquidity requirements.

While the overall investment guidelines for the primary government's pension trust funds do not specifically address concentration of credit risk, investment managers have specific concentration limits appropriate for the type of mandate they are managing and that fit within the total risk tolerance of the fund. The pension trust funds do not have investments (other than U.S. Government and U.S. Government-guaranteed obligations) in any one organization that represents 5 percent or more of net position available for benefits.

The component unit's pension trust fund's policy limits the securities of any one issue to 10 percent at cost and 15 percent at market of each fixed income portfolio. The policy allows an exception for government securities and its agencies. As of June 30, 2022, ERFC had three active fixed income managers. The active manager portfolios had values of \$166.5 million, \$184.9 million and \$240.8 million. The fair value of the largest issue other than the U.S. Government in the portfolios of the active managers, excluding pooled funds, was only 1.49 percent of that portfolio.

6. Custodial Credit Risk

For deposits, custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the Virginia Security for Public Deposits Act (Act), all of the reporting entity's deposits are covered by federal depository insurance or collateralized in accordance with the Act, which provides for the pooling of collateral pledged by financial institutions with the Treasurer of Virginia to secure public deposits as a class. No specific collateral can be identified as security for one public depositor, and public depositors are prohibited from holding collateral in their name as security for deposits. If any member financial institution fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. If the value of the pool's collateral is inadequate to cover a loss, additional amounts are assessed on a pro rata basis to the members of the pool. The State Treasury Board is responsible for monitoring compliance with the collateralization and reporting requirements of the Act and for notifying local governments of compliance by participating financial institutions. A multiple financial institution collateral pool that provides for additional assessments is similar to depository insurance, therefore, funds deposited in accordance with the requirements of the Act are considered to be fully insured.

For investments, custodial credit risk is the risk that, in the event of the failure of a counterparty, the reporting entity will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Per policy, all of the investments purchased by the reporting entity are insured or registered or are securities held by the reporting entity or its agent in the reporting entity's name.

The Boards of Trustees of the pension trust funds permit the funds to participate in a securities lending program, which is administered by a custodian. Under this program, certain securities are loaned to approved broker/dealers who borrow the securities and provide collateral in the form of cash, U.S. Treasury or government agency securities, letters of credit, and other securities as specified in the securities lending agreement. The value of the collateral for domestic securities must equal 102 percent of the market value of the security and 105 percent of the market value of the foreign security. The custodian monitors the market value of the collateral on a daily basis. Cash collateral is invested in a fund which is maintained by the custodian or its affiliate. The pension trust funds did not impose any restrictions during the period on the amounts of loans security lending agents made on their behalf, and the agents have agreed to indemnify the pension trust funds by purchasing replacement securities, or returning the cash collateral thereof, in the event a borrower fails to return loaned securities or pay distributions thereon. There were no such failures by any borrower during the fiscal year, nor were there any losses during the period resulting from the default of a borrower or lending agent. At year end, the pension trust funds had no custodial credit risk exposure to borrowers because

the amounts the pension trust funds owed the borrower exceeded the amounts the borrowers owed the pension trust funds. Information pertaining to the securities lending transactions as of June 30, 2022, is presented as follows:

Securities Lent	Underlying Securities	Cash Collateral Investment Value	Securities Collateral Investment Value
Primary Government - Pension Trust Funds:			
Lent for cash collateral:			
U.S. Government securities	\$ 22,516,079	24,344,622	-
Corporate and other bonds	19,585,257	20,149,790	-
Common and preferred stock	142,199,906	149,428,791	-
Lent for securities collateral:			
U.S. Government securities	47,356,169	-	52,801,862
Common and preferred stock	136,779,111	-	152,267,168
Total securities lent	<u>\$ 368,436,522</u>	<u>193,923,203</u>	<u>205,069,030</u>
Component Unit - Pension Trust Fund:			
Lent for cash collateral:			
Domestic corporate bonds	\$ 36,486,519	37,421,097	-
Domestic stock	49,339,705	50,523,514	-
International bonds	1,494,835	1,720,268	-
International stock	1,335,226	1,621,079	-
U.S. Government securities	8,891,641	9,075,359	-
Total securities lent	<u>\$ 97,547,926</u>	<u>100,361,317</u>	<u>-</u>

7. Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of the investment. Per the reporting entity's policy, pooled investments are limited to U.S. dollar denominated instruments. The pension trust funds are allowed to invest in foreign currency denominated instruments. The component unit's pension trust fund's currency risk exposures primarily exist in the international equity and active fixed income holdings. At the present time, there are no specific foreign currency guidelines for equities or active fixed income investments, however, equity and fixed income managers are all measured against specific performance standard and risk guidelines identified in the component unit's pension trust fund's investment policy. The fair value in U.S. dollars of the pension trust funds' foreign currency investments as of June 30, 2022, is presented on the following pages:

Foreign Currency Risk

International Securities	Cash and Cash Equivalents	Equity	Convertible and Fixed Income	Total U.S. Dollars
Primary Government - Pension Trust Funds:				
Australian Dollar	\$ 296,022	18,976,620	5,381,284	24,653,926
Brazil Real	2,279	1,857,284	6,026,982	7,886,545
Canadian Dollar	5,046,776	22,090,130	2,411,132	29,548,038
Chinese Yuan Renminbi	1,984	309,814	-	311,798
Colombian Peso	52	-	4,005,849	4,005,901
Danish Krone	660	22,852,100	1,188,491	24,041,251
Euro Currency Unit	(1,537,445)	116,767,976	4,833,792	120,064,323
Hong Kong Dollar	15,072	36,759,898	(5,725,670)	31,049,300
Indian Rupee	5,152	3,768,070	-	3,773,222
Indonesian Rupiah	4,508	570,353	69,307	644,168
Japanese Yen	1,837,383	105,524,212	-	107,361,595
Malaysian Ringgit	-	57,509	3,485,721	3,543,230
Mexican Peso	-	1,932,335	11,178,328	13,110,663
New Taiwan Dollar	-	957,693	-	957,693
New Zealand Dollar	-	131,841	1,261,919	1,393,760
Norwegian Krone	-	5,221,312	(3,475,565)	1,745,747
Peruvian Sol	-	-	88,590	88,590
Philippine Peso	7,346	-	-	7,346
Polish Zloty	-	-	991,468	991,468
Pound Sterling	(1,623,668)	82,364,655	1,170,602	81,911,589
Russian Ruble	-	-	779,219	779,219
Singapore Dollar	-	12,695,568	1,903,033	14,598,601
South African Rand	11	1,063,056	4,644,203	5,707,270
South Korean Won	19,155	3,477,200	7,942,243	11,438,598
Swedish Krona	2,988	17,795,654	802,866	18,601,508
Swiss Franc	3,572	36,337,305	(593,566)	35,747,311
Thailand Baht	-	2,002,186	-	2,002,186
Turkish Lira	-	90,823	-	90,823
Total fair value	\$ 4,081,847	493,603,594	48,370,228	546,055,669

Foreign Currency Risk

International Securities	Cash & Cash Equivalents	Equity	Convertible and Fixed Income	Total U.S. Dollars
Component Unit - Pension Trust Fund: *				
Australian Dollar	\$ 2,173	-	-	2,173
Brazil Real	36,656	-	-	36,656
Canadian Dollar	45,590	-	-	45,590
Chilean Peso	11,064	-	-	11,064
Chinese Yuan Renminbi	16,539	-	-	16,539
Danish Krone	167,774	5,178,361	-	5,346,135
Euro Currency Unit	539,408	14,538,538	29,831,797	44,909,743
Hong Kong Dollar	39,843	2,319,585	-	2,359,428
Indonesian Rupiah	12,583	-	-	12,583
Israeli Shekel	11,699	-	-	11,699
Japanese Yen	169,176	3,122,722	-	3,291,898
Malaysian Ringgit	9,670	-	-	9,670
Mexican Peso	20,594	-	1,952,194	1,972,788
New Taiwan Dollar	26,132	2,673,483	-	2,699,615
New Zealand Dollar	8,060	678,794	-	686,854
Norwegian Krone	7,440	1,789,089	-	1,796,529
Philippine Peso	1,349	-	-	1,349
Polish Zloty	1,273	-	-	1,273
Pound Sterling	45,829	3,197,734	-	3,243,563
Qatari Riyal	-	-	273,244	273,244
South African Rand	1,939	-	-	1,939
South Korean Won	378	270	-	648
Swedish Krona	10,643	3,196,831	-	3,207,474
Swiss Franc	593,127	3,159,055	-	3,752,182
Thailand Baht	3,782	-	-	3,782
UAE Dirham	-	-	177,913	177,913
Total fair value	<u>\$ 1,782,721</u>	<u>39,854,462</u>	<u>32,235,148</u>	<u>73,872,331</u>

*Includes preferred securities investments in fixed income balance.

8. Derivatives

In order to enhance investment returns and manage risk exposure, the Primary Government's pension trust funds (Pension trust funds) regularly invest in derivative financial instruments with off-balance-sheet risk. The Pension trust funds also enter into derivative transactions to gain exposure to currencies and markets where derivatives are the most cost-effective instrument. During fiscal year 2022, the Pension trust funds invested directly in various derivatives including asset-backed securities, collateralized mortgage obligations, exchange-traded futures contracts, forward currency contracts, options, swaps, and floating rate securities. Some traditional on-balance-sheet securities, such as structured notes, can have derivative-like characteristics where the return may be linked to one or more indices. Asset-backed securities, such as collateralized mortgage obligations (CMOs), are sensitive to changes in interest rates and pre-payments. Futures, forwards, options, and swaps generally are not recorded on the financial statements, whereas floating rate securities, structured notes, and asset-backed securities are recorded. The Pension trust funds also have exposure to derivatives indirectly through their ownership interests in certain hedge funds, mutual funds and commingled funds which may use, hold, or write derivative financial instruments.

Derivative investments may involve credit and market risk in excess of amounts recognized on the financial statements. The Pension trust funds could be exposed to risk if the counterparties to the contracts are unable to meet the terms of the contracts. Holders of futures contracts look to the exchange for performance under the contract and not to the other party holding the offsetting futures position; therefore, the amount at risk due to nonperformance of counterparties to futures contracts is minimal. For counterparties involving over the counter derivatives, the Boards of Trustees of the Pension trust funds seek to control such risk through counterparty credit evaluations, counterparty credit limits, and exposure monitoring procedures conducted by investment managers and staff. To address counterparty risk, the Pension trust funds instruct the investment managers who use swaps, forwards, and options to only enter into contracts with counterparties rated at investment grade of BBB or better by at least one nationally recognized rating agency.

The Pension trust funds held four types of derivative financial instruments with notional values carried off-balance-sheet: futures, swaps, currency forwards, and options. Those financial instruments provide the Pension trust funds with the opportunity to build passive benchmark positions, manage portfolio duration in relation to various benchmarks, adjust portfolio yield curve exposure, enhance returns, and gain market exposure to various indices in a more efficient way and at lower transaction costs. Risk is inherent to most investments.

Futures contracts are contracts to deliver or receive securities at a specified future date and at a specified price or yield. Futures contracts are traded on organized exchanges (exchange-traded) and typically require an initial margin (collateral) in the form of cash or marketable securities. The net change in the futures contract value is settled daily with the exchanges in cash and the net gains or losses are included in the Pension trust funds' financial statements. Holders of futures contracts look to the exchange for performance under the contract and not to the entity holding the offsetting futures position. Accordingly, the amount at risk posed by nonperformance of counterparties to futures contracts is minimal. The notional value of the Pension trust funds' investment in futures contracts at June 30, 2022, is shown in the table on the following page:

Future Contract Types	Base Exposure	Notional Cost
Primary Government - Pension Trust Funds:		
Cash & Cash Equivalent Futures:		
Long	\$ 40,054,500	39,839,424
Short	(426,926,551)	(436,158,069)
Equity Futures:		
Long	508,924,199	505,029,094
Short	(89,478,440)	(91,534,008)
Fixed Income Futures:		
Long	439,429,828	448,643,296
Short	(271,615,442)	(274,342,486)
Commodity Futures:		
Long	526,018,546	563,486,517
Short	-	-
Total	<u>\$ 726,406,640</u>	<u>754,963,768</u>

The Pension trust funds enter into several types of swap contracts in which two counterparties agree to exchange one stream of payments for another over some agreed to period of time. Swaps are used to manage risk and enhance returns. All counterparties are rated A or better. The Pension trust funds' swap contracts outstanding at June 30, 2022, is summarized as follows:

Swap Types	Base Exposure	Fair Value
Primary Government - Pension Trust Funds:		
Fixed Income Swaps:		
Cleared Interest Rate Swaps	\$ (5,081,884)	(5,005,568)
Cleared Credit Default Swaps	8,064,989	8,438,757
Total	<u>\$ 2,983,105</u>	<u>3,433,189</u>

Option contracts may be exchanged, traded, or negotiated directly in over-the-counter transactions between two counterparties. Options holders have the right, but not the obligation, to purchase or sell a financial instrument at a future price and date. The Pension trust funds can both purchase and write options. Exchange traded options rely on the exchange for performance and the risk to non-performance of counterparties is minimal. All counterparties for over-the-counter options are rated A or better. The Pension trust funds option contracts at June 30, 2022, are presented below.

	Cost	Fair Value	Unrealized Gain
Primary Government - Pension Trust Funds:			
Equity Options:			
Written Call	\$ (676,191)	(270,360)	405,831
Total	<u>\$ (676,191)</u>	<u>(270,360)</u>	<u>405,831</u>

Currency forwards represent foreign exchange contracts and are used to effect settlements and to protect the base currency value of portfolio assets denominated in foreign currencies against fluctuations in the exchange rates of those currencies or to gain exposure to the change in market value of a specific currency. A forward foreign currency exchange contract is a commitment to purchase or sell a foreign currency at a future date and at a negotiated price. The credit risk of currency contracts that are exchange-traded lies with the clearinghouse of the exchange where the contracts are traded. The credit risk of currency contracts traded over the counter lies with the counterparty, and exposure usually is equal to the unrealized profit on in-the-money contracts. All

counterparties are rated A or better. The market risk in foreign currency contracts is related to adverse movements in currency exchange rates. The net unrealized loss on foreign currency spot and forward contracts at June 30, 2022, was \$3,746,536, and the Pension trust funds' currency forwards contracts are summarized as follows:

Foreign Currency Contracts Purchased	Notional (Local Currency)	Cost	Fair Value of Foreign Currency Contract Payable in U.S. Dollars	Unrealized Gain(Loss)
Primary Government - Pension Trust Funds:				
Australian Dollar	(16,300,000)	(11,305,443)	(11,214,735)	90,708
Brazil Real	(33,430,000)	(6,484,818)	(6,365,179)	119,639
Canadian Dollar	(4,444,268)	(3,445,191)	(3,445,260)	(69)
Chilean Peso	(1,860,000,000)	(2,048,798)	(1,982,529)	66,269
Chinese R Yuan HK	(59,830,000)	(8,831,583)	(8,919,874)	(88,291)
Columbian Peso	(16,650,000,000)	(4,156,888)	(3,983,696)	173,192
Euro Currency Unit	(12,624,000)	(13,306,652)	(13,216,652)	90,000
Malaysian Ringgit	(13,700,000)	(3,100,600)	(3,106,661)	(6,061)
Mexican Peso	(220,400,000)	(10,823,659)	(10,823,054)	605
Polish Zloty	(21,900,000)	(4,808,294)	(4,855,255)	(46,961)
Pound Sterling	(304,000)	(378,366)	(369,393)	8,973
South African Rand	(75,900,000)	(4,675,229)	(4,612,096)	63,133
South Korean Won	(10,060,000,000)	(8,002,960)	(7,756,885)	246,075
Swiss Krona	(59,000,000)	(5,777,234)	(5,758,111)	19,123
Total Foreign Currency Contracts Purchased			\$ (86,409,380)	736,335
Foreign Currency Contracts Sold				
Primary Government - Pension Trust Funds:				
Chilean Peso	9,630,000,000	\$ 11,646,391	\$ 10,264,386	(1,382,005)
Euro Currency Unit	29,074,000	31,654,090	30,439,165	(1,214,925)
Hungarian Forint	1,505,000,000	4,120,212	3,933,229	(186,983)
Japanese Yen	3,328,000,000	25,357,543	24,642,715	(714,828)
Polish Zloty	46,180,000	10,641,363	10,238,159	(403,204)
Pound Sterling	38,000	46,349	46,161	(189)
South Korean Won	370,000,000	287,546	285,146	(2,400)
Swedish Krona	118,000,000	12,080,953	11,539,836	(541,117)
Thailand Baht	44,300,000	1,292,261	1,255,041	(37,220)
Total Foreign Currency Contracts Sold			\$ 92,643,838	(4,482,871)

As permitted by the Board's policies, the Pension trust funds hold off-balance-sheet derivatives in a small number of separately managed accounts. Investment managers are prohibited from purchasing securities on margin or using leverage unless specifically permitted within the investment manager's guidelines. Derivative instruments covered under the scope of GASB 53 are reported at fair value. The changes in fair value of derivative instruments that are used for investment purposes are reported within the investment revenue classification. Gains and losses on derivative securities are determined based upon fair market values as determined by our custodian and recorded in the Statement of Changes in Plan Net Position of the pension trust funds.

As permitted by the Code, the component unit's pension trust fund (ERFC) invests in derivative instruments on a limited basis in accordance with the Board of Trustees' investment policy. Derivatives provide a means for ERFC to increase earnings and/or hedge against potential losses. The risks associated with derivative instruments, include market risk resulting from fluctuations in interest and currency rates, the credit worthiness of counter parties to any contracts entered into, and the credit worthiness of mortgages related to collateralized mortgage obligations (CMOs). Specific authorization by the Board is required should investment managers seek to purchase securities on margin or leverage. During fiscal year 2022, ERFC had no direct investments in derivatives.

9. Deferred Outflows/Inflows of Resources

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources representing a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. Deferred outflows for pensions and OPEB activities result from changes in actuarial proportions, changes in actuarial assumptions, differences between projected and actual earnings on pension and OPEB investments, differences between expected and actual experience and pension and OPEB contributions made subsequent to the measurement date. Deferred outflows related to investment differences are deferred and amortized over a closed five-year period and all other deferred outflows, except contributions made subsequent to the measurement date, are amortized over the remaining service life of all participants.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources representing an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows for pension and OPEB activities result from changes in actuarial proportions, changes in actuarial assumptions, differences between projected and actual earnings on pension and OPEB investments and differences between expected and actual experience. Deferred inflows related to investment differences are deferred and amortized over a closed five-year period and all other deferred inflows are amortized over the remaining service life of all participants.

C. PROPERTY TAXES

Real estate is assessed on January 1 each year at the estimated fair market value of all land and improvements. Real estate taxes are due in equal installments, on July 28 and December 5. Unpaid taxes automatically constitute liens on real property which must be satisfied prior to sale or transfer, and after two years, foreclosure proceedings can be initiated.

Personal property taxes on vehicles and business property are based on the estimated fair market value at January 1 each year. The tax on a vehicle may be prorated for the length of time the vehicle has situs in the County. A declaration form is required to be filed, and there is a ten percent penalty for late filing. Personal property taxes are due on October 5, with certain exceptions. Delinquency notices are sent before statutory measures, such as the seizure of property and the placing of liens on bank accounts and/or wages, are initiated.

Real estate taxes not paid by the due dates are assessed a ten percent late payment penalty on the tax amount. Personal property taxes are initially assessed a ten percent late payment penalty, which increases to twenty-five percent after thirty days of delinquency. Furthermore, interest accrues from the first day following the due date at an annual rate of one percent for real estate taxes and five percent for personal property taxes. The net delinquent taxes receivable, including interest and penalties, as of June 30, 2022, after allowances for uncollectible amounts, is \$28,477,701, of which \$3,941,431 has been included in tax revenue for fiscal year 2022 because it was collected within 45 days after June 30.

As required by GAAP, the County reports real estate and personal property taxes (net of allowances) assessed for calendar year 2022 as receivables (net of payments totaling \$32,652,029 received in advance of the due date) and deferred tax revenue because the County has an enforceable legal claim to these resources at June 30, 2022; however, these resources, which amount to \$4,000,339,223, will not be available to the County until fiscal year 2023.

The 1998 Virginia General Assembly enacted the Personal Property Tax Relief Act to provide property tax relief on the first \$20,000 of value of motor vehicles not used for business purposes. Due to budget constraints, the 2003 Virginia General Assembly froze the tax reduction at 70 percent. The 2005 Virginia General Assembly revised this measure further to limit its tax relief payments to all localities to a total of \$950 million per tax year beginning with 2006 (fiscal year 2007). The County's fixed share of the \$950 million is \$211,313,944, as determined by its share of the total payments made to all localities by the Commonwealth during calendar years 2004 and 2005 for tax year 2004 (fiscal year 2005). The County's fixed share from the Commonwealth is reported as intergovernmental revenues in the General Fund.

D. RECEIVABLES

Receivables and allowances for uncollectible receivables of the primary government, excluding fiduciary funds, at June 30, 2022, consist of the following:

	General Fund	Nonmajor Governmental Funds	Enterprise Fund	Internal Service Funds	Total Primary Government (Exhibit A)
Receivables:					
Accounts	\$ 15,751,090	10,425,597	967,495	2,407	27,146,589
Accrued interest	-	14,152,426	-	-	14,152,426
Property taxes:					
Delinquent	56,540,214	-	-	-	56,540,214
Not yet due	3,768,954,117	-	-	-	3,768,954,117
Business license taxes - delinquent	29,871,783	-	-	-	29,871,783
Leases	-	1,032,124	-	-	1,032,124
Loans	-	112,724,937	-	-	112,724,937
Notes	-	36,890,000	-	-	36,890,000
Total receivables	3,871,117,204	175,225,084	967,495	2,407	4,047,312,190
Allowances for uncollectibles:					
Accounts receivable	(4,283,792)	-	-	-	(4,283,792)
Accrued interest	-	(6,439,513)	-	-	(6,439,513)
Property taxes:					
Delinquent	(28,062,513)	-	-	-	(28,062,513)
Not yet due	(12,580,868)	-	-	-	(12,580,868)
Business license taxes - delinquent	(28,516,153)	-	-	-	(28,516,153)
Loans	-	(51,751,723)	-	-	(51,751,723)
Total allowances for uncollectibles	(73,443,326)	(58,191,236)	-	-	(131,634,562)
Total net receivables	\$ 3,797,673,878	117,033,848	967,495	2,407	3,915,677,628

Receivables of the component units, excluding fiduciary funds, at June 30, 2022, consist of the following:

	Public Schools	FCRHA	Park Authority	EDA	Total Component Units
Receivables:					
Accounts	\$ 15,868,019	6,533,176	336,614	-	22,737,809
Accrued interest	10,744	37,226	-	-	47,970
Notes, mortgages, and other	-	28,012,207	-	-	28,012,207
Lease	1,905,668	20,812,096	-	-	22,717,764
Total receivables	17,784,431	55,394,705	336,614	-	73,515,750
Allowances for uncollectible	-	(882,106)	-	-	(882,106)
Total net receivables	\$ 17,784,431	54,512,599	336,614	-	72,633,644

BASIC FINANCIAL STATEMENTS

Delinquent property taxes receivable from taxpayers in the General Fund as of June 30, 2022, are as follows:

Year of Levy	Real Estate	Personal Property	Total
2021	\$ 9,017,365	15,598,868	24,616,233
2020	2,395,561	7,325,844	9,721,405
2019	891,213	4,360,018	5,251,231
Prior years	\$1,250,325	5,938,037	7,188,362
Total delinquent taxes	\$ 13,554,464	33,222,767	46,777,231
Penalty and interest			9,762,983
Total delinquent taxes, penalty and interest			56,540,214
Allowances for uncollectibles			(28,062,513)
Net delinquent tax receivables			\$ 28,477,701

Amounts due to the primary government and component units from other governmental units at June 30, 2022, include the following:

	Primary Government					Component Unit	
	General Fund	Nonmajor Governmental Funds	Enterprise Fund	Internal Service Funds	Total (Exhibit A)	Public Schools	Park Authority
Federal government	\$ 108,909	35,110,024	164,488	-	35,383,421	126,291,078	123,318
State government:							
Property tax relief - not yet due	211,313,944	-	-	-	211,313,944	-	-
Other	58,248,587	72,074,144	1,027,607	-	131,350,338	24,149,773	-
Local governments	1,062,221	12,814,076	59,007,722	20,620	72,904,639	175,712	
Total intergovernmental units	\$ 270,733,661	119,998,244	60,199,817	20,620	450,952,342	150,616,563	123,318
Federal-Build America Bond subsidy					437,175		
Total (Exhibit A)					\$ 451,389,517		

E. INTERFUND BALANCES AND TRANSFERS

Interfund receivables and payables are recorded when funds overdraw their share of pooled cash. All amounts are expected to be paid within one year. Interfund balances as of June 30, 2022, are as follows:

	Interfund Receivables	Interfund Payables
Primary Government		
General Fund	\$ 4,736,672	1,956,937
Nonmajor Governmental Funds	-	4,736,672
Internal Service Funds	1,956,937	-
Total primary government	\$ 6,693,609	6,693,609
Component Unit		
Public Schools:		
General Fund	\$ 400,000	-
Nonmajor Governmental Funds	-	400,000
Total component units	\$ 400,000	400,000

Due to/from primary government and component units represent amounts paid by one entity on behalf of the other entity. Due to/from primary government and component units as of June 30, 2022, are as follows:

Receivable Entity	Payable Entity	Amount
<u>Component Units</u>	<u>Primary Government</u>	
Public Schools	General Fund	\$ 268,459
Park Authority	General Fund	3,136,159
Park Authority	Nonmajor Governmental Fund	1,593,034
EDA	General Fund	640,946
Total		\$ 5,638,598
<u>Primary Government</u>	<u>Component Unit</u>	
General Fund	Park Authority	\$ 174,606
Total		\$ 174,606

The primary purpose of interfund transfers is to provide funding for operations, including those of the Fairfax-Falls Church Community Services Board, debt service, and capital projects. Interfund transfers for the year ended June 30, 2022, are as follows:

	Transfers In	Transfers Out
<u>Primary Government</u>		
General Fund	\$ 20,330,481	740,804,424
Nonmajor Governmental Funds	792,298,869	87,842,365
Internal Service Funds	16,017,439	-
Total primary government	\$ 828,646,789	828,646,789
<u>Component Unit</u>		
Public Schools:		
General Fund	\$ -	41,948,458
Capital Projects Fund	16,004,197	-
Nonmajor Governmental Funds	25,944,261	-
Total component units	\$ 41,948,458	41,948,458

BASIC FINANCIAL STATEMENTS

F. CAPITAL ASSETS

Capital assets activity for the primary government and component units for the year ended June 30, 2022, is as follows:

	Balances July 1, 2021	Increases	Decreases	Balances June 30, 2022
Primary Government				
Governmental activities:				
Non-depreciable/non-amortizable:				
Land and easements	\$ 463,397,346	15,252,409	(162,110)	478,487,645
Construction in progress	351,041,565	172,291,882	(95,340,653)	427,992,794
Equipment under construction	30,595,562	9,056,533	(1,166,801)	38,485,294
Software in development	20,430,576	14,468,346	(10,668,172)	24,230,750
Total non-depreciable/non-amortizable	865,465,049	211,069,170	(107,337,736)	969,196,483
Depreciable/amortizable:				
Vehicles and equipment*	542,463,959	50,317,025	(39,594,227)	553,186,757
Software	181,156,545	18,010,141	-	199,166,686
Library collections	118,851,208	3,326,933	-	122,178,141
Buildings	1,727,216,960	48,057,509	(9,016,859)	1,766,257,610
Improvements	302,741,557	8,437,797	(874,182)	310,305,172
Infrastructure	1,200,301,478	58,043,515	(7,982,146)	1,250,362,847
Right-to-use lease assets *	125,732,149	1,454,105	-	127,186,254
Total depreciable/amortizable	4,198,463,856	187,647,025	(57,467,414)	4,328,643,467
Less accumulated depreciation/amortization for:				
Vehicles and equipment*	(390,915,518)	(33,254,440)	29,089,747	(395,080,211)
Software	(75,284,330)	(14,094,588)	-	(89,378,918)
Library collections	(106,861,905)	(3,924,534)	-	(110,786,439)
Buildings	(700,935,162)	(52,438,329)	592,188	(752,781,303)
Improvements	(127,754,569)	(12,553,721)	832,127	(139,476,163)
Infrastructure	(418,561,723)	(30,749,439)	140,017	(449,171,145)
Right-to-use lease assets	-	(19,846,801)	-	(19,846,801)
Total accumulated depreciation/amortization	(1,820,313,207)	(166,861,852)	30,654,079	(1,956,520,980)
Total capital assets, being depreciated/amortized, net	2,378,150,649	20,785,173	(26,813,335)	2,372,122,487
Total capital assets, net - Governmental activities	3,243,615,698	231,854,343	(134,151,071)	3,341,318,970
Business-type activities:				
Non-depreciable/non-amortizable:				
Land and easements	18,063,764	7,113,146	-	25,176,910
Construction in progress	285,175,888	76,654,322	(181,228,212)	180,601,998
Total non-depreciable/non-amortizable	303,239,652	83,767,468	(181,228,212)	205,778,908
Depreciable/amortizable:				
Vehicles and equipment	17,164,967	202,562	(418,603)	16,948,926
Purchased capacity	1,154,792,912	18,111,127	-	1,172,904,039
Buildings and improvements	91,850,481	249,271	-	92,099,752
Infrastructure	1,461,362,424	205,980,686	-	1,667,343,110
Total depreciable/amortizable	2,725,170,784	224,543,646	(418,603)	2,949,295,827
Less accumulated depreciation/amortization for:				
Vehicles and equipment	(12,278,108)	(1,181,111)	418,603	(13,040,616)
Purchased capacity	(491,765,757)	(30,540,358)	-	(522,306,115)
Buildings and improvements	(56,496,054)	(2,217,779)	-	(58,713,833)
Infrastructure	(724,522,610)	(33,472,224)	-	(757,994,834)
Total accumulated depreciation/amortization	(1,285,062,529)	(67,411,472)	418,603	(1,352,055,398)
Total capital assets, being depreciated/amortized, net	1,440,108,255	157,132,174	-	1,597,240,429
Total capital assets, net - Business-type activities	1,743,347,907	240,899,642	(181,228,212)	1,803,019,337
Total capital assets, net - Primary government	\$ 4,986,963,605	472,753,985	(315,379,283)	5,144,338,307

* Fiscal year 2021 balance restated due to prior period adjustment for the implementation of GASB statement 87. See Note N for more information.

NOTES TO THE FINANCIAL STATEMENTS

	Balances July 1, 2021	Increases	Decreases	Balances June 30, 2022
Component Units				
Public Schools				
Non-depreciable/non-amortizable:				
Land	\$ 46,837,095	-	-	46,837,095
Construction in progress	321,205,883	166,485,236	(144,193,215)	343,497,904
Software in development	777,072	-	(777,072)	-
Total non-depreciable/non-amortizable	368,820,050	166,485,236	(144,970,287)	390,334,999
Depreciable/amortizable:				
Vehicles and equipment	451,156,307	4,350,409	(122,877,031)	332,629,685
Software	13,260,834	777,072	-	14,037,906
Library collections	20,612,968	2,828,782	(4,734,780)	18,706,970
Buildings	1,316,960,489	2,287,590	(1,101,976)	1,318,146,103
Improvements	3,046,387,885	165,734,692	(144,045)	3,211,978,532
Right-to-use lease assets*	52,277,686	4,258,810	-	56,536,496
Total depreciable/amortizable	4,900,656,169	180,237,355	(128,857,832)	4,952,035,692
Less accumulated depreciation/amortization for:				
Vehicles and equipment	(275,177,086)	(34,696,195)	70,453,815	(239,419,466)
Software	(9,073,162)	(754,447)	-	(9,827,609)
Library collections	(14,196,955)	(2,121,522)	4,734,780	(11,583,697)
Buildings	(704,306,576)	(24,185,032)	1,061,831	(727,429,777)
Improvements	(1,481,222,372)	(111,965,209)	60,832	(1,593,126,749)
Right-to-use lease assets	-	(9,828,146)	-	(9,828,146)
Total accumulated depreciation/amortization	(2,483,976,151)	(183,550,551)	76,311,258	(2,591,215,444)
Total capital assets, being depreciated/amortized, net	2,416,680,018	(3,313,196)	(52,546,574)	2,360,820,248
Total capital assets, net - Public Schools	2,785,500,068	163,172,040	(197,516,861)	2,751,155,247
FCRHA				
Non-depreciable/non-amortizable:				
Land, as restated	44,390,873	288,926	(1,541,452)	43,138,347
Construction in progress	3,876,835	4,747,101	(4,095,325)	4,528,611
Total non-depreciable/non-amortizable	48,267,708	5,036,027	(5,636,777)	47,666,958
Depreciable/amortizable:				
Vehicles and equipment	7,386,182	47,008	-	7,433,190
Buildings and improvements	235,420,384	7,143,405	(1,785,692)	240,778,097
Right-to-use lease assets	-	254,904	-	254,904
Total depreciable/amortizable	242,806,566	7,445,317	(1,785,692)	248,466,191
Less accumulated depreciation/amortization for:				
Vehicles and equipment**	(2,110,488)	(70,183)	-	(2,180,671)
Buildings and improvements**	(145,786,187)	(6,646,335)	110,287	(152,322,235)
Right-to-use lease assets	-	(10,128)	-	(10,128)
Total accumulated depreciation/amortization	(147,896,675)	(6,726,646)	110,287	(154,513,034)
Total capital assets, being depreciated/amortized, net	94,909,891	718,671	(1,675,405)	93,953,157
Total capital assets, net - FCRHA	143,177,599	5,754,698	(7,312,182)	141,620,115
Park Authority				
Non-depreciable/non-amortizable:				
Land and easements	399,461,399	2,105,799	(228,008)	401,339,190
Construction in progress	13,211,630	20,053,713	(2,823,846)	30,441,497
Total non-depreciable/non-amortizable	412,673,029	22,159,512	(3,051,854)	431,780,687
Depreciable/amortizable:				
Vehicles and equipment	14,063,014	749,383	(165,453)	14,646,944
Buildings and improvements	540,743,404	15,361,497	(580,887)	555,524,014
Right-to-use lease assets	-	2,569,418	-	2,569,418
Total depreciable/amortizable	554,806,418	18,680,298	(746,340)	572,740,376
Less accumulated depreciation/amortization for:				
Vehicles and equipment	(8,548,583)	(501,137)	165,453	(8,884,267)
Buildings and improvements	(285,718,974)	(19,129,465)	566,558	(304,281,881)
Right-to-use lease assets	-	(169,823)	-	(169,823)
Total accumulated depreciation/amortization	(294,267,557)	(19,800,425)	732,011	(313,335,971)
Total capital assets, being depreciated/amortized, net	260,538,861	(1,120,127)	(14,329)	259,404,405
Total capital assets, net - Park Authority	673,211,890	21,039,385	(3,066,183)	691,185,092
EDA				
Depreciable/amortizable:				
Vehicles and equipment	19,289	-	-	19,289
Buildings and improvements	1,176,811	-	-	1,176,811
Right-to-use lease assets*	1,076,345	1,367,556	-	2,443,901
Total depreciable/amortizable	2,272,445	1,367,556	-	3,640,001
Less accumulated depreciation/amortization for:				
Vehicles and equipment	(19,199)	(90)	-	(19,289)
Buildings and improvements	(1,031,248)	(109,174)	-	(1,140,422)
Right-to-use lease assets	-	(754,611)	-	(754,611)
Total accumulated depreciation/amortization	(1,050,447)	(863,875)	-	(1,914,322)
Total capital assets, net - EDA	1,221,998	503,681	-	1,725,679
Total capital assets, net - Component units	\$ 3,603,111,555	190,469,804	(207,895,226)	3,585,686,133

* Fiscal year 2021 balance restated due to prior period adjustment for the implementation of GASB statement 87.

** Beginning balance updated due to change in reporting entity.

Depreciation and amortization expense for the year ended June 30, 2022, charged to the functions of the primary government and component units is as follows:

	Governmental Activities	Business-type Activities	Component Units
Primary Government			
General government administration	\$ 7,725,036	-	-
Judicial administration	1,825	-	-
Public safety	15,286,899	-	-
Public works	28,110,574	67,411,472	-
Health and welfare	19,938,291	-	-
Community development	8,583,136	-	-
Parks, recreation, and cultural	68,429,341	-	-
In addition, depreciation on capital assets held by the County's internal service funds is charged to the various functions based on asset usage.	18,786,750	-	-
Component Units			
Public Schools	-	-	183,550,551
FCRHA	-	-	6,726,646
Park Authority	-	-	19,800,425
EDA	-	-	863,875
Total depreciation and amortization expense	\$ 166,861,852	67,411,472	210,941,497

G. RETIREMENT PLANS

The reporting entity administers the following four separate public employee retirement systems that provide pension benefits for various classes of employees. In addition, professional employees of Public Schools participate in a plan sponsored and administered by the Virginia Retirement System (VRS).

1. County Administered Plan Descriptions

Fairfax County Employees' Retirement System

The Fairfax County Employees' Retirement System (ERS) is a legally separate single-employer defined benefit pension plan established under the Code of Virginia, which covers only employees of the reporting entity. The plan covers full-time and certain part-time employees of the reporting entity who are not covered by other plans of the reporting entity or the VRS. This is the only plan that provides pension benefits to both the primary government and component units. The balances have been allocated in the financial statements as follows: County, including business type activities, 69.7 percent, FCPS 25.2 percent, EDA 0.4 percent, FCRHA 1.6 percent, and FCPA 3.1 percent of all totals. More information is shown in section 6 of this note.

The ERS issues a publicly available annual financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Employees' Retirement System, 12015 Lee Jackson Memorial Highway, Suite 350, Fairfax, VA 22033, or by calling (703) 279-8200. It may be accessed online for additional information including details of the plan fiduciary net position. The information presented in this report follows the same accounting basis as the plan. ERS Report

Fairfax County Police Officers Retirement System

The Fairfax County Police Officers Retirement System (PORS) is a legally separate single-employer defined benefit pension plan established under the Code of Virginia. The plan covers County police officers who are not covered by other plans of the reporting entity or the VRS and former Park Police officers who elected to transfer to the PORS from the Uniformed Retirement System effective January 22, 1983.

The PORS issues a publicly available annual financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Police Officers Retirement System, 12015 Lee Jackson Memorial Highway, Suite 350, Fairfax, VA 22033, or by calling (703) 279-8200. It may be accessed online for additional information including details of the plan fiduciary net position. The information presented in this report follows the same accounting basis as the plan. PORS Report

Fairfax County Uniformed Retirement System

The Fairfax County Uniformed Retirement System (URS) is a legally separate single-employer defined benefit pension plan established under the Code of Virginia. The plan covers uniformed or sworn employees of the Fire and Rescue Department, Office of Sheriff, Park Police, helicopter pilots, and Animal Control Officers as well as non-administrative positions of the Department of Public Safety Communications who are not covered by other plans of the reporting entity or the VRS.

The URS issues a publicly available annual financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Uniformed Retirement System, 12015 Lee Jackson Memorial Highway, Suite 350, Fairfax, VA 22033, or by calling (703) 279-8200. It may be accessed online for additional information including details of the plan fiduciary net position. The information presented in this report follows the same accounting basis as the plan. URS Report

The Educational Employees' Supplementary Retirement System

The Educational Employees' Supplementary Retirement System of Fairfax County (ERFC) is a legally separate single-employer retirement system established under the Code of Virginia. The ERFC covers all full-time educational and civil service employees who are employed by the Public Schools and who are not covered by other plans of the reporting entity.

The ERFC issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Educational Employees' Supplementary Retirement System, 8001 Forbes Place, Suite 300, Springfield, VA 22151. It may be accessed online for additional information including details of the plan fiduciary net position. The information presented in this report follows the same accounting basis as the plan. ERFC Report

2. Benefit Provisions and Requirements

Fairfax County Employees' Retirement System

Benefit provisions are established and may be amended by County ordinances. All benefits vest at five years of creditable service. Members who were hired before January 1, 2013 had the option to elect to join Plan A or Plan B, and members who were hired on or after January 1, 2013 may elect to

join Plan C or Plan D. Members who were hired on or after July 1, 2019 are automatically enrolled in Plan E. To be eligible for normal retirement, an individual must meet the following criteria: (a) attain the age of 65 with five years of service, (b) for Plans A and B, attain the age of 50 with age plus years of service being greater than or equal to 80, or (c) for Plans C, D, and E, attain the age of 55 with age plus years of service being greater than or equal to 85. The normal retirement benefit is calculated using average final compensation (i.e., the highest 78 consecutive two week pay periods or the highest 36 consecutive monthly pay periods) and years (or partial years) of creditable service at date of termination. For Plans A, B, C, and D, if normal retirement occurs before Social Security benefits are scheduled to begin, an additional monthly benefit is paid to retirees. Plan E eliminates the pre-Social Security Supplement; however, there is a cost-neutral Early Age Option for employees who retire prior to full retirement age under Social Security. The plan provides that unused sick leave credit may be used in the calculation of average final compensation by projecting the final salary during the unused sick leave period. Those who commenced employment on or after January 1, 2013, may not use more than 2,080 hours of accrued sick leave toward service credit for retirement or entry into the Deferred Retirement Option Program (DROP). The benefit for early retirement is actuarially reduced and payable at early termination.

Effective July 1, 2005, a DROP was established for eligible members of the ERS. Members who are eligible for normal service retirement are eligible to participate in this program. DROP provides the ability for an employee to retire for purposes of the pension plan, while continuing to work and receive a salary for a period of three years. During the DROP period, the pension plan accumulates the accrued monthly benefit into an account balance identified as belonging to the member. The account balance is credited with interest in the amount of 5.0 percent per annum, compounded monthly. The monthly benefit is calculated using service and final compensation as of the date of entry in DROP, with increases equal to the annual COLA adjustment provided for retirees.

Fairfax County Police Officers Retirement System

Benefit provisions are established and may be amended by County ordinances. All benefits vest at five years of creditable service. Based on sworn in date, individuals were enrolled in Plan A, Plan B or Plan C. To be eligible for normal retirement, an individual must meet the following criteria: For Plan A (if sworn in before December 31, 2012) attain the age of 55 or have completed 25 years of creditable service (20 years of creditable service if sworn in prior to July 1, 1981). For Plan B (sworn on or after January 1, 2013) and for Plan C (sworn on or after July 1, 2019) attain the age of 55 or have completed 25 years of creditable service. The normal retirement benefit is calculated using average final compensation and years (or partial years) of creditable service at date of termination. The plan provides that unused sick leave credit may be used in the calculation of average final compensation by projecting the final salary during the unused sick leave period. For Plan B and Plan C, individuals may not use more than 2,080 hours of accrued sick leave toward service credit for retirement or DROP entry. For Plan C, individuals are not eligible for the one-time 3 percent calculated retirement annuity increase from the plan. To be eligible for early retirement, the employee must have 20 years of creditable service (does not apply if sworn in before July 1, 1981). The benefit for early retirement is actuarially reduced and payable at early termination.

Effective October 1, 2003, a DROP was established for eligible members of the PORS. Members who are eligible for normal service retirement are eligible to participate in this program. DROP provides the ability for an employee to retire for purposes of the pension plan, while continuing to work and receive a salary for a period of three years. During the DROP period, the pension plan

accumulates the accrued monthly benefit into an account balance identified as belonging to the member. The account balance is credited with interest in the amount of 5 percent per annum, compounded monthly. The monthly benefit is calculated using service and final compensation as of the date of entry in DROP, with increases equal to the annual COLA adjustment provided for retirees.

Fairfax County Uniformed Retirement System

Benefit provisions are established and may be amended by County ordinances. All benefits vest at five years of creditable service. Employees hired before July 1, 1981 were enrolled in Plan A. Plan A members were given the opportunity to enroll in Plan B as of July 1, 1981 and to enroll in Plan C as of April 1, 1997. From July 1, 1981 through March 31, 1997, all new hires were enrolled in Plan B. Plan B members were given the opportunity to enroll in Plan D as of April 1, 1997. From April 1, 1997 through December 31, 2012, all new hires were enrolled in Plan D. From January 1, 2013 forward, all new hires are enrolled in Plan E. From July 1, 2019 forward, all new hires are enrolled in Plan F. To be eligible for normal retirement an individual must meet the following criteria: (a) attain the age of 55 with six years of creditable service, or (b) complete 25 years of creditable service. The normal retirement benefit is calculated using average final compensation and years (or partial years) of creditable service at date of termination. Annual cost-of-living adjustments are provided to retirees and beneficiaries equal to the lesser of 4 percent or the percentage increase in the Consumer Price Index for the Washington Consolidated Metropolitan Statistical Area. The plan provides that unused sick leave credit may be used in the calculation of average final compensation by projecting the final salary during the unused sick leave period. Those enrolled in Plan E and Plan F may not use more than 2,080 hours of accrued sick leave toward service credit for retirement or DROP entry. For Plan F, individuals are not eligible for the one-time 3 percent calculated retirement annuity increase from the plan. In addition, Plan F eliminates the pre-Social Security Supplement; however, there is a cost-neutral Early Age Option for employees who retire prior to full retirement age under Social Security. To be eligible for early retirement, employees must have 20 years of creditable service. The benefit for early retirement is actuarially reduced and payable at early termination.

Effective October 1, 2003, a DROP was established for eligible members of the URS. Members who are eligible for normal service retirement are eligible to participate in this program. DROP provides the ability for an employee to retire for purposes of the pension plan, while continuing to work and receive a salary for a period of three years. During the DROP period, the pension plan accumulates the accrued monthly benefit into an account balance identified as belonging to the member. The account balance is credited with interest in the amount of 5 percent per annum, compounded monthly. The monthly benefit is calculated using service and final compensation as of the date of entry in DROP, with increases equal to the annual COLA adjustment provided for retirees.

The Educational Employees' Supplementary Retirement System

Benefit provisions for ERFC and ERFC 2001 are established and may be amended by ERFC's Board of Trustees (ERFC Board) subject to approval by the School Board. All members are vested for benefits after five years of service. The ERFC benefit formula was revised effective July 1, 1988, following changes to VRS, which ERFC has historically supplemented. The benefit structure is designed to supplement VRS and Social Security benefits to provide a level retirement benefit throughout retirement.

ERFC 2001 Tier 1 and Tier 2 have a stand-alone structure. Member contributions for ERFC and ERFC 2001 are made through an arrangement that results in a deferral of taxes on the contributions.

Further details of member contributions may be found in Article III of the ERFC and ERFC 2001 Plan Documents.

ERFC and ERFC 2001 provide for a variety of benefit payment types. ERFC's payment types include Service Retirement, Reduced Service, Disability, Death-in-Service, and Deferred Retirement. ERFC 2001's payment types include Service Retirement, Death-in-Service, and Deferred Retirement. ERFC's minimum eligibility requirements for receipt of full benefits range from members attaining the age of 55 with 25 years of service to completing five years of service prior to age 65. The minimum eligibility requirements for full benefits for ERFC 2001 Tier 1 members are age 60 with five years of service or any age with 30 years of service. The minimum eligibility requirements for full benefits for ERFC Tier 2 members are full Social Security age with five years of service or age and service equal 90 (the rule of 90). Annual post-retirement cost-of-living increases are effective each March 31. Participants in their first full year of retirement from ERFC 2001 Tier 1 receive a 1.49 percent increase. Participants who retire on or after January 1 receive no cost-of-living increase that first March. Under ERFC 2001 Tier 2, the first cost-of-living will equal approximately half of the full amount. Thereafter, the full cost-of-living will equal 100 percent of the Consumer Price Index for all Urban Consumers for the Washington, D.C, metropolitan area for the period ending in November of each year, capped at 4 percent. Additional details regarding benefit payment types can be found in the actuarial valuation and the Plan Documents.

3. Funding Policy

Fairfax County Employees' Retirement System

All contribution requirements for ERS are established and may be amended by County ordinances, including member contribution rates. Plan A and Plan C require member contributions of 4.0 percent of compensation up to the maximum Social Security wage base and 5.33 percent of compensation in excess of the wage base. Plan B, Plan D, and Plan E require member contributions of 5.33 percent of compensation.

The County is required to contribute at an actuarially determined rate; the rate for the year ended June 30, 2022, was 28.88 percent of annual covered payroll. The employer contribution made during the measurement period of the liability was \$227,846,281. The 2022 employer contribution totaled \$229,114,059.

Fairfax County Police Officers Retirement System

All contribution requirements for PORS are established and may be amended by County ordinances, including member contribution rates. Member contributions were based on 8.65 percent of compensation at June 30, 2022.

The County is required to contribute at an actuarially determined rate; the rate for the year ended June 30, 2022 was 46.04 percent of annual covered payroll. The employer contribution made for the measurement period of the liability was \$50,348,130. The 2022 employer contribution totaled \$52,066,100.

Fairfax County Uniformed Retirement System

All contribution requirements for URS are established and may be amended by County ordinances, including member contribution rates. Plan A requires member contributions of 4.0 percent of compensation up to the Social Security wage base and 5.75 percent of compensation in excess of the wage base. Plan B requires member contributions of 7.08 percent of compensation up to the Social Security wage base and 8.83 percent of compensation in excess of the wage base. Plan C requires member contributions of 4.0 percent of compensation. Plan D, Plan E, and Plan F require contributions of 7.08 percent of compensation.

The County is required to contribute at an actuarially determined rate; the rate for the year ended June 30, 2022 was 39.31 percent of annual covered payroll. The employer contribution made for the measurement period of the liability was \$69,464,042. The 2022 employer contribution totaled \$65,793,238.

The Educational Employees' Supplementary Retirement System

All contribution requirements for ERFC plans are established and may be amended by the ERFC Board with the approval of the School Board. The requirements are based upon a fundamental financial objective of having rates of contribution that remain relatively level from generation to generation of employees. To determine the appropriate employer contribution rates and to assess the extent to which the fundamental financial objective is being achieved, ERFC has actuarial valuations prepared annually. Members are required to contribute 3 percent of annual salary. The employer is required to contribute at an actuarially determined rate which was 6.70 percent for fiscal year 2022. Employer contributions to the pension plan were \$111,119,456 and \$104,784,310 for the years ended June 30, 2022 and June 30, 2021, respectively.

The actuarial valuations are used to set the employer contribution rate for the two-year period beginning 18 months after the valuation date. As such, the December 31, 2019 valuation recommended that the contribution rate for the two-year period beginning July 1, 2021 to June 30, 2023 be increased from 6.44 percent to 6.70 percent.

4. Actuarial Methods and Assumptions

The reported total pension liability (TPL) was based on participant data collected as of December 31, 2020 and an actuarial valuation as of June 30, 2021, using the entry age actuarial cost method, with a measurement date of June 30, 2021. Significant actuarial assumptions used in the valuation for ERS, PORS, and URS include:

Actuarial Assumptions

Discount rate, net of plan investment expenses	6.75%
Inflation	2.25%
Salary increases, including inflation	2.25%
Investment rate of return, net of plan investment expenses	6.75%
Mortality	Healthy and Disabled Mortality Table PubG-2010 & PubS-2010 projected using the MP-2020 model

ERFC assumptions deviate from the chart for salary increases, using a range of 2.75 percent - 7.25 percent. Mortality rates were based on PUB-2010 mortality healthy annuitant total data set table with fully generation two-dimensional sex distinct MP-2020 projection scale.

The actuarial assumptions used have been recommended by the actuary and adopted by the Board of Trustees of ERS, PORS and URS based on the most recent review of the experience associated with their respective plans, completed in 2021.

The rate of employer contributions to the ERS, PORS and URS is composed of normal cost, amortization of the unfunded actuarial accrued liability and an allowance for administrative expenses. The normal cost is a level percent of payroll cost, which, along with the member contributions, will pay for projected benefits at retirement for each plan participant. The actuarial accrued liability is that portion of the present value of projected benefits that will not be paid by future normal employer costs or member contributions. The difference between this liability and the funds accumulated as of the same date is the unfunded actuarial accrued liability. The allowance for administrative costs is based upon the actual administrative expenses of the plans.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study performed from January 1, 2015 to December 31, 2019.

Target Allocation and Rate of Investment Return

The target asset allocation of the System's investment portfolio has a significant impact on the investment returns expected to be experienced by the System. The table on the next page shows the target allocation and long term expected real rate of return based on the Board's current policy along with the capital market assumptions compiled by System's investment staff.

Long-Term Expected Real Rate of Return/Target Allocation*

Asset Class	ERS*	PORS*	URS*
US Leverage Cost	1.9% / -35%	1.9% / -41%	1.9% / -13%
Non-US Leverage Cost	1.1% / -26%	1.1% / -20%	1.1% / -3%
US Large-Cap Equity	7.7% / 11%	7.7% / 11%	7.7% / 16%
US Small/Mid-Cap Equity	8.7% / 3%	8.7% / 2%	8.7% / 4%
Non-US Developed Equity	- / -	- / -	8.4% / 6%
Non-US Developed Equity (USD Hedge)	8.3% / 6%	8.3% / 6%	8.3% / 5%
Non-US Developed Small-Cap Equity	9.3% / 3%	9.3% / 3%	9.3% / 3%
Emerging Market Equity	12.5% / 3%	12.5% / 3%	12.5% / 8%
Global Equity	8.6% / 5%	8.6% / 7%	- / -
Private Equity - Buyout	- / -	- / -	10.2% / 4%
Private Equity - Growth	14.6% / 1%	14.6% / 1%	14.6% / 1%
Private Equity - Venture	20.8% / 1%	20.8% / 2%	20.8% / 2%
Non-US Private Equity	- / -	- / -	15.8% / 1%
Private Equity	13.2% / 2%	13.2% / 3%	13.2% / 1%
US TIPS	2.3% / 16%	2.3% / 13%	2.3% / 2%
US Treasury Bond	2.1% / -3%	2.1% / -1%	- / -
US Mortgage-Backed Securities	2.5% / 2%	2.5% / 2%	2.5% / 2%
US Aggregate Bond	- / -	- / -	2.9% / 5%
US High Yield Corporate Bond	5.7% / 4%	5.7% / 3%	5.7% / 5%
Emerging Market External Debt	5.3% / 4%	5.3% / 3%	5.3% / 2%
Emerging Market Local Currency Debt	6.0% / 2%	6.0% / 2%	6.0% / 2%
Non-US Government Bond	2.2% / 2%	- / -	- / -
Non-US Government Bond (USD Hedge)	2.0% / 2%	- / -	- / -
Non-US Inflation-Linked Bond (USD Hedge)	1.3% / 12%	1.3% / 10%	1.3% / 2%
Private Debt - Credit Opportunities	8.0% / 6%	8.0% / 8%	8.0% / 1%
Private Debt - Distressed	8.8% / 4%	8.8% / 6%	8.8% / 3%
Private Debt - Direct Lending	8.1% / 1%	- / -	8.1% / 3%
US Long-Term Treasury Bond (10-30 Year)	2.6% / 5%	2.6% / 6%	- / -
20+ Year US Treasury STRIPS	3.9% / 3%	3.9% / 3%	- / -
US High Yield Securitized Bond	5.1% / 2%	5.1% / 1%	- / -
US High Yield Collateralized Loan Obligation	6.3% / 4%	6.3% / 3%	- / -
10 Year US Treasury Bond	2.6% / 8%	2.6% / 10%	2.6% / 3%
10 Year Non-US Government Bond (USD Hedge)	1.2% / 18%	1.2% / 12%	1.2% / 2%
Commodity Futures	5.0% / 7%	5.0% / 7%	5.0% / 2%
Public Real Assets (Multi-Asset)	6.0% / 2%	6.0% / 4%	- / -
Midstream Energy	- / -	- / -	11.0% / 1%
US REIT	9.0% / 5%	9.0% / 3%	9.0% / 3%
Global Natural Resources Equity	- / -	- / -	9.6% / 2%
Gold	5.1% / 3%	5.1% / 3%	- / -
Core Real Estate	6.7% / 1%	6.7% / 2%	6.7% / 2%
Non-Core Real Estate	- / -	- / -	9.2% / 3%
Private Real Assets - Natural Resources	- / -	- / -	13.6% / 2%
Private Real Assets - Infrastructure	7.4% / 4%	7.4% / 1%	7.4% / 1%
Hedge Fund - Macro	5.1% / 8%	5.1% / 10%	5.1% / 2%
Hedge Fund - Credit	5.8% / 4%	5.8% / 2%	5.8% / 2%
Hedge Fund - Equity	- / -	- / -	5.7% / 3%
Hedge Fund	5.6% / 3%	5.6% / 6%	5.6% / 5%
Cash	1.9% / 5%	1.9% / 5%	1.9% / 5%

* Target total may exceed 100% due to futures and other derivatives

Asset Class	ERFC	
	L/T Expected RRR	Target Allocation
Domestic Large Cap Equity	6.9%	14.0%
Domestic Small Cap Equity	7.0%	10.0%
International Large Cap Equity	7.6%	5.0%
International Small Cap Equity	8.0%	5.0%
Emerging International Equity	8.6%	5.0%
Global Equity	7.4%	5.0%
Emerging Market Debt	4.8%	2.0%
US Fixed Income	2.4%	21.0%
Multi-Asset Class Strategies	5.3%	4.0%
Hedge Funds Opportunistic	6.2%	5.0%
Infrastructure	7.8%	4.0%
Real Estate (Core)	5.5%	9.0%
Private Equity	9.1%	7.0%
Private Debt	6.9%	4.0%

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The TPL and NPL resulting from the plans fiduciary net position at June 30, 2022, are as follows:

	ERS	PORS
Total pension liability	\$ 6,329,809,523	\$ 2,004,738,244
Pension plan's fiduciary net position	(5,146,232,426)	(1,808,189,543)
Net pension liability	<u>\$ 1,183,577,097</u>	<u>\$ 196,548,701</u>
Plan fiduciary net position as a percentage of the total pension liability	81.3%	90.2%
	URS	ERFC
Total pension liability	\$ 2,442,188,474	\$ 3,710,207,503
Pension plan's fiduciary net position	(2,165,025,555)	(3,272,151,084)
Net pension liability	<u>\$ 277,162,919</u>	<u>\$ 438,056,419</u>
Plan fiduciary net position as a percentage of the total pension liability	88.7%	88.2%

Items that have resulted in a change in the NPL for the current reporting period are as follows:

	Increases (Decreases) in (000)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balances 6/30/2021	<u>\$ 13,650,666</u>	<u>9,898,114</u>	<u>3,752,552</u>
Changes for year:			
Service cost	278,858	-	278,858
Interest	979,468	-	979,468
Differences between expected and actual experience	2,286	-	2,286
Changes of assumptions	333,033	-	333,033
Benefit payments, including refunds of member contributions	(757,367)	(757,367)	-
Contributions - employer	-	452,442	(452,442)
Contributions - member	-	116,516	(116,516)
Net investment income	-	2,690,180	(2,690,180)
Administrative expense	-	(8,286)	8,286
Net changes	<u>836,278</u>	<u>2,493,485</u>	<u>(1,657,207)</u>
Balances 6/30/2022	<u>\$ 14,486,944</u>	<u>12,391,599</u>	<u>2,095,345</u>

Presented below are those items as they relate to the individual plans:

	Dollar amounts in (000)				
	ERS	PORS	URS	ERFC	Total
Total Pension Liability					
Service cost	\$ 108,644	32,981	45,463	91,770	278,858
Interest	427,327	133,441	165,370	253,330	979,468
Differences between expected and actual experience	(43,616)	20,396	(4,253)	29,759	2,286
Changes of assumptions	233,720	55,913	60,742	(17,342)	333,033
Benefit payments, including refunds of member contributions	(357,332)	(89,580)	(119,190)	(191,265)	(757,367)
Net change in total pension liability	<u>368,743</u>	<u>153,151</u>	<u>148,132</u>	<u>166,252</u>	<u>836,278</u>
Total pension liability - 6/30/2021	<u>5,961,066</u>	<u>1,851,587</u>	<u>2,294,057</u>	<u>3,543,956</u>	<u>13,650,666</u>
Total pension liability - 6/30/2022	<u>\$ 6,329,809</u>	<u>2,004,738</u>	<u>2,442,189</u>	<u>3,710,208</u>	<u>14,486,944</u>
Plan Fiduciary Net Position					
Contributions - employer	\$ 227,846	50,348	69,464	104,784	452,442
Contributions - member	39,914	14,688	12,980	48,934	116,516
Net investment income	1,096,260	432,834	440,347	720,739	2,690,180
Benefit payments, including refunds of member contributions	(357,332)	(89,580)	(119,190)	(191,265)	(757,367)
Administrative expense	(2,519)	(666)	(678)	(4,423)	(8,286)
Net change in plan fiduciary net position	<u>1,004,169</u>	<u>407,624</u>	<u>402,923</u>	<u>678,769</u>	<u>2,493,485</u>
Plan fiduciary net position - 6/30/2021	<u>4,142,063</u>	<u>1,400,565</u>	<u>1,762,103</u>	<u>2,593,383</u>	<u>9,898,114</u>
Plan fiduciary net position - 6/30/2022	<u>\$ 5,146,232</u>	<u>1,808,189</u>	<u>2,165,026</u>	<u>3,272,152</u>	<u>12,391,599</u>
Net pension liability - 6/30/2022	<u>\$ 1,183,577</u>	<u>196,549</u>	<u>277,163</u>	<u>438,056</u>	<u>2,095,345</u>

Changes in the discount rate affect the measurement of the TPL. The discount rate does not affect the measurement of assets; hence the percentage change in the NPL can be very significant for a relatively small change in the discount rate. To illustrate this, the tables on the next page reflect the impact of a one percent increase or decrease of the discount rate would have on the NPL for each of the plans:

Sensitivity of Net Pension Liability to Changes in Discount Rate - ERS

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Total pension liability	\$ 7,092,902,138	\$ 6,329,809,523	\$ 5,691,167,608
Plan fiduciary net position	(5,146,232,426)	(5,146,232,426)	(5,146,232,426)
Net pension liability	<u>\$ 1,946,669,712</u>	<u>\$ 1,183,577,097</u>	<u>\$ 544,935,182</u>
Plan fiduciary net position as a percentage of the total pension liability	72.6%	81.3%	90.4%

Sensitivity of Net Pension Liability to Changes in Discount Rate - PORS

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Total pension liability	\$ 2,285,238,325	\$ 2,004,738,244	\$ 1,775,898,153
Plan fiduciary net position	(1,808,189,543)	(1,808,189,543)	(1,808,189,543)
Net pension liability	<u>\$ 477,048,782</u>	<u>\$ 196,548,701</u>	<u>\$ (32,291,390)</u>
Plan fiduciary net position as a percentage of the total pension liability	79.1%	90.2%	101.8%

Sensitivity of Net Pension Liability to Changes in Discount Rate - URS

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Total pension liability	\$ 2,763,914,168	\$ 2,442,188,474	\$ 2,176,459,645
Plan fiduciary net position	(2,165,025,555)	(2,165,025,555)	(2,165,025,555)
Net pension liability	<u>\$ 598,888,613</u>	<u>\$ 277,162,919</u>	<u>\$ 11,434,090</u>
Plan fiduciary net position as a percentage of the total pension liability	78.3%	88.7%	99.5%

Sensitivity of Net Pension Liability to Changes in Discount Rate - ERFC

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Total pension liability	\$ 4,171,962,578	\$ 3,710,207,503	\$ 3,310,149,708
Plan fiduciary net position	(3,272,151,084)	(3,272,151,084)	(3,272,151,084)
Net pension liability	<u>\$ 899,811,494</u>	<u>\$ 438,056,419</u>	<u>\$ 37,998,624</u>
Plan fiduciary net position as a percentage of the total pension liability	78.4%	88.2%	98.9%

5. Plan Membership

As of the measurement date(s), membership in the reporting entity's plans consisted of the following:

	Primary Government			Component Unit - Public Schools
	ERS	PORS	URS	ERFC
Retirees and beneficiaries receiving benefits	10,247	1,261	1,518	13,338
Terminated employees entitled to, but not yet receiving, benefits	2,394	73	97	5,783
DROP participants	753	82	128	N/A
Active plan members	14,015	1,335	1,909	22,329
Total number of plan members	27,409	2,751	3,652	41,450

6. Pension Expense, Deferred Outflows and Deferred Inflows of Resources, Net Pension Liability, and Component Allocation

The reported deferred outflows and inflows of resources and recognized pension expense associated with ERS, PORS, URS, and ERFC is presented on below:

	ERS		PORS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 20,014,474	38,168,921	\$ 19,375,114	12,239,139
Changes of assumptions	186,975,766	-	48,008,219	-
Net difference between projected and actual earnings on pension plan investments	-	513,737,343	-	152,630,315
Contributions subsequent to the measurement date	229,114,059	-	52,066,100	-
Total	\$ 436,104,299	551,906,264	\$ 119,449,433	164,869,454
Pension Expense Recognized 2022	\$ 149,030,932		\$ 28,681,204	
Net Pension Liability June 30, 2022	\$ 1,183,577,097		\$ 196,548,701	

	URS		ERFC	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,727,908	21,015,858	\$ 49,814,422	9,904,962
Changes of assumptions	53,543,847	-	9,916,684	14,432,343
Net difference between projected and actual earnings on pension plan investments	-	142,810,242	-	364,904,907
Contributions subsequent to the measurement date	65,793,238	-	111,119,456	-
Total	\$ 121,064,993	163,826,100	\$ 170,850,562	389,242,212
Pension Expense Recognized 2022	\$ 41,138,225		\$ 25,602,886	
Net Pension Liability June 30, 2022	\$ 277,162,919		\$ 438,056,419	

Deferred outflows associated with contributions made subsequent to the measurement date will be recognized as a reduction to the net pension liability in 2023. The remaining deferred outflows and inflows will impact pension expense in subsequent years as presented on the next page:

BASIC FINANCIAL STATEMENTS

Year ended June 30:

Measurement Date June 30 of prior year

	ERS	PORS	URS	ERFC
2023	\$ (64,324,365)	(16,484,018)	(21,972,374)	(69,376,731)
2024	(72,524,625)	(16,240,837)	(14,509,303)	(70,333,915)
2025	(86,239,875)	(22,795,506)	(25,090,310)	(86,967,975)
2026	(121,827,159)	(54,684,069)	(55,450,754)	(103,511,349)
2027	-	12,718,309	8,468,396	678,864
Total	\$ (344,916,024)	(97,486,121)	(108,554,345)	(329,511,106)

ERS balances have been allocated between the Primary Government and discretely presented component units as follows:

Dollar amounts in (000)						
	Total	Primary Government	FCPS	EDA	FCRHA	FCPA
Total pension liability	\$6,329,809	4,408,998	1,592,006	26,661	103,862	198,282
Pension plan's fiduciary net position	(5,146,232)	(3,584,583)	(1,294,326)	(21,676)	(84,441)	(161,206)
Net pension liability	\$1,183,577	824,415	297,680	4,985	19,421	37,076
Deferred outflows:						
Contributions after measurement date	\$ 229,114	157,593	60,367	963	3,098	7,093
Changes in proportion	24,241	22,710	-	660	871	-
Experience	20,014	13,941	5,034	84	328	627
Changes of assumptions	186,976	130,237	47,026	788	3,068	5,857
Total deferred outflows (ERS)	\$ 460,345	324,481	112,427	2,495	7,365	13,577
Deferred inflows:						
Experience	\$ 38,169	26,586	9,600	161	626	1,196
Investment Return	513,737	357,841	129,210	2,164	8,429	16,093
Changes in proportion	24,241	104	19,574	716	785	3,062
Total deferred inflows (ERS)	\$ 576,147	384,531	158,384	3,041	9,840	20,351
Pension expense	\$ 149,031	112,855	29,511	531	2,505	3,629

7. Virginia Retirement System (VRS)

Plan Description

FCPS contributes to VRS on behalf of its covered professional employees. VRS is a cost-sharing, multiple-employer retirement system, which administers two defined benefit plans and a hybrid plan that combines the features of a defined benefit plan and a defined contribution plan. These plans are administered by the Commonwealth and provide coverage for Commonwealth employees, public school board employees, employees of participating political subdivisions, and other qualifying employees. All full-time, salaried, permanent employees of VRS-participating employers are automatically covered under VRS. All employees hired after January 1, 2014 are automatically enrolled in the Hybrid Plan. Contributions made by members and participating VRS employers are invested to provide future retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.

Benefit Provisions and Requirements

Benefit provisions are established and governed by Section 51.1 of the Code. Changes to the Code can be made only by an act of the Virginia General Assembly. All benefits vest at 5 years of creditable service. Benefits under the Defined Contribution component of the Hybrid Plan are always

100 percent vested. To be eligible for unreduced retirement benefits, an individual must meet the following criteria: (a) attain the age of 65 with 5 years of service or age 50 with 30 years of service for Plan 1, (b) for Plan 2 and the Defined Benefit component of the Hybrid Plan, attain normal social security retirement age with five years of service or combination of age and service equals 90 or (c) for the Defined Contribution component of the Hybrid Plan, terminate employment.

To be eligible for reduced retirement benefits, an individual must meet the following criteria: (a) attain the age of 55 with 5 years of service or age 50 with 10 years of service for Plan 1, (b) for Plan 2 and the Defined Benefit component of the Hybrid Plan, attain the age of 60 with 5 years of service or (c) for the Defined Contribution component of the Hybrid Plan, terminate employment.

Annual retirement benefits are payable monthly for life in an amount equal to (a) 1.7 percent of eligible members' average final compensation for each year of credited service under Plan 1, (b) 1.65 percent of eligible members' average final compensation for each year of creditable service on or after January 1, 2013 and 1.7 percent on creditable service before January 1, 2013 for Plan 2, or (c) 1.0 percent of eligible members' average final compensation for each year of creditable service for the Defined Benefit component of the Hybrid Plan. The health insurance credit provides retirees who have 15 or more years of creditable service with reimbursement to assist with the cost of health insurance premiums. The credit is a dollar amount set by the General Assembly for each year of service.

Funding Policy

The contribution requirement for active employees is governed by Section 51.1-145 of the Code, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Employees are required to contribute 5.0 percent of their compensation toward their retirement. Each school division's contractually required contribution rate for the year ended June 30, 2022 was 16.62 percent of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employee during the year, with an additional amount to finance any unfunded accrued liability. Based on the provisions of Section 51.1-145 of the Code, as amended, the contributions were funded at 100.00 percent of the actuarial rate for the year ended June 30, 2022. Employer contributions to the pension plan were \$275,534,721 and \$270,303,058 for the years ended June 30, 2022 and June 30, 2021, respectively.

Actuarial Methods and Assumptions

The total pension liability for VRS was based on an actuarial valuation as of June 30, 2019, using the entry age normal actuarial cost method, applied to all periods included in the measurement, and rolled forward to the measurement date of June 30, 2022. The assumptions used are presented on the next page:

Actuarial Assumptions

Inflation	2.50%
Salary increases, including inflation	3.50% to 5.95%
Investment rate of return, net of pension plan investment expense, including inflation ^(a)	6.75%

(a) Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GAAP purposes of slightly more than the assumed 6.75%. However, since the difference was minimal, and a more conservative 6.75% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 6.75% to simplify preparation of pension liabilities.

Mortality Rates

Pre-Retirement	Post-Retirement	Post-Disablement
Pub-2010 Amount Weighted Teachers Employee Rates projected generationally; 110% of rates for males	Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward 1 year; 105% of rates for females	Pub-2010 Amount Weighted Teachers Disabled Rates projected generationally; 110% of rates for males and females

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the four-year period from July 1, 2016 through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study are presented as follows:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, FCPS reported a liability of \$1,428,167,708 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined based on an actuarial valuation as of June 30, 2020 rolled forward to the measurement date of June 30, 2021. The FCPS' proportion of the net pension liability was based on FCPS' actuarially determined employer contributions to the pension plan for the year ended June 30, 2021 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2021, FCPS's proportion was 18.40 percent, as compared to 18.51 percent at June 30, 2020.

For the year ended June 30, 2022, FCPS recognized pension expense of \$34,741,090. Since there was a change in proportionate share between measurement dates, a portion of the pension expense was

related to deferred amounts from changes in proportion and from differences between actual employer contributions and the proportionate share of employer contributions. At June 30, 2022, FCPS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 121,642,671
Net difference between projected and actual earnings on pension plan investments	-	899,993,074
Change of assumptions	250,211,243	-
Changes in proportion and differences between contributions and proportionate share of contributions	23,299,700	11,552,678
Contributions subsequent to the measurement date	275,534,721	-
Total	<u>\$ 549,045,664</u>	<u>\$ 1,033,188,423</u>

A total of \$275,534,721 reported as deferred outflows of resources related to pensions resulting from FCPS contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as shown to the right:

Year ended June 30:		
2023	\$	(170,651,360)
2024		(154,452,889)
2025		(179,293,121)
2026		(255,496,188)
2027		216,078
	\$	<u>(759,677,480)</u>

The long-term expected rate of return on VRS investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of VRS investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00 %	5.00 %	1.70 %
Fixed Income	15.00	0.57	0.09
Credit Strategies	14.00	4.49	0.63
Real Assets	14.00	4.76	0.67
Private Equity	14.00	9.94	1.39
MAPS-Multi-Asset Public Strategies	6.00	3.29	0.20
PIP-Private Investment Partnership	3.00	6.84	0.21
Total	<u>100.00 %</u>		<u>4.89 %</u>
		Inflation	<u>2.50</u>
		Expected arithmetic nominal return ^(a)	<u>7.39 %</u>

^(a) The above allocation provides a one-year return of 7.39%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for VRS, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.94%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2021, the rate contributed by FCPS for VRS will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2021 on, school divisions are assumed to contribute 100.0 percent of the actuarially determined contribution rates. Based on those assumptions, VRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents FCPS' proportionate share of the net pension liability using the discount rate of 6.75 percent, as well as what FCPS' proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75) percent or one percentage point higher (7.75) percent than the current rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
FCPS' proportionate share of the VRS net pension liability	\$ 2,756,286,347	\$ 1,428,167,708	\$ 335,612,738

Plan Fiduciary Net Position

Detailed information about the VRS net position is available in the separately issued VRS 2021 Annual Comprehensive Financial Report (ACFR). A copy of the 2021 VRS ACFR may be obtained by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500. It is also available online through the VRS website. [VRS Report](#)

Reporting Entity Pension Expense

The aggregate amount of pension expense for all plans (ERS, PORS, URS, ERFC, and VRS) for the period associated with net pension liabilities totaled \$279,194,337 for fiscal year 2022.

H. OTHER POSTEMPLOYMENT BENEFITS

1. General Information about the OPEB Plan

The Fairfax County OPEB Plan (the Plan) is a single-employer defined benefit plan administered by Fairfax County. The Plan provides the opportunity to continue participation in medical/dental, vision, and life insurance benefits for eligible retirees and their spouses. The plan benefits correspond with benefits available to active employees. The benefit provisions are established and may be amended by the Board. Fiduciary oversight is provided by the members of the Deferred Compensation Board. The members of the Deferred Compensation Board are the CFO, Director of Finance, Director of Human Resources, Director of Management and Budget, and the Executive Director of the Retirement Agency. The Plan does not issue a stand-alone financial report.

In order to participate in the Plan, an employee must meet retirement criteria for either ERS, PORS, or URS (Note G). The retiree must have the applicable benefit(s) in place as an active employee and must maintain continuous participation in the benefit plan into retirement. Upon retirement, the County no longer contributes to the premium payments and the participant becomes responsible for 100 percent of applicable premiums less any applicable subsidies.

Beginning in fiscal year 2006, the amount of monthly medical subsidy provided by the County is based on years of service and ranges from \$30 per month to \$220 per month. Employees who retired prior to July 1, 2003, are eligible for the greater of the amount based on the current subsidy structure or the amount calculated based on the subsidy structure in place prior to July 2003. In addition, the Board has established a program to subsidize the continuation of term life insurance at reduced coverage amounts for retirees. Retirees generally pay for 50 percent of their coverage amounts at age-banded premium rates, with the County incurring the balance of the cost. In order to receive these subsidies, retirees must be 55 or older and have a minimum of five years of service credit. If participation in any of the benefit areas is discontinued, eligibility is lost and a retiree may not re-enroll into the Plan. Consequently, all inactive employees are considered to be receiving benefits.

Beginning in fiscal year 2018, required disclosures for the County OPEB liability and OPEB plan's fiduciary net position will be made simultaneously. Participant data for current fiscal year and prior fiscal year is as follows:

Membership	FY 2021	FY 2022
Medical Members		
Number of active members	15,490	15,905
Average age	45	44
Average service	11	10
<u>Number of inactive members</u>		
Retirees and spouses	5,667	5,668
Average age	67	68
Life Insurance Members		
Number of active members	15,490	15,905
Average age	45	44
Average service	11	10
<u>Number of inactive members</u>		
Retirees and spouses	6,086	6,229
Average age	69	69

Contributions to the Plan are made by appropriation from the Board based on their commitment to fund an actuarially determined amount. The contributions for fiscal years 2021 and 2022 were \$18.1 million and \$19.0 million, respectively. Plan members are not required to contribute.

2. County Reporting of OPEB

Net OPEB (Asset) Liability for the County

The County's net OPEB (asset) liability was measured as of June 30, 2021. The components of the net OPEB (asset) liability for the County are presented on the following page:

	Total	Primary Government	EDA	FCRHA	FCPA
Total OPEB Liability	\$ 381,809,735	358,366,617	992,705	6,338,042	16,112,371
Plan's Fiduciary Net Position	(423,896,368)	(397,869,130)	(1,102,131)	(7,036,680)	(17,888,427)
Net OPEB Asset	<u>\$ (42,086,633)</u>	<u>(39,502,513)</u>	<u>(109,426)</u>	<u>(698,638)</u>	<u>(1,776,056)</u>

Assumptions

For the County, the total OPEB Liability was determined by an actuarial valuation as of July 1, 2020, rolled forward to June 30, 2021, using the following actuarial assumption:

Actuarial cost method	Entry age normal
Asset valuation method	Market value of assets
Investment rate of return	7.00%, net of OPEB plan investment expense, including inflation.
Retirement age	Varies by age and pension plan.
Mortality	Pub-2010, "General" classification, Employees & Healthy Annuitant mortality table, projected using scale MP-2020, sex-distinct. Disabled mortality table Pub-2010, "General" classification, Disabled Retirement mortality table, projected using scale MP-2020, sex distinct.
Healthcare cost trend rate	6.9% - 11.6%, decreasing to 4.5%

The actuarial assumptions used in the valuation were based on the results of an actuarial experience for the period July 1, 2015 to June 30, 2020.

Discount rate

The discount rate used to measure the total OPEB liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed Plan member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits of current Plan members and their beneficiaries are included. Projected County contributions that are intended to fund the service costs of future Plan members and their beneficiaries, as well as projected contributions from future Plan members, are not included. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future OPEB payments for current Plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB (Asset) Liability

Items that have resulted in a change in the Net OPEB (asset) liability for the current reporting period are as follows:

	Dollar amounts in (000)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB (Asset) Liability (a-b)
Balances 6/30/2021	\$ 348,206	330,765	17,441
Changes for year:			
Service cost	11,679	-	11,679
Interest	24,392	-	24,392
Difference between expected and actual experience	21,576	-	21,576
Changes of assumptions	(791)	-	(791)
Benefit payments, including refunds of members	(23,252)	(23,252)	-
Contributions - employer	-	18,072	(18,072)
Net investment income	-	98,443	(98,443)
Administrative expense	-	(131)	131
Net changes	33,604	93,132	(59,528)
Balances 6/30/2022	\$ 381,810	423,897	(42,087)

Presented below are those items as they relate to the individual plans:

	Dollar amounts in (000)				
	Primary Government	EDA	FRCHA	FCPA	Total
Total OPEB Liability					
Service cost	\$ 10,962	30	194	493	11,679
Interest	22,894	63	405	1,030	24,392
Difference between expected and actual experience	20,460	22	323	771	21,576
Changes in assumptions	(742)	(2)	(13)	(34)	(791)
Benefit payments, including refunds of member contributions	(21,824)	(61)	(386)	(981)	(23,252)
Net change in total OPEB liability	31,750	52	523	1,279	33,604
Total OPEB Liability - 6/30/2021	326,617	940	5,815	14,834	348,206
Total OPEB Liability - 6/30/2022	\$ 358,367	992	6,338	16,113	381,810
Plan Fiduciary Net Position					
Contributions - employer	\$ 16,962	47	300	763	18,072
Net investment income	92,597	223	1,601	4,022	98,443
Benefit payments, including refunds of member contributions	(21,824)	(61)	(386)	(981)	(23,252)
Administrative expense	(123)	-	(2)	(6)	(131)
Net change in plan fiduciary net position	87,612	209	1,513	3,798	93,132
Plan Fiduciary Net Position - 6/30/2021	310,257	893	5,524	14,091	330,765
Plan Fiduciary Net Position - 6/30/2022	\$ 397,869	1,102	7,037	17,889	423,897
Net OPEB Asset - 6/30/2022	\$ (39,502)	(110)	(699)	(1,776)	(42,087)

Sensitivity Analysis

The following represents the County's net OPEB (asset) liability using the 7 percent discount rate, as well as what the (asset) liability would be if the discount rate were decreased or increased by 1 percent.

	1% Decrease (6%)	Current Rate (7%)	1% Increase (8%)
Total OPEB Liability	\$ 444,681,191	381,809,735	331,761,098
Plan Fiduciary Net Position	(423,896,368)	(423,896,368)	(423,896,368)
Net OPEB (Asset) Liability	\$ 20,784,823	(42,086,633)	(92,135,270)

	1% Decrease (6%)	Current Rate (7%)	1% Increase (8%)
Total OPEB Liability			
Primary Government	\$ 417,377,766	358,366,617	311,390,967
EDA	1,156,171	992,705	862,579
FCRHA	7,381,708	6,338,042	5,507,234
FCPA	18,765,546	16,112,371	14,000,318
Total OPEB Liability	\$ 444,681,191	381,809,735	331,761,098

	1% Decrease (6%)	Current Rate (7%)	1% Increase (8%)
Plan Fiduciary Net Position			
Primary Government	\$ (397,869,130)	(397,869,130)	(397,869,130)
EDA	(1,102,131)	(1,102,131)	(1,102,131)
FCRHA	(7,036,680)	(7,036,680)	(7,036,680)
FCPA	(17,888,427)	(17,888,427)	(17,888,427)
Total Plan Fiduciary Net Position	\$ (423,896,368)	(423,896,368)	(423,896,368)

	1% Decrease (6%)	Current Rate (7%)	1% Increase (8%)
Net OPEB (Asset) Liability			
Primary Government	\$ 19,508,636	(39,502,513)	(86,478,163)
EDA	54,040	(109,426)	(239,552)
FCRHA	345,028	(698,638)	(1,529,446)
FCPA	877,119	(1,776,056)	(3,888,109)
Total Net OPEB (Asset) Liability	\$ 20,784,823	(42,086,633)	(92,135,270)

The following represents the County's net OPEB (asset) liability calculated using the healthcare trend rates (6.90 percent to 11.60 percent, decreasing to 4.50 percent), as well as the impacts of calculating the rates at one percentage point lower (5.90 percent to 10.60 percent, decreasing to 3.50 percent) or one percentage point higher (7.90 percent to 12.60 percent, decreasing to 5.50 percent):

	1% Decrease	Trend Rate	1% Increase
	(Varied decreasing to 3.5%)	(Varied decreasing to 4.5%)	(Varied decreasing to 5.5%)
Total OPEB Liability	\$ 318,331,466	381,809,735	463,483,413
Plan Fiduciary Net Position	(423,896,368)	(423,896,368)	(423,896,368)
Net OPEB (Asset) Liability	\$ (105,564,902)	(42,086,633)	39,587,045

	1% Decrease	Trend Rate	1% Increase
	(Varied decreasing to 3.5%)	(Varied decreasing to 4.5%)	(Varied decreasing to 5.5%)
Total OPEB Liability			
Primary Government	\$ 298,785,914	358,366,617	435,025,531
EDA	827,662	992,705	1,205,057
FCRHA	5,284,302	6,338,042	7,693,825
FCPA	13,433,588	16,112,371	19,559,000
Total OPEB Liability	\$ 318,331,466	381,809,735	463,483,413

	1% Decrease	Trend Rate	1% Increase
	(Varied decreasing to 3.5%)	(Varied decreasing to 4.5%)	(Varied decreasing to 5.5%)
Plan Fiduciary Net Position			
Primary Government	\$ (397,869,130)	(397,869,130)	(397,869,130)
EDA	(1,102,131)	(1,102,131)	(1,102,131)
FCRHA	(7,036,680)	(7,036,680)	(7,036,680)
FCPA	(17,888,427)	(17,888,427)	(17,888,427)
Total Plan Fiduciary Net Position	\$ (423,896,368)	(423,896,368)	(423,896,368)

	1% Decrease	Trend Rate	1% Increase
	(Varied decreasing to 3.5%)	(Varied decreasing to 4.5%)	(Varied decreasing to 5.5%)
Net OPEB (Asset) Liability			
Primary Government	\$ (99,083,216)	(39,502,513)	37,156,401
EDA	(274,469)	(109,426)	102,926
FCRHA	(1,752,378)	(698,638)	657,145
FCPA	(4,454,839)	(1,776,056)	1,670,573
Total Net OPEB (Asset) Liability	\$ (105,564,902)	(42,086,633)	39,587,045

OPEB Expense, Deferred Outflows and Deferred Inflows of Resources, and Component Allocation

For the year ended June 30, 2022, the County recognized OPEB expense of (\$5,262,548). Deferred outflows and deferred inflows of resources and expense related to OPEB have been allocated between the Primary Government and discretely presented component units as follows:

	Dollar amounts in (000)				
	Total	Primary Government	EDA	FCRHA	FCPA
Total OPEB Liability	\$ 381,810	358,367	992	6,338	16,113
Plan's Fiduciary Net Position	(423,897)	(397,869)	(1,102)	(7,037)	(17,889)
Net OPEB Asset	\$ (42,087)	(39,502)	(110)	(699)	(1,776)
Deferred Outflows:					
Experience	\$ 30,711	28,825	80	510	1,296
Assumptions changes	57,151	53,642	148	949	2,412
Contributions after measurement date	19,004	17,781	49	344	830
Change in proportion	332	95	-	-	237
Total Deferred Outflows	\$ 107,198	100,343	277	1,803	4,775
Deferred Inflows:					
Experience	\$ (6,126)	(5,750)	(16)	(102)	(258)
Assumptions changes	(116,280)	(109,141)	(302)	(1,930)	(4,907)
Investment return	(50,757)	(47,640)	(132)	(843)	(2,142)
Change in proportion	(333)	(13)	(189)	(131)	-
Total Deferred Inflows:	\$ (173,496)	(162,544)	(639)	(3,006)	(7,307)
OPEB Expense	\$ 20,028	18,787	54	334	853

Contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2023.

The other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	
2023	\$ (15,781,652)
2024	(14,481,383)
2025	(15,060,595)
2026	(18,751,129)
2027	(11,768,573)
Thereafter	(9,457,900)
	<u>\$ (85,301,232)</u>

3. OPEB Plan Reporting

The County has established a trust fund to account for the cost of OPEB. The financial information for the fund is as follows:

COUNTY OF FAIRFAX, VIRGINIA
Statement of Plan Net Position
June 30, 2022

ASSETS

Equity in pooled cash and temporary investments	\$	6,140,439
Contributions receivable		373,155
Accrued interest and dividends receivable		17,175
Investments, at fair value:		
Investment in pooled funds		375,843,887
Total assets		382,374,656

DEFERRED OUTFLOWS OF RESOURCES

Total deferred outflows of resources	-
--------------------------------------	---

LIABILITIES

Accounts payable and accrued liabilities	488
Total liabilities	488

DEFERRED INFLOW OF RESOURCES

Total deferred inflows of resources	-
-------------------------------------	---

NET POSITON

Held in trust for pension/OPEB benefits	\$	382,374,168
---	----	-------------

COUNTY OF FAIRFAX, VIRGINIA
Statement of Changes in Plan Net Position
For the fiscal year ended June 30, 2022

ADDITIONS

Contributions:		
Employer	\$	16,991,294
Other		2,013,058
Total contributions		19,004,352
Investment income:		
From investment activities:		
Net change in fair value of investments		(37,920,204)
Interest		4,403
Total loss from investment activities		(37,915,801)
Less investment activities expenses:		
Management fees		332,091
Other		500
Total investment activities expenses		332,591
Net loss from investment activities		(38,248,392)
Net investment loss		(38,248,392)
Total deductions		(19,244,040)

DEDUCTIONS

Benefits	22,145,996
Administrative expenses	132,164
Total deductions	22,278,160
Net decrease	(41,522,200)
Net position, July 1, 2021	423,896,368
Net position, June 30, 2022	\$ 382,374,168

Net OPEB Liability for the Plan

The Plan's net OPEB liability was measured as of June 30, 2022. The components of the net OPEB liability for the Plan are as follows:

Total OPEB Liability	\$ 390,615,328
Plan Fiduciary Net Position (Market Value of Assets)	(382,374,168)
Net OPEB Liability	<u>\$ 8,241,160</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	97.89%

Assumptions

For the Plan, the total OPEB liability was determined by an actuarial valuation as of July 1, 2020, rolled forward to June 30, 2021, using the following actuarial assumptions:

Actuarial cost method	Entry age normal
Asset valuation method	Market value of assets
Salary increases	3.00%
Investment rate of return	7.00%, net of OPEB plan investment expense, including inflation.
Retirement age	Varies by age and pension plan.
Mortality	Pub-2010, "General" classification, ERS participants and "Public Safety" classification for PORS and URS participants, Employees Mortality Table, projected using Scale MP-2021, sex-distinct. Disabled mortality table Pub-2010, "General" classification, ERS participants and "Public Safety" classification for PORS and URS participants, Disabled Retirement mortality table, projected using scale MP-2021, sex distinct.
Healthcare cost trend rate	6.70% - 11.90%, decreasing to 4.50%

The actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the period of July 1, 2015 to June 30, 2020.

Investments

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class and target allocations as of June 30, 2022 are on the following page:

Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
Domestic Equity (Large Cap)	7.30%	25.78%
Domestic Equity (Small Cap)	7.80%	9.86%
International Equity	7.60%	11.98%
Emerging Markets Equity	8.20%	4.59%
Long / Short Equity	7.20%	4.70%
Core US Fixed Income	3.70%	4.04%
Core Plus US Fixed Income	4.90%	14.05%
Absolute Return Fixed Income	3.30%	3.60%
Real Estate	5.10%	12.48%
Private Equity	10.20%	7.06%
Cash	2.90%	1.86%

There are no concentrations in any one organization that represent 5.00 percent or more of the fiduciary net position in the Plan. For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was negative 8.19 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The Plan's funds are invested in domestic and international equity and fixed income funds through the Virginia Pooled OPEB Trust Fund established as the investment vehicle for participating employers.

The County is not involved in the administration of these funds. Further information about the Virginia Pooled OPEB Trust Fund sponsored by VML/VACo., including financial statements, can be obtained by writing to VML/VACo Finance Program, 8 East Canal Street, Suite 100, Richmond, Virginia 23219.

Sensitivity Analysis

The following represents the OPEB plan's net (asset) liability using the 7.0 percent discount rate, as well as what the (asset) liability would be if the discount rate were decreased or increased by one percent.

Sensitivity of Net OPEB (Asset) Liability to Changes in Discount Rate

	1% Decrease 6%	Current Rate 7%	1% Increase 8%
Total OPEB Liability	\$ 451,223,800	390,615,328	342,135,409
Plan Fiduciary Net Position	(382,374,168)	(382,374,168)	(382,374,168)
Net OPEB (Asset) Liability	\$ 68,849,632	8,241,160	(40,238,759)

The following represents the OPEB plan's net (asset) liability calculated using the healthcare trend rates (6.70 percent to 11.9 percent, decreasing to 4.50 percent), as well as the impacts of calculating the rates at one percentage point lower (5.70 percent to 10.90 percent, decreasing to 3.50 percent) or one percentage point higher (7.70 percent to 12.90 percent, decreasing to 5.50 percent):

Sensitivity of Net OPEB (Asset) Liability to Changes in Healthcare Cost Trend Rates

	1% Decrease (Varied decreasing to 3.5%)	Trend Rate (Varied decreasing to 4.5%)	1% Increase (Varied decreasing to 5.5%)
Total OPEB Liability	\$ 332,804,800	390,615,328	465,748,627
Plan Fiduciary Net Position	(382,374,168)	(382,374,168)	(382,374,168)
Net OPEB (Asset) Liability	\$ (49,569,368)	8,241,160	83,374,459

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	\$ 19,004,352	-
Total	\$ 19,004,352	-

Contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or addition to the net OPEB asset, as applicable, in the year ending June 30, 2023.

4. Public Schools OPEB Plan
Plan Description

The Fairfax County Public Schools OPEB Trust Fund is a single-employer defined benefit plan administered by the Fairfax County Public Schools (Public Schools). Public Schools' plan provides health benefits to eligible retirees and their spouses. The plan benefits correspond with benefits available to active employees. Benefit provisions are established and may be amended by the School Board. Fiduciary oversight is provided by the members of the Local Finance Board for OPEB. The Plan does not issue a stand-alone financial report.

Public School employees participate in the Public School OPEB Plan, the Virginia Retirement System Teacher Health Insurance Credit (HIC) OPEB Plan, and the Virginia Retirement System Group Life Insurance (GLI) OPEB Plan. In order to participate, an employee must meet retirement criteria for either VRS, ERFC, or FCERS. Employees are eligible to continue health insurance coverage after retirement, provided that retiring employees have health coverage in effect for at least 60 months when they stop working. Upon retirement Public Schools no longer contributes to the premium payments and the participant becomes responsible for 100 percent of premiums less any applicable subsidies.

A retiree and/or spouse who is at least 55 of years of age and participates in a Public Schools administered health insurance plan will receive an explicit subsidy ranging from \$15 to \$175 per month, based on years of service and the retirement plan in which the retiree is covered. In addition, Public Schools provides an implicit subsidy by allowing retirees to participate in the health insurance plans at the group premium rates calculated on the entire universe of active and retired employees. This subsidy occurs because, on an actuarial basis, the current and future claims of the retiree participants are expected to result in higher per person costs to the insurance plans than will be the experience for active employees.

For fiscal year 2022, required disclosures for the Public Schools OPEB liability and OPEB plan's fiduciary net position are made simultaneously. Participant data for current fiscal year and prior fiscal year is as follows:

Membership	FY 2021	FY 2022
Medical Members		
Number of active members	19,878	20,528
Average age	46	46
Average service	11	11
<u>Number of inactive members</u>		
Retirees and spouses	10,135	10,174
Average age	72	73
Life Insurance Members		
Number of active members	4,457	4,451
Average age	53	53
Average service	11	12
<u>Number of inactive members</u>		
Retirees and spouses	2,844	3,050
Average age	72	72

Contributions

Contributions to the Public School OPEB Trust Fund are determined and may be amended by the School Board. The contributions are set at a minimum to satisfy the current year's projected pay-as-you-go benefits costs. The School Board may provide additional amounts to prefund future costs. Contributions to the Plan were \$15,527,658 and \$15,348,747 for the years ended June 30, 2022 and June 30, 2021, respectively. The costs of administering the plan are paid for by the Plan through the use of investment income and employer contributions. The Public Schools' annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB asset for 2022 are as follows on the next page:

Public Schools OPEB Plan Reporting:

COUNTY OF FAIRFAX, VIRGINIA
OPEB Trust Fund
Statement of Plan Net Position
June 30, 2022

	Component Unit - Public Schools OPEB Trust Fund
ASSETS	
Receivable, accounts	\$ 37,200
Receivable, securities sold	3,863,719
Investment in pooled funds	189,698,157
Total assets	<u>193,599,076</u>
LIABILITIES	
Accounts payable and accrued liabilities	<u>37,200</u>
Total liabilities	<u>37,200</u>
NET POSITION	
Held in trust for OPEB benefits	<u>\$ 193,561,876</u>

COUNTY OF FAIRFAX, VIRGINIA
OPEB Trust Fund
Statement of Changes in Net Position
For the fiscal year ended June 30, 2022

	Component Unit - Public Schools OPEB Trust Fund
ADDITIONS	
Contributions:	
Employer	\$ 15,412,471
Total contributions	<u>15,412,471</u>
Investment income:	
From investment activities:	
Net decrease in fair value of investments	(19,691,861)
Administrative expense	<u>(120,889)</u>
Total income from investment activities	<u>(19,812,750)</u>
Total additions	<u>(4,400,279)</u>
DEDUCTIONS	
Benefits payments /refunds	<u>10,412,471</u>
Total deductions	<u>10,412,471</u>
Change in net position	(14,812,750)
Net position, July 1, 2021	<u>208,374,626</u>
Net position, June 30, 2022	<u>\$ 193,561,876</u>

Net OPEB Liability

The Public Schools' net OPEB liability was measured as of June 30, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The components of the net OPEB liability for Fairfax County Public Schools is as follows:

Total OPEB liability	\$ 245,104,162
Plan fiduciary net position (market value of assets)	(193,561,876)
Net OPEB liability	<u>\$ 51,542,286</u>
Plan fiduciary net position as a percentage of the OPEB liability	78.97%

Actuarial Assumptions

Significant actuarial assumptions used in the valuation include:

Actuarial cost method	Entry age normal
Asset valuation method	Market value of assets
Salary increases	7.25%, trending down to 2.75%
Investment rate of return	7.00%, prior year rate was 7.00%, net of OPEB plan investment expense, including inflation.
Retirement age	Varies by age and pension plan.
Mortality	
Active participants	102% of the male rates and 99% of the female rates of the Pub-2010, "Teachers" Classification, Employees Mortality Table, projected using Scale MP-2021, sex-distinct
Current retirees	102% of the male rates and 99% of the female rates of the Pub-2010, "Teachers" Classification, Healthy Annuitant Mortality Table, projected using scale MP-2021, sex-distinct
Surviving spouses	102% of the male rates and 99% of the female rates of the Pub-2010, "Teachers" Classification, Survivor Beneficiary Mortality Table, projected using scale MP-2021, sex-distinct
Disabled retirees	102% of the male rates and 99% of the female rates of the Pub-2010, "Teachers" Classification, Disabled Retirement Mortality Table, projected using scale MP-2021, sex-distinct
Healthcare cost trend rate	6.50% - 8.50%, decreasing to 4.50%

Discount rate

The discount rate used to measure the total OPEB liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that Public Schools contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current inactive and active employees / current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long-term Expected Rate of Return

The long-term expected rate of return on OPEB plan investments are determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2022, are summarized in the following table:

Component Unit - Public Schools		
Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
Domestic Equity (Large Cap)	7.3%	25.8%
Domestic Equity (Small Cap)	7.8%	9.9%
International Equity	7.6%	12.0%
Emerging Markets Equity	8.2%	4.6%
Long / Short Equity	7.2%	4.7%
Private Equity	10.2%	7.1%
Core US Fixed Income	4.9%	14.1%
Core Plus US Fixed Income	3.7%	4.0%
Absolute Return Fixed Income	3.3%	3.6%
Real Estate	5.1%	12.5%
Cash	2.9%	1.9%

There are no concentrations in any one organization that represent 5.0 percent or more of the fiduciary net position in the plan. For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was (9.36) percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing actual invested. The Plan's funds are invested in domestic and international equity and fixed income funds through the Virginia Pooled OPEB Trust Fund established as the investment vehicle for participating employers. The Public Schools is not involved in the administration of these funds. Further information about the Virginia Pooled OPEB Trust Fund sponsored by VML/VACo., including financial statements, can be obtained by writing to VML/VACo Finance Program, 8 East Canal Street, Suite 100, Richmond, Virginia 23219.

Sensitivity Analysis

The following represents Public Schools Net OPEB liability calculated using the 7.0 percent discount rate, as well as what the liability would be if the discount rate were calculated using a discount rate is one percentage lower (6.0 percent) or one percentage higher (8.0 percent) than the current rate:

	1% Decrease 6%	Current Rate 7%	1% Increase 8%
Total OPEB liability	\$ 271,385,302	245,104,162	222,889,091
Plan fiduciary net position	(193,561,876)	(193,561,876)	(193,561,876)
Net OPEB liability	\$ 77,823,426	51,542,286	29,327,215

The following represents Public Schools Net OPEB liability calculated using the healthcare trend rates (varied percentages decreasing to 4.50 percent), as well as what the liability would be if it were calculated using healthcare trend rates at one percentage point lower (varied percentages decreasing to 3.50 percent) or one percentage point higher (varied percentages decreasing to 5.50 percent) than the current healthcare trend rates:

	1% Decrease (Varied decreasing to 3.5%)	Trend Rate (Varied decreasing to 4.5%)	1% Increase (Varied decreasing to 5.5%)
Total OPEB liability	\$ 235,559,736	245,104,162	256,718,071
Plan fiduciary net position	(193,561,876)	(193,561,876)	(193,561,876)
Net OPEB liability	<u>\$ 41,997,860</u>	<u>51,542,286</u>	<u>63,156,195</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the Public Schools recognized OPEB expense of \$(10,528,208). At June 30, 2022, the Public Schools reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and expected experience	\$ 71,853,126	15,081,797
Change of assumptions	-	72,355,275
Net difference between expected and actual earnings on OPEB plan investment	8,691,356	-
Total	<u>\$ 80,544,482</u>	<u>87,437,072</u>

Amounts recognized in the deferred outflows of resources and deferred inflows of resources related to the Public Schools' OPEB plan will be recognized in the OPEB plan expense as follows:

Year Ended June 30	Public Schools OPEB
2023	\$ (14,960,835)
2024	(13,025,588)
2025	3,889,381
2026	13,430,308
2027	877,280
Thereafter	2,896,864
	<u>\$ (6,892,590)</u>

Changes in the Net OPEB Liability

	(Dollar amounts in thousands)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a-b)
Balances recognized at 6/30/2021	\$ 221,203	208,375	12,829
Changes for the year:			
Service cost	4,150	-	4,150
Interest cost	15,412	-	15,412
Differences between expected and actual experiences	33,747	-	33,747
Changes of assumptions	(18,881)	-	(18,881)
Benefit payments	(10,528)	(10,528)	-
Contributions - employer	-	15,528	(15,528)
Net investment income	-	(19,692)	19,692
Administrative expense	-	(121)	121
Net changes	23,901	(14,813)	38,714
Balances recognized at 6/30/2022	\$ 245,104	193,562	51,542

Investments

The Public Schools invests the School OPEB Trust Fund's assets with the Virginia Pooled OPEB Trust Fund (Pooled Trust) sponsored by the Virginia Association of Counties and the Virginia Municipal League (VACo/VML). The Pooled Trust is an investment pooling vehicle created to allow participating local governments, school divisions, and authorities in the State to accumulate and invest assets to fund other postemployment benefits. Funds of participating jurisdictions are pooled and invested in the name of the Pooled Trust. The Public Schools' respective shares in the Pooled Trust are reported in the School OPEB Trust Fund's financial statements. Investment decisions are made by the Board of Trustees (Trustees) of the Pooled Trust. The Trustees adopted an investment policy to establish investment objectives, risk tolerance levels, and asset allocation parameters. The investment objective is to maximize the total long-term rate of return with reasonable risk by seeking capital appreciation and, secondarily, principal protection. The Pooled Trust is segregated and managed as two distinct portfolios that are referred to as Portfolio I and Portfolio II. Portfolio I is structured to achieve a compound annualized total expected rate of return over a market cycle, including current income and capital appreciation, of 7.5 percent. Portfolio II is structured to achieve an expected rate of return of 6.5 percent. The investment performance of each Portfolio is reviewed quarterly and compared on a rolling three year basis and over other relevant time periods to the following: (a) a composite benchmark comprised of each asset classes' market index benchmarks, weighted by each Portfolio's long-term policy allocations, and (b) a peer group of other similar size fund sponsors.

The Pooled Trust's assets are separately managed by professional investment managers or invested in professionally managed investment vehicles. Each Portfolio is invested in a broadly diversified manner by asset class, style and capitalization, which control volatility levels.

The asset allocation policies for the Portfolios are outlined in the table below:

	Portfolio I		Portfolio II	
	Target Percentages of Total Assets	Allocation Range	Target Percentages of Total Assets	Allocation Range
Total Equity	59%	49% - 69%	32%	22% - 42%
Total Fixed Income	21%	16% - 26%	58%	48% - 68%
Total Real Assets	10%	5% - 15%	5%	-% - 10%
Diversified Hedge Funds	10%	5% - 15%	5%	-% - 10%

The Pooled Trust and each Portfolio is monitored on a continual basis for consistency in investment philosophy, return relative to objectives, and investment risk as measured by asset concentrations, exposure to extreme economic conditions, and market volatility. Each Portfolio is reviewed by the Trustees on a regular basis, but results are evaluated over longer time periods. The Trustees regularly review each manager in order to confirm that the factors underlying the performance expectations remain in place.

The Trustees meet a minimum of four times a year to review quarterly performance and asset allocation. The investment policy is reviewed and updated at least annually.

On June 30, 2022, the School OPEB Trust Fund had the following investments in the Pooled Trust:

Fair Value Measurements Using				
		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
Investments by Fair Value Level	6/30/2022	Level 1	Level 2	Level 3
Mutual funds	\$ 124,862,051	-	-	124,862,051
Stocks	64,836,106	-	-	64,836,106
Total investment by fair value hierarchy level	\$ 189,698,157	-	-	189,698,157

The Pooled Trust uses the following methods when valuing investments.

Common Stocks, Mutual Funds, Exchange Traded Funds are publicly traded investments, and are valued daily at the closing price reported on the active market on which the individual securities are traded. The Pooled Trust invests in commingled accounts for which quoted prices are not available in active markets for identical instruments. The Pooled Trust utilizes the NAV per share, as determined by the respective investment manager, as the estimated fair value. Because quoted prices in active markets for identical assets are not available, these prices are determined using observable market information such as quotes from less active markets and/or quoted prices of securities with similar characteristics.

Limited Partnership - Fund of Hedge Funds - This fund invests in a number of underlying hedge funds which pursue various strategies. The strategies pursued by the underlying hedge funds include: credit, equity, macro, multi-strategy, and relative value. The Pooled Trust's interest in the fund is valued at the NAV of units of the collective partnership. The NAV is used as a practical expedient to estimate fair value. This practical expedient would not be used if it is determined to be probable that the Pooled Trust could not redeem its investment at the NAV per unit reported by the fund. Participant purchases may occur monthly. Redemptions are available quarterly upon 70 days' notice.

Limited Partnership - Private Equity Fund - This fund invests in the equity of a variety of privately held companies. The Pooled Trust's interest in the fund is valued at the Pooled Trust's ownership interest in the collective limited partners' capital. The Pooled Trust's ownership interest in limited partners' capital is used as a practical expedient to estimate fair value. This investment can never be redeemed with the fund. Instead, the nature of investments of this type is that distributions are received through the liquidation of the underlying assets of the fund. It is expected that the underlying assets of the fund will be liquidated over a period of six to twelve years. It is probable that the Pooled Trust's investment in this fund will be sold at an amount different from Pooled Trust's ownership interest in limited partners' capital as of June 30, 2022. The effective date of this fund is December 1, 2015, and it made its inaugural investment in the same month. Barring unusual circumstances, the fund values recent investments in nonmarketable securities at acquisition cost. The primary valuation methodology used to determine the fair value of the fund's investments at June 30, 2022, was recent arms-length financing rounds in which the partnership or other partnerships managed by the general partner had participated. As of June 30, 2022, all underlying investments of the fund were valued at cost.

Partnership - Real Estate Funds - One fund invests primarily in commercial, industrial, and multi-family residential properties. The other invests in multi-family residential, hotels, industrial, and office properties. Both funds are valued at the NAV of units of the collective partnership. The NAV is used as a practical expedient to estimate fair value. This practical expedient would not be used if it is determined to be probable that the Pooled Trust could not redeem its investment at the NAV per unit reported by the fund. The real estate partnerships provide quarterly valuations to the Pooled Trust. For one fund, individual properties are valued internally by the investment manager quarterly. Internal valuations are completed using valuation techniques such as income capitalization, sales comparison, and cost approaches. Independent external appraisals are generally completed annually for the first fund, quarterly for the other. Redemptions are available quarterly upon 45 days' and 60 days' notice respectively.

The Pooled Trust does not have investments (other than U.S. government, agency, and guaranteed obligations) in any one organization that represent 5 percent or more at market value of net position held in trust for OPEB benefits. The Pooled Trust does not have investments assigned to any single investment manager that represent 25 percent or more at market value of net position, or more than 20 percent of the fund at market value invested in one industry.

More extensive information about the Pooled Trust, including the classification of individual investments and related risks, can be obtained by writing to VACo/VML Finance, 8 East Canal Street, Suite 100, Richmond, Virginia 23219.

5. VRS Health Insurance Credit (HIC) OPEB

Plan Description

The HIC OPEB plan is a cost-sharing, multiple-employer plan administered by VRS. All full-time, salaried permanent (professional) employees of public school divisions are automatically covered by the HIC OPEB plan. The plan provides health insurance credit to eligible retirees. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The health insurance credit is a tax-free reimbursement in an amount set by the Virginia General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree's death.

In order to participate, retirees must have at least 15 years of service credit. The HIC OPEB plan provides the following benefits for eligible employees:

- At Retirement - For teacher and other professional school employees who retire, the monthly benefit is \$4.00 per year of service per month with no cap on the benefit amount.
- Disability Retirement - For teacher and other professional school employees who retire on disability or go on long-term disability under the Virginia Local Disability Program (VLDP), the month benefit is either (a) \$4.00 per month, multiplied by twice the amount of service credit, or (b) \$4.00 per month, multiplied by the amount of service earned had the employee been active until age 60, whichever is lower.

Employees who retire after being on long-term disability under VLDP must have at least 15 years of service credit to qualify for the health insurance credit as a retiree.

Contributions

The contribution requirement for active employees is governed by Section 51.1-1401(E) of the Code, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. Each school division's contractually required contribution rate for the year ended June 30, 2022, was 1.21 percent of covered employee compensation for employees in the HIC OPEB plan. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2020. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employer contributions to the HIC OPEB plan were \$20,059,856 and \$19,679,363 for the years ended June 30, 2022 and June 30, 2021, respectively.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, the Public Schools reported a liability of \$236,047,340 for its proportionate share of the net HIC OPEB liability. The net HIC OPEB liability was measured as of June 30, 2021, and the total HIC OPEB liability used to calculate the net HIC OPEB liability was determined by an actuarial valuation as of that date. The Public Schools' proportion of the net HIC OPEB liability was based on actuarially determined employer contributions to the HIC OPEB plan for the year ended June 30, 2021, relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2021, Public Schools' proportion was 18.39 percent, as compared to 18.55 percent at June 30, 2020.

For the year ended June 30, 2022, Public Schools recognized HIC OPEB expense of \$19,671,033. Since there was a change in proportionate share between measurement dates, a portion of the HIC OPEB expense was related to deferred amounts from changes in proportion.

At June 30, 2022, Public Schools reported deferred outflows of resources and deferred inflows of resources related to HIC OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportionate share of contributions	\$ 4,060,024	1,816,937
Change of assumptions	6,380,792	948,661
Difference between expected and actual experience	-	4,119,011
Net difference between expected and actual earnings on OPEB plan investment	-	3,109,452
Contributions subsequent to the measurement date	20,059,856	-
Total	<u>\$ 30,500,672</u>	<u>9,994,061</u>

A total of \$20,059,856 reported as deferred outflows of resources related to HIC OPEB resulting from Public Schools' contributions subsequent to the measurement date will be recognized as a reduction of the net HIC OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to HIC OPEB will be recognized in HIC OPEB expense as follows:

Year Ended June 30	VRC HIC OPEB
2023	\$ 158,060
2024	122,757
2025	107,121
2026	(71,808)
2027	349,427
Thereafter	(218,802)
	<u>\$ 446,755</u>

Actuarial Assumptions

The total HIC OPEB liability for VRS was based on an actuarial valuation as of June 30, 2020, using the entry age normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021.

Inflation	2.50%
Salary increases, including inflation	3.50% to 5.95%
Investment rate of return, net of plan investment expense, including inflation	6.75%

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the four-year period from July 1, 2016, through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study are as follows:

Mortality rates (pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement scale MP-2020
Retirement rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability rates	No change
Salary scale	No change
Discount rate	No change

Long-term Expected Rate of Return

The long-term expected rate of return on VRS investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of VRS investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00 %	5.00 %	1.70 %
Fixed Income	15.00	0.57	0.09
Credit Strategies	14.00	4.49	0.63
Real Assets	14.00	4.76	0.67
Private Equity	14.00	9.94	1.39
Multi-Asset Public Strategies	6.00	3.29	0.20
Private Investment	3.00	6.84	0.21
Total	<u>100.00 %</u>		<u>4.89 %</u>
		Inflation	<u>2.50</u>
		Expected arithmetic nominal return ^(a)	<u>7.39 %</u>

^(a) The above allocation provides a one-year return of 7.39 percent. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for VRS, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.94 percent, including expected inflation of 2.50 percent. On October 10, 2019, the VRS Board elected a long-term rate of 6.75 percent which is roughly at the 40th percentile of expected inflation of 2.5%.

Discount Rate

The discount rate used to measure the total HIC OPEB liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ending June 30, 2021, the rate contributed by Public Schools for the VRS HIC plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2021 on, school divisions are assumed to contribute 100 percent of the actuarially determined contribution rates. Based on those assumptions, VRS plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total HIC OPEB liability.

Sensitivity of Public Schools' Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents Public Schools' proportionate share of the net HIC OPEB liability using the discount rate of 6.75 percent, as well as what Public Schools' proportionate share of the net HIC OPEB liability would be if it were calculated using a discount rate that is one percentage lower (5.75 percent) or one percentage higher (7.75 percent) than the current rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Public Schools' proportionate share of the VRS net HIC OPEB liability	\$ 265,723,873	\$ 236,047,340	\$ 210,933,911

OPEB Plan Fiduciary Net Position

Detailed information about the HIC OPEB plan's fiduciary net position is available in the separately issued VRS 2020 Annual Comprehensive Financial Report (ACFR). A copy of the 2021 VRS ACFR may be obtained from the VRS website at [VRS 2021 ACFR](#), or by writing to the VRS Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

6. VRS General Life Insurance (GLI) OPEB

Plan Description

The GLI OPEB plan is a cost-sharing, multiple-employer plan administered by VRS. All full-time, salaried permanent employees of the state agencies, teachers and employees of participating political subdivisions are automatically covered by the GLI OPEB plan upon employment. In addition to Basic Group Life Insurance benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional GLI plan. For members who elect the optional group life insurance coverage, the insurer bills Public Schools directly for the premiums. Public Schools deducts these premiums from members' paychecks and pays the premiums to the insurer. Since this is a separate and fully insured program, it is not included as part of the GLI OPEB plan. Coverage ends for employees who leave their position before retirement eligibility or who take a refund of their member contributions and accrued interest.

The benefits payable under the GLI OPEB plan have the following components:

- Natural Death Benefit - The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled.
- Accidental Death Benefit - The accidental death benefit is double the natural death benefit.
- Other Benefit Provisions - In addition to the basic natural and accidental death benefits, the plan provides additional benefits provided under specific circumstances. These benefits include accidental dismemberment, safety belt, repatriation, felonious assault and accelerated death options.

The benefit amounts provided to members covered under the GLI OPEB plan are subject to a reduction factor. The benefit amount reduces by 25.0 percent on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25.0 percent on each subsequent January 1 until it reaches 25.0 percent of its original value. For covered members with at least 30 years of creditable service, there is a minimum benefit payable under the GLI OPEB plan. The minimum benefit was set at \$8,000 by statute. This amount is increased annually based on the VRS Plan 2 cost-of-living adjustment and is currently \$8,722 effective June 30, 2022.

Contributions

The contribution requirement for active employees is governed by Sections 51.1-506 and 51.1-508 of the Code, as amended, but may be impacted as a result of funding provided to school divisions by the Virginia General Assembly. The total rate for the GLI OPEB plan was 1.34 percent of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.80 percent (1.34 x 60 percent) and the employer component was 0.54 percent (1.34 x 40 percent). Employers may elect to pay all or part of the employee contribution, however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2022, was 0.54 percent of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Employer contributions to the GLI OPEB plan were \$9,003,779 and \$8,855,883 for the years ended June 30, 2022 and June 30, 2021, respectively.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, Public Schools reported a liability of \$92,480,874 for its proportionate share of the net GLI OPEB liability. The net GLI OPEB liability was measured as of June 30, 2021 and the total GLI OPEB liability used to calculate the net GLI OPEB liability was determined by an actuarial valuation as of that date. The Public Schools' proportion of the net GLI OPEB liability was based on actuarially determined employer contributions to the GLI OPEB plan for the year ended June 30, 2021 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2021, Public Schools' proportion was 7.94 percent as compared to 7.95 percent at June 30, 2020.

For the year ended June 30, 2022, Public Schools recognized GLI OPEB expense of \$4,488,811. Since there was a change in proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.

At June 30, 2022, Public Schools reported deferred outflows of resources and deferred inflows of resources related to GLI OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportionate share	\$ 2,045,046	320,312
Difference between expected and actual experience	10,547,769	704,652
Change of assumptions	5,098,446	12,653,345
Net difference between expected and actual earnings on OPEB plan investment	-	22,073,208
Contributions subsequent to the measurement date	9,003,779	-
Total	\$ 26,695,040	35,751,517

A total of \$9,003,779 reported as deferred outflows of resources related to GLI OPEB resulting from Public Schools' contributions subsequent to the measurement date will be recognized as a reduction of the net GLI OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to GLI OPEB will be recognized in GLI OPEB expense as follows:

Year Ended June 30	VRC GLI OPEB
2023	\$ (3,855,937)
2024	(3,051,653)
2025	(3,158,291)
2025	(6,697,360)
2026	(1,297,015)
	\$ (18,060,256)

Actuarial Assumptions

The total GLI OPEB liability for VRS was based on an actuarial valuation as of June 30, 2020, using the entry age normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021.

Inflation	2.50%
Salary increases, including inflation	3.50% to 5.95%
Investment rate of return, net of plan investment expense, including inflation	6.75%

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the four-year period from July 1, 2016 through June 30, 2020. Changes to the actuarial assumptions as a result of the experience study are as follows:

Mortality rates (pre-retirement, post-retirement healthy, and disabled)	Updated to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement rates	Adjusted rates to better fit experience for Plan 1; set separate rates on based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability rates	No change
Salary scale	No change
Discount rate	No change

Long-term Expected Rate of Return

The long-term expected rate of return on VRS investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of VRS investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00 %	5.00 %	1.70 %
Fixed Income	15.00	0.57	0.09
Credit Strategies	14.00	4.49	0.63
Real Assets	14.00	4.76	0.67
Private Equity	14.00	9.94	1.39
Multi-Asset Public Strategies	6.00	3.29	0.20
Private Investment	3.00	6.84	0.21
Total	100.00 %		4.89 %
		Inflation	2.50
		Expected arithmetic nominal return ^(a)	7.39 %

^(a) The above allocation provides a one-year return of 7.39 percent. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for VRS, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.94 percent, including expected inflation of 2.50 percent. On October 10, 2019, the VRS Board elected a long-term rate of 6.75 percent which is roughly at the 40th percentile of expected inflation of 2.5%.

Discount Rate

The discount rate used to measure the total GLI OPEB liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ending June 30, 2021, the rate contributed by Public Schools for the GLI OPEB plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2021 on, school divisions are assumed to contribute 100 percent of the actuarially determined contribution rates. Based on those assumptions, VRS plan's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total GLI OPEB liability.

Sensitivity of Public Schools' Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents Public Schools' proportionate share of the net GLI OPEB liability using the discount rate of 6.75 percent, as well as what Public Schools' proportionate share of the net GLI OPEB liability would be if it were calculated using a discount rate that is one percentage lower (5.75 percent) or one percentage higher (7.75 percent) than the current rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Public Schools' proportionate share of the VRS net GLI OPEB liability	\$ 135,117,899	\$ 92,480,874	\$ 58,049,533

OPEB Plan Fiduciary Net Position

Detailed information about the GLI OPEB plan's fiduciary net position is available in the separately issued VRS 2021 Annual Comprehensive Financial Report (ACFR). A copy of the 2021 VRS ACFR may be obtained from the VRS website at [VRS 2021 ACFR](#), or by writing to the VRS Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

I. RISK MANAGEMENT

The Reporting Entity is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The County and Public Schools maintain self-insurance internal service funds for workers' compensation claims and certain property and casualty risks and for health insurance benefits. The County and Public Schools believe that it is more cost effective to manage certain risks internally rather than purchase commercial insurance. The FCRHA, Park Authority, and EDA participate in the County's self-insurance program. Participating funds and agencies are charged "premiums" which are computed based on relevant data coupled with actual loss experience applied on a retrospective basis.

Liabilities are reported in the self-insurance fund when it is probable that losses have occurred and the amounts of the losses can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported to date. Because actual claims liabilities depend on such complex factors as inflation, changes in governing laws and standards, and court awards, the process used in computing claims liabilities is reevaluated periodically, to include an annual actuarial study, to take into consideration the history, frequency and severity of recent claims and other economic and social factors. These liabilities are computed using a combination of actual claims experience and actuarially determined amounts and include

BASIC FINANCIAL STATEMENTS

any specific, incremental claim adjustment expenses and estimated recoveries. The liabilities do not include nonincremental claim adjustment expenses.

The claims liabilities in the self-insurance funds are discounted at 1.49 and 1.63 percent at June 30, 2022 and 2021, respectively, to reflect anticipated investment income. Changes in the balances of claims liabilities during fiscal years 2022 and 2021 are presented as follows:

	Internal Service Funds			
	Primary Government		Component Unit - Public Schools	
	Self-Insurance	Health Benefits	Insurance	Health Benefits Trust
Liability balances, June 30, 2020	\$ 68,354,000	11,405,000	46,413,184	16,275,000
Claims incurred				
Claims and changes in estimates	18,837,500	173,392,947	13,627,205	430,589,417
Claims payments	(17,195,500)	(172,006,947)	(9,803,654)	(424,984,417)
Liability balances, June 30, 2021	69,996,000	12,791,000	50,236,735	21,880,000
Claims incurred				
Claims and changes in estimates	29,568,920	176,643,718	10,927,616	465,918,929
Claims payments	(20,144,920)	(175,549,718)	(13,165,788)	(461,128,929)
Liability balances, June 30, 2022	\$ 79,420,000	13,885,000	47,998,563	26,670,000

In addition to the self-insurance program, commercial property insurance is carried for buildings and contents plus certain large and costly items, such as fire apparatus and helicopters. Excess liability and workers' compensation insurance policies are maintained for exposures above a \$2,000,000 self-insured retention (SIR) for liability and \$3,000,000 for workers' compensation.

J. LONG-TERM OBLIGATIONS

Presented on the following page is a summary of changes in the government-wide long-term obligations of the primary government and component units for the year ended June 30, 2022 (in thousands):

	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022	Due Within One Year
Primary Government					
Governmental activities:					
General obligation bonds payable:					
Principal amount of bonds payable	\$ 2,355,905	272,650	(213,570)	2,414,985	220,090
Premium on bonds payable	217,812	28,080	(37,030)	208,862	33,842
Revenue bonds payable:					
Principal amount of bonds payable	647,215	121,890	(203,875)	565,230	40,190
Premium on bonds payable	73,372	17,392	(24,546)	66,218	8,382
Direct placements and borrowings **	447,480	122,785	-	570,265	1,695
Notes payable ***	4,812	-	(1,595)	3,217	1,605
Compensated absences payable	161,555	83,313	(79,624)	165,244	73,686
Landfill closure and postclosure obligations	49,419	2,273	-	51,692	36
Lease liability*	125,732	1,454	(18,261)	108,925	18,569
Insurance and benefit claims payable	82,787	206,213	(195,695)	93,305	28,096
Net pension liability	2,194,717	1,047,535	(1,972,112)	1,270,140	-
Net OPEB liability ****	15,940	53,047	(68,987)	-	-
Other:					
HUD Section 108 loans	3,554	-	(459)	3,095	344
Library Exchange	12,419	-	(865)	11,554	868
Total governmental activities	6,392,719	1,956,632	(2,816,619)	5,532,732	427,403
Business-type activities:					
Sewer revenue bonds payable:					
Principal amount of bonds payable	742,212	20,055	(32,127)	730,140	28,368
Premium on bonds payable	93,133	5,045	(4,505)	93,673	4,258
Net pension liability	41,009	20,263	(33,285)	27,987	-
Net OPEB liability ****	420	1,393	(1,813)	-	-
Compensated absences payable	3,190	1,781	(1,819)	3,152	1,611
Total business-type activities	879,964	48,537	(73,549)	854,952	34,237
Total long-term liabilities - Primary Government	\$ 7,272,683	2,005,169	(2,890,168)	6,387,684	461,640
Component Units					
Public Schools					
Compensated absences payable	\$ 39,049	27,454	(27,334)	39,169	27,418
Notes payable	99,450	3,730	(22,273)	80,907	19,177
Lease liability	52,278	4,259	(8,836)	47,701	8,903
Insurance and benefit claims payable	72,117	5,104	(2,552)	74,669	34,936
Net pension liability	4,115,293	(1,518,995)	(432,393)	2,163,905	-
Net OPEB liability	387,461	435,471	(442,861)	380,071	-
Unearned rent	4,155	-	(4,155)	-	-
Total Public Schools	4,769,803	(1,042,977)	(940,404)	2,786,422	90,434
FCRHA					
Mortgage revenue bonds payable	19,686	-	(715)	18,971	759
Mortgage notes payable*****	87,794	-	(24,829)	62,965	1,294
Lease liability	-	250	-	250	5
Net pension liability	29,262	13,255	(23,097)	19,420	-
Net OPEB liability****	291	924	(1,215)	-	-
Compensated absences payable	924	188	(439)	673	371
Total FCRHA	137,957	14,617	(50,295)	102,279	2,429
Park Authority					
Notes payable	91	-	(3)	88	29
Lease liability	2,479	-	(23)	2,456	346
Net pension liability	58,522	24,190	(45,636)	37,076	-
Net OPEB liability****	743	2,299	(3,042)	-	-
Loan from Primary Government	9,599	426	(645)	9,380	875
Compensated absences payable	5,775	1,947	(1,949)	5,773	2,202
Total Park Authority	77,209	28,862	(51,298)	54,773	3,452
EDA					
Compensated absences payable	553	294	(294)	553	220
Lease liability*	1,076	1,367	(800)	1,643	531
Net pension liability	6,764	4,150	(5,929)	4,985	-
Net OPEB liability****	47	116	(163)	-	-
Total EDA	8,440	5,927	(7,186)	7,181	751
Total long-term liabilities - Component units	\$ 4,993,409	(993,571)	(1,049,183)	2,950,655	97,066

* Fiscal year 2021 balance restated due to prior period adjustment for the implementation of GASB statement 87. See Note N for more information.

** Fiscal year 2021 balance for TIFIA loan reclassified from Notes payable for the implementation of GASB statement 88. See Note J.3 for more information.

*** Due to GASB 87, leases for Rescue Equipments balance of \$1,909,182 were recognized as finance-purchased agreement and reclassified to Notes Payable.

**** At June 30, 2022, Net OPEB asset was reported and prior year balance for Net OPEB liability was reduced to zero. See Note H for more information.

***** Fiscal year 2021 balance restated due to change in reporting entity for FCRHA.

Compensated absences payable, lease liability, obligation to component unit, and obligations for claims and judgments for the Primary Government are liquidated by the General Fund and other governmental funds. The landfill closure and postclosure obligation will be liquidated by the I-95 Refuse Disposal Fund, a special revenue fund. In addition, the County, FCRHA, Park Authority, and EDA are required to adhere to and be in compliance with the rebate and reporting requirements of the federal regulations pertaining to arbitrage investment earnings on certain bond proceeds. The General Fund and other governmental funds provide funding to Trust funds that have been established for the liquidation of obligations associated with pensions and other postemployment benefits. The Primary Government funding source for the employer share contributions to these trusts is primarily provided by the General Fund.

1. General Obligation Bonds

General obligation bonds are issued to provide funding for long-term capital improvements. In addition, they are issued to refund outstanding general obligation bonds when market conditions enable the County to achieve significant reductions in its debt service payments. Such bonds are direct obligations of the County, and the full faith and credit of the County are pledged as security. The County is required to submit to public referendum for authority to issue general obligation bonds.

At June 30, 2022, the amount of general obligation bonds authorized and unissued is summarized to the right.

The Commonwealth does not impose a legal limit on the amount of general obligation indebtedness that the County can incur or have outstanding. The Board, however, has self-imposed bond limits to provide that the County's net

debt may not exceed three percent of the total market value of taxable real and personal property in the County. In addition, the annual debt service may not exceed ten percent of the annual General Fund disbursements. As a financial guideline, the Board also follows a self-imposed limitation in total general obligation bond sales of \$1.5 billion over a five-year period or an average of \$300 million annually, with a maximum of \$325 million in any given year. All self-imposed bond limits have been complied with at June 30, 2022.

The General Obligation Bonds do not specifically provide any remedies that would be available to a bondholder if the County defaults in the payment of principal of or interest on the Bonds, nor do they contain a provision for the appointment of a trustee to protect and enforce the interests of the bondholders upon the occurrence of such default. If a bondholder does not receive payment of principal or interest when due, the holder could seek to obtain a writ of mandamus from a court of competent jurisdiction requiring the Board of Supervisors to levy and collect an ad valorem tax, unlimited as to rate or amount, upon all property in the County subject to local taxation sufficient to pay the principal of and the interest on the Bonds as the same shall become due. The mandamus remedy, however, may be impracticable and difficult to enforce. The enforceability of rights or remedies with respect to the Bonds may be limited by bankruptcy, insolvency, or other State or federal laws.

In February 2022, the County issued \$272,650,000 of Series 2022A General Obligation Public Improvement Bonds with an average interest rate of 2.85 percent. The bonds were issued to finance projects related to school improvements, public safety, park facilities, and other purposes.

Bond Purpose	Amount (in Thousands)
School improvements	\$ 708,260
Transportation improvements	153,380
Parks and park facilities	154,070
Human Services	148,900
Public safety facilities	291,510
Public library facilities	90,000
Total authorized but unissued bonds	<u>\$ 1,546,120</u>

Detailed information regarding the general obligation bonds outstanding as of June 30, 2022, is contained in Section 5 of this note.

2. Revenue Bonds

In June 2003, the EDA issued \$70,830,000 of revenue bonds to finance the development and construction of a public high school and a public golf course and related structures, facilities, and equipment in the Laurel Hill area of the southern part of the County. In April 2012, the EDA issued \$47,745,000 to advance refund a portion of the outstanding Series 2003 Laurel Hill revenue bonds. In November 2021, the EDA issued \$53,475,000 Fairfax County Facilities Revenue Refunding Bonds Series 2021C (County Facilities Projects) (Federally Taxable), to advance refund certain outstanding maturities of the 2012A Laurel Hill Public Facilities Project Bonds, 2014B County Facilities Project Bonds, and 2017B County Facilities Projects Refunding Bonds. In June 2022, the 2012A Bonds were fully redeemed.

In January 2005, the EDA issued \$60,690,000 of facilities revenue bonds to finance the acquisition of land and an existing office building to enable the Fairfax County Public Schools to consolidate numerous Public Schools' administrative offices. In June 2014, the EDA issued \$44,000,000 to advance refund certain outstanding maturities of the Series 2005 facilities revenue bonds. In November 2021, the EDA issued \$110,485,000 Fairfax County Facilities Revenue Refunding Bonds Series 2021D (County Facilities Projects) (Federally Taxable) to advance refund certain outstanding maturities of the 2014A County Facilities Projects Bonds.

In March 2010, the EDA issued \$43,390,000 of lease revenue bonds to current refund the FCRHA \$3,365,000 of outstanding Series 1996 lease revenue bonds, \$2,960,000 of outstanding Series 1998 lease revenue bonds, \$835,000 of outstanding Series 1999 lease revenue bonds, and to advance refund the FCRHA \$7,245,000 of outstanding Series 2004 lease revenue bonds, and the County's \$25,580,000 of outstanding Series 2000 certificate of participation bonds. In April 2019, the EDA issued \$18,125,000 of lease revenue bonds to current refund certain outstanding maturities of the Series 2010 lease revenue bonds. Also, in April 2019, the remaining outstanding maturities of the Series 2010 lease revenue bonds were fully redeemed.

In May 2011, the EDA issued \$205,705,000 of transportation district improvement revenue bonds (Silver Line Phase 1 Project) Series 2011 and in September 2012, the EDA issued \$42,390,000 of transportation district improvement revenue bonds (Silver Line Phase 1 Project) Series 2012 to finance a portion of the costs of the construction of the first phase of an extension of the Washington Metropolitan Area Transit Authority's (WMATA) mass transit system in the County. In March 2016, the EDA issued \$173,960,000 to refund a portion of the bonds issued in 2011 and 2012. In December 2019, Fairfax County set aside funds for \$19,546,337 into a depository account with the Trustee for purposely partially defeasing certain Series 2016 obligations associated with the transportation district improvement revenue bonds (Silver Line Phase 1 Project) with a principal amount of \$17,495,000. These funds were placed in escrow on April 1, 2020 until the call date of the bonds. In May 2021, Fairfax County partially defeased certain Series 2016 obligations associated with the transportation district improvement revenue bonds (Silver Line Phase 1 Project) with a principal amount of \$11,190,000. In May 2022, Fairfax County partially defeased a portion of the Series 2016 Bonds in a principal amount of \$4,780,000. In April 2020, the 2011 and 2012 Bonds were fully redeemed.

In July 2011, the EDA issued \$99,430,000 of revenue bonds Series 2011 to finance a portion of the costs of the construction of a public parking facility on public lands within Fairfax County, Virginia, to serve the Wiehle Avenue Metrorail Station. In September 2019, the EDA sold \$62,285,000 revenue refunding bonds (Forward Delivery Bonds) for the purpose of refunding certain maturities of the Authority's Revenue Bonds (Wiehle Avenue Metrorail Station Parking Project) Series 2011. The

Series 2020 bonds were issued and delivered on May 5, 2020. In August 2020, the remaining outstanding maturities of the Series 2011 Bonds were fully redeemed.

In May 2012, the EDA issued \$65,965,000 of revenue bonds Series 2012 to finance the improvement of certain properties to be used by the County as mental health facilities and as a neighborhood community center. In August 2017, the EDA issued \$31,150,000 of refunding revenue bonds to advance refund certain outstanding maturities of the Series 2012A facilities revenue bonds. In November 2021, the EDA issued \$13,865,000 Fairfax County Facilities Revenue Refunding Bonds Series 2021B (County Facilities Projects), to current refund all of the outstanding maturities of the 2012A Bonds. Also, in November 2021, the EDA issued \$53,475,000 Fairfax County Facilities Revenue Refunding Bonds Series 2021C (County Facilities Projects) (Federally Taxable), to advance refund certain outstanding maturities of the 2012A Laurel Hill Public Facilities Project Bonds, 2014B County Facilities Project Bonds, and 2017B County Facilities Projects Refunding Bonds. In November 2021, the remaining maturities of the 2012A revenue bonds were fully redeemed.

In June 2014, the EDA issued \$126,690,000 of facilities revenue bonds to finance the costs of the construction of a building to serve as a public safety facility for the County. Also, in June 2014, the EDA issued \$30,175,000 of facilities revenue bonds to finance the leasehold acquisition from LAF, LLC of the Workhouse Arts Center located in Lorton, Virginia. In November 2021, the EDA issued \$110,485,000 Fairfax County Facilities Revenue Refunding Bonds Series 2021D (County Facilities Projects) (Federally Taxable) to advance refund certain outstanding maturities of the 2014A County Facilities Projects Bonds. Also, in November 2021, the EDA issued \$53,475,000 Fairfax County Facilities Revenue Refunding Bonds Series 2021C (County Facilities Projects) (Federally Taxable) to advance refund certain outstanding maturities of the 2012A Laurel Hill Public Facilities Project Bonds, 2014B County Facilities Project Bonds, and 2017B County Facilities Projects Refunding Bonds.

In March 2017, the EDA issued \$69,645,000 of facilities revenue bonds to finance the construction of parking facilities to be owned and operated by the County, located adjacent to WMATA's Herndon and Innovation Center Metrorail Stations.

In August 2017, the EDA issued \$19,060,000 of facilities revenue bonds to finance the costs of the construction and improvement of certain property to be used by the County as an adult day care facility, child day care centers, and a senior center or for other County approved purposes.

In November 2021, the EDA issued \$74,605,000 Fairfax County Facilities Revenue Bonds Series 2021A (County Facilities Projects) (Green Bonds), to finance the construction and improvement of certain property to be used as a consolidated public works complex for the County's Stormwater and Wastewater divisions. Of the total issuance, Stormwater's portion totals \$54,550,000 and Wastewater's portion totals \$20,055,000.

As the County is responsible, under the related documents and subject to annual appropriation, to make payments to a trustee sufficient to pay principal and interest on these bonds, the related transactions, including the liability for the bonds, have been recorded in the County's financial statements and not in those of EDA.

In the event of default, EDA Revenue Bonds Trustees may declare the principal of all of the Bonds then outstanding, to be due and payable immediately, subject to the right of EDA to cure such default. Bondholders will have the right to direct the method and place of conducting all remedial proceedings to be taken under the agreement. The acceleration clause, if applicable, allows the lender, upon default, to accelerate payment of the entire unpaid Bond principal and interest.

In June 2011, the CDA issued \$46,980,000 of revenue bonds (Mosaic District Project) Series 2011A. In July 2011, the Authority issued \$18,670,000 of revenue bonds (Taxable) Series 2011A-T. The bonds were issued to finance certain public infrastructure improvements within or serving the CDA district. The 2011 Bonds are limited obligations of the CDA, payable solely from and secured by a pledge of certain County Advanced Revenues and certain Special Assessment Revenues. In December 2020, the CDA issued \$37,765,000 of revenue refunding bonds (Mosaic District Project) Series 2020A to current refund the outstanding maturities of the Series 2011A revenue bonds, which resulted in an aggregate decrease in the overall debt service of \$23,940,499 and an economic gain (the difference between the present values of the old and new debt service payments) of \$17,659,695. In December 2020, the CDA issued \$17,885,000 of revenue refunding bonds (Taxable) Series 2020A-T to current refund the outstanding maturities of the Series 2011A-T revenue bonds, which resulted in an aggregate decrease in the overall debt service of \$9,226,274 and an economic gain of \$6,539,005. These bond refundings resulted in a deferred loss of \$161,042. The 2020 Bonds are limited obligations of the CDA, payable solely from and secured by a pledge of certain County Advanced Revenues and certain Special Assessment Revenues.

In November 2013, the County issued a \$11,085,000 of special subfund revenue bond (the 2013 VRA Bonds) to Virginia Resources Authority (VRA). In return for issuing the 2013 VRA Bond, VRA provided the County with a portion of the proceeds realized from its autumn 2013 pooled financing bond transaction. The 2013 VRA Bond was issued to finance renovations to a complex that serves as a senior housing and assisted living facility, a senior center, and an adult day health care center in the County. The County is obligated by a contract with VRA to pay amounts equal to the debt service on the 2013 VRA Bond.

In the event of default, VRA has the right to immediately declare all outstanding bond payments due and payable by the County without further notice or demand and is authorized to take legal action necessary to collect the payments owed.

None of these revenue bonds nor the related payment responsibilities of the County are general obligation debt of the County, and the full faith and credit of the County is not pledged to these bonds for such payment responsibility.

Detailed information regarding the revenue bonds outstanding as of June 30, 2022 is contained in Section 6 of this note.

3. Direct Placements and Borrowings

The County's outstanding obligations from direct borrowings and direct placements related to governmental activities of \$590,275,471 include the County's Transportation Infrastructure Finance and Innovation Act (TIFIA) loan and the County's Economic Development Authority (EDA) Series 2021D Refunding Bonds. The County's TIFIA loan contains a provision that an event of default (including, but not limited to payment defaults, covenant defaults and a default under the TIFIA Loan Agreement) can trigger acceleration of the TIFIA bond as a remedy. The County's EDA Series 2021D Refunding Bonds contain (1) a provision that an acceleration of maturity of the County's EDA Series 2021D Refunding Bonds can be triggered in the event of a payment default only; (2) a provision that provides for an increase in the interest rate on the County's EDA Series 2021D Refunding Bonds during any period in which there is a default under the Master Trust Agreement or the Installment Purchase Contract; and (3) a gross up provision relating to the rate of interest on the County's EDA Series 2021D Refunding Bonds if, after conversion to a tax-exempt rate, a determination of taxability occurs.

Detailed information regarding the revenue bonds outstanding as of June 30, 2022 is contained in Section 6 of this note.

4. Sewer Revenue Bonds

On October 14, 2004, the Sewer System issued \$94,005,000 of Series 2004 sewer revenue refunding bonds, with an average interest rate of 4.61 percent, to advance refund \$91,430,000 of the outstanding Series 1996 sewer revenue bonds with an average interest rate of 5.82 percent. Net proceeds of the refunding bond were used mostly to redeem the Series 1996 bonds on July 15, 2006.

On August 8, 2012, the Sewer System issued \$90,710,000 of Series 2012 sewer revenue bonds, with an average interest rate 4.53 percent, to fund upgrade costs allocable to the System at certain treatment facilities that are owned by or that provide service to the County, the purchase of additional capacity, and the costs for other system improvements.

On April 16, 2014, the Sewer System issued \$61,755,000 of Series 2014 sewer revenue refunding bonds, with an average interest rate of 4.14 percent, to advance refund \$69,745,000 of the outstanding Series 2004 sewer revenue refunding bonds with an average interest rate of 4.61 percent. Net proceeds of the refunding bond were used mostly to redeem the Series 2004 bonds on July 15, 2014. This refunding resulted in a deferred net loss of \$4,045,945, which is being amortized over 15 years, and an aggregate decrease in the overall debt service of \$15,461,166.

On May 12, 2016, the Sewer System issued \$164,450,000 of Series 2016A sewer revenue bonds, with a weighted average interest rate of 3.92 percent, to advance refund \$123,065,000 of outstanding Series 2009 revenue bonds with an average interest rate of 4.80 percent and \$46,720,000 of outstanding Series 2012 revenue bonds with an average interest rate of 4.67 percent. This refinancing resulted in a deferred net loss of \$12,406,377, which is being amortized over 24 years, and remaining outstanding amounts of \$13,400,000 unrefunded Series 2009 bonds and \$39,545,000 unrefunded Series 2012 bonds. This refunding resulted in an aggregate decrease in the overall debt service of \$35,116,418 and an economic gain (the difference between the present values of the old and new debt service payments) of \$20,440,024.

On June 28, 2017, the Sewer System issued \$85,785,000 of Series 2017 sewer revenue bonds, with an average interest rate of 4.77 percent, to fund certain additions, extensions, and improvements to the County's sewage collection, treatment, and disposal systems, capital improvement costs allocable to the County at certain wastewater treatment facilities that provide service to the County, the purchase of any necessary additional capacity at certain wastewater treatment facilities for the benefit of the County, the costs of issuing the Series 2017 Bonds, and the necessary deposit to the reserve subfund.

On June 9, 2021, the Sewer System issued \$191,990,000 of Series 2021A sewer revenue bonds, with an average interest rate of 4.66 percent to pay the costs of certain additions, extensions and improvements to the County's sewage collection, treatment and disposal systems, pay for capital improvement costs allocable to the County at certain wastewater treatment facilities that provide service to the County and, if necessary, purchase additional capacity at certain wastewater treatment facilities for the benefit of the County, the costs of issuing the Series 2021A bonds, and the necessary deposit to the reserve subfund.

On June 9, 2021, the Sewer System issued \$24,210,000 of Series 2021B sewer revenue refunding bonds, with an average interest rate of 3.67 percent to refund \$28,625,000 of the outstanding Series 2012 Bonds with an average interest rate of 4.50 percent. The net proceeds were used to redeem the Series 2012 bonds on July 15, 2021. This refunding resulted in a deferred net gain of \$3,969,019,

which is being amortized over 21 years, and an aggregate decrease in the overall debt service of \$11,937,848.

As of June 30, 2022, the outstanding bonds consist of \$36,150,000 of Series 2014 revenue refunding bonds, \$156,685,000 of Series 2016A revenue refunding bonds, \$80,155,000 of Series 2017 revenue bonds, \$191,990,000 of Series 2021A revenue bonds, and \$24,210,000 of Series 2021B revenue refunding bonds.

The aforementioned sewer revenue bonds were issued in accordance with the General Bond Resolution adopted by the Board on July 29, 1985 and are payable from and secured by the net revenue generated through the Sewer System's operations. The General Bond Resolution includes a rate covenant under which the Sewer System agrees to charge reasonable rates for the use of services it renders but will adjust the rates from time to time to generate net revenues sufficient to provide an amount equal to 100 percent of its annual principal and interest requirements as well as the Sewer System's annual commitments to fund its proportionate share of other jurisdictions' debt service requirements. Pursuant to the General Bond Resolution, the Sewer System is required to maintain a reserve equal to the lesser of (i) the maximum principal and interest requirements of the outstanding bonds for any year or (ii) 125 percent of the average annual principal and interest for any bond year.

In the event of default, Sewer Revenue Bonds Trustees may proceed to protect and enforce its rights and rights of the Bond Holders under the laws of the Commonwealth or the General Bond Resolution or by proceedings in the office of any board having jurisdiction, either for the specific performance of any agreement or for the enforcement of any proper legal or equitable remedy. In the enforcement of any remedy under the General Bond Resolution, the Trustee or the Bond Holders will be entitled to sue for, enforce payment of amounts remaining due for principal, interest, interest on overdue payments of principal, all costs and expenses of collection and all proceedings under the General Bond Resolution. The acceleration clause allows the lender, upon default, to accelerate payment of the entire unpaid Bond principal and interest.

On November 23, 2021, the Fairfax County Economic Development Authority (EDA) issued \$74,605,000 of Fairfax County Facilities Revenue Bonds Series 2021A, with an average interest rate of 4.60 percent, to fund the costs of construction of a joint Stormwater/Wastewater facility to be used to consolidate the functions and operations of Fairfax County's Stormwater and Wastewater divisions (the "2021 Public Works Project") and to pay the issuance costs of the Series 2021A bonds. Of the total par value in the amount of \$74,605,000, Stormwater's component share is \$54,550,000, while Wastewater's component share is \$20,055,000.

In December 2003, UOSA issued \$58,150,000 of regional sewer system revenue refunding bonds (UOSA 2003) to advance refund its outstanding UOSA 1993 bonds, resulting in a deferred net gain of \$1,514,497, which is being amortized over 18 years.

In July 2005, UOSA issued \$82,465,000 of regional sewer system revenue refunding bonds (UOSA 2005), of which the Sewer System's share is \$53,201,198, to advance refund another portion of the outstanding UOSA 1995 bonds. This resulted in a deferred net gain of \$1,909,604, which is being amortized over the life of the UOSA 2005 bonds.

In February 2007, UOSA issued \$90,315,000 of regional sewer system revenue refunding bonds (UOSA 2007A), of which the Sewer System's share is \$58,265,521, to advance refund another portion of the outstanding UOSA 1995 bonds. This resulted in a deferred net loss of \$83,868, which is being amortized over the life of the UOSA 2007A bonds.

In December 2007, UOSA issued \$119,715,000 of regional sewer system revenue bonds (UOSA 2007B), of which the System's share is \$53,925,458, to fund the expansion of its wastewater treatment and conveyance facilities.

In December 2010, UOSA issued \$85,180,000 of regional sewer system revenue bonds (UOSA 2010), of which the System's share is \$34,113,615, to fund certain capital improvements.

In July 2011, UOSA entered into VRA loan Series 2011A to fund costs related to the Energy Service project. In December 2011, UOSA entered into VRA loan Series 2011B to fund Phase 1 of the Nutrient Compliance Improvement Project.

In May 2013, UOSA issued \$101,615,000 of regional sewer system revenue refunding bonds (UOSA 2013A), of which the System's share is \$65,555,566, to advance refund the outstanding Series 2005 bonds. This refunding resulted in a deferred net loss of \$12,354,368, which is being amortized over the life of the Series 2013A bonds, but an aggregate decrease in the overall debt service of approximately \$4.9 million.

In November 2013, UOSA issued \$37,735,000 of regional sewer system revenue refunding bonds (UOSA 2013B), of which the System's share is \$23,911,671, to advance refund the outstanding UOSA 2003 bonds. This resulted in a deferred net loss of \$2,520,436, which is being amortized over the life of the UOSA 2013B bonds, but an aggregate decrease in the overall debt service of approximately \$2.1 million. In fiscal year 2022, the UOSA 2013B bonds reached final maturity.

In fiscal year 2015, UOSA issued regional sewer system revenue refunding bonds (UOSA 2014) to advance refund the outstanding UOSA 2007A bonds and a portion of the outstanding UOSA 2007B bonds. Of the \$112,190,980 UOSA 2007 bonds outstanding balance, \$93,175,291 was refunded into the UOSA 2014 bonds. This resulted in a net deferred gain of \$2,029,198, which is being amortized over 24 years, and an aggregate decrease in the overall debt service of \$6,359,189.

In fiscal year 2016, UOSA issued regional sewer system revenue refunding bonds (UOSA 2016B) to advance refund the \$19,015,689 remaining outstanding UOSA 2007B bonds. This refunding resulted in a deferred net gain of \$533,782, which is being amortized over 22 years, and an aggregate decrease in the overall debt service of \$4,676,694.

In December 2019, UOSA issued \$52,440,000 of regional sewer system revenue bonds (UOSA 2019), of which the System's share is \$21,410,631, to fund improvements to UOSA's regional advanced wastewater treatment system.

In November 2020, UOSA issued \$199,755,000 of regional sewer system revenue refunding bonds (UOSA 2020), of which the System's share is \$111,228,596, to advance refund the \$91,146,092 remaining outstanding UOSA 2014 bonds. This refunding resulted in a deferred net loss of \$19,939,089, which is being amortized over 20 years, but an aggregate decrease in the overall debt service of \$2,594,724.

The Sewer System's share of UOSA's total outstanding debt as of June 30, 2022 is \$220,894,723 and it is subordinate to the sewer revenue bonds issued by the Sewer System.

In the event of default, UOSA bondholders have the right to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Trust Agreement. Bondholders do not have the right to institute any suit, action, or proceeding in equity or at law for enforcement of the Trust Agreement for the execution trust unless the specific terms of the bond agreement are met. Nothing in the Trust Agreement shall affect or

impair the right of any bondholder to enforce legal action for payment of the principal, premium, and interest upon maturity of the bond.

In June 2002, the Sewer System issued 20-year subordinated sewer revenue bonds in the amount of \$50,000,000 (VRA 2002) to the Virginia Water Facilities Revolving Fund, acting by and through the Virginia Resources Authority (VRA). The proceeds have been used to fund a portion of the Sewer System's share of expansion and upgrade costs for the Alexandria Renew Enterprises' wastewater treatment facilities, which provide service to certain County residents. In September 2012, the System executed a rate reduction agreement with VRA, reducing the interest rate on VRA 2002 bonds from 3.75 percent per annum to 2.35 percent per annum. This reduced the semi-annual debt service payments from \$1,818,894 to \$1,706,099. The rate reduction agreement resulted in interest savings of \$2,143,099.

In May 2016, the System executed a rate reduction agreement with VRA, reducing the interest rate of VRA 2002 bonds from 2.35 percent to 0.95 percent per annum. This reduced the semi-annual debt service payments from \$1,706,099 to \$1,638,306. This rate reduction resulted in an aggregate decrease in the VRA 2002 debt service of \$813,525. The bond is subordinate to all outstanding prior bond issues of the Sewer System and Sewer System payments for operation and maintenance expenses. In February 2022, the VRA 2002 subordinated sewer revenue bonds reached final maturity.

In the event of default, VRA has the right to immediately declare all outstanding bond payments due and payable by the System without further notice or demand and is authorized to take legal action necessary to collect the payments owed.

Detailed information regarding the sewer revenue bonds outstanding as of June 30, 2022 is contained in Section 5 of this note.

5. Bond Anticipation Notes

In November 2007, the FCRHA issued a \$105,485,000 of bond anticipation note (Series 2007B) to finance a portion of the purchase price of a multi-family rental housing property as part of the County's affordable housing initiative. In October 2008, the FCRHA issued a \$104,105,000 bond anticipation note (Series 2008B) to repay the outstanding \$105,485,000 bond anticipation note (Series 2007B). In August 2009, the FCRHA issued a \$94,950,000 of revenue bonds to provide funds, together with other funds, sufficient to pay the outstanding \$104,105,000 short-term bond anticipation note (Series 2008B) that matured on October 1, 2009. The bonds bear an average interest rate of 4.53 percent and mature on October 1, 2039. In August 2019, the FCRHA issued \$61,795,000 to refund a portion of the principal amount of the Series 2009 Bonds outstanding. As the County is responsible, under the related documents and subject to annual appropriation, to make payments to a trustee sufficient to pay principal and interest on these bonds, the related transactions, including the liability for these bonds, have been recorded in the County's financial statements and not in those of the FCRHA.

In February 2008, the FCRHA issued a \$37,615,000 refunding bond anticipation notes to repay a portion of a 2007 short-term note that matured on February 12, 2008. The original short-term note was issued to partially finance the purchase of a multi-family rental housing complex as part of the County's affordable housing initiative. In May 2011, the FCRHA issued \$28,905,000 of bond anticipation notes to current refund \$30,215,000 of outstanding Series 2008A bond anticipation notes. In February 2013, the FCRHA issued \$24,650,000 of bond anticipation notes to current refund \$26,725,000 of outstanding Series 2011 bond anticipation notes. The note matured on March 1, 2015. In February 2015, the County and FCRHA entered into a direct loan agreement with Bank of

America, N.A. in a principal amount of \$18,260,000, which together with other County funds refinanced the 2013A bond anticipation notes. In February 2018, FCRHA issued \$11,175,000 Revenue Bonds Series 2018A (Federally Taxable), which together with other County funds refinanced the FCRHA direct loan agreement with Bank of America, N.A. The County is obligated by the terms of a payment agreement with FCRHA, subject to the appropriation of funds for the purpose, to pay amounts equal to the interest on and the principal of the FCRHA 2018A revenue bonds.

In December 2014, EDA utilized its revenue bond structure (Silver Line Phase II) Series 2014 to enter into a loan agreement with the United States Department of Transportation for a Transportation Infrastructure Financing and Innovation Act (TIFIA) loan in the principal amount up to \$403,274,894 (plus capitalized interest). Proceeds from the TIFIA Loan will be used to finance the County's share of Phase II of the Silver Line Metrorail expansion. The County is obligated by a contract with the EDA to pay amounts equal to debt service on the TIFIA loan. The County's obligation to make such payments is subject to the annual appropriation by the Board of sufficient funds for such purpose. The terms of the TIFIA Bond provide for repayment of the loan to begin October 1, 2023 and end April 1, 2046. As of June 30, 2022, the outstanding principal of the TIFIA Loan was \$459,779,624.

Detailed information regarding the bond anticipation notes and notes payable outstanding as of June 30, 2022 is contained in Section 6 of this note.

6. County Debt and Related Interest to Maturity

The County's outstanding general obligation bonds, revenue bonds, notes payable, HUD Section 108 loans, Sewer System revenue bonds, and the related interest to maturity as of June 30, 2022, are comprised of the issues presented on the following pages:

NOTES TO THE FINANCIAL STATEMENTS

Series		Interest Rate (%)	Issue Date	Final Maturity Date	Annual Principal Payments (000)	Original Issue (000)	Principal Outstanding (000)	Interest Payable to Maturity (000)	Total Principal Outstanding & Interest Payable to Maturity (000)
Governmental activities:									
General obligation bonds:									
General County:									
Series 2009 E	Public Improvement (BABs)	4.60-5.25	10-28-09	10-01-29	4,247	\$ 63,700	33,974	6,889	40,863
Series 2012 B	Refunding	5.00	02-02-12	04-01-24	9,767-13,142	74,759	22,910	1,634	24,544
Series 2013 A	Public Improvement	5.00	01-24-13	10-01-22	3,925	78,535	3,925	98	4,023
Series 2013 B	Refunding	3.00-4.00	01-24-13	10-01-25	1,242-8,716	54,389	16,341	1,292	17,633
Series 2014 A	Public Improvement	3.00-5.00	02-06-14	10-01-33	6,170	123,426	24,679	2,221	26,900
Series 2014 A	Refunding	5.00	02-06-14	10-01-23	822-833	18,569	1,658	83	1,741
Series 2014 B	Refunding	3.00-5.00	11-04-14	10-01-26	5,424-15,893	70,399	51,172	5,026	56,198
Series 2015 A	Public Improvement	3.00-5.00	03-04-15	10-01-34	4,300-4305	86,037	30,105	4,494	34,599
Series 2015 B	Refunding	3.00-5.00	03-11-15	10-01-26	1,824-8,613	17,989	17,989	2,911	20,900
Series 2015 C	Refunding	5.00	07-07-15	10-01-25	2,662-2,717	49,077	10,760	1,081	11,841
Series 2016 A	Public Improvement	3.00-5.00	02-09-16	10-01-35	4,115	82,312	32,920	4,953	37,873
Series 2016 A	Refunding	3.00-5.00	02-09-16	10-01-30	2,242-13,840	37,806	33,177	7,367	40,544
Series 2017 A	Public Improvement	4.00-5.00	02-07-17	10-01-36	4,565-4,570	91,395	68,545	22,025	90,570
Series 2018 A	Public Improvement	4.00-5.00	01-24-18	10-01-37	4,221-4,225	84,481	67,580	23,649	91,229
Series 2019 A	Public Improvement	4.00-5.00	02-12-19	10-01-38	2,920-2,925	58,460	49,685	20,581	70,266
Series 2019 B	Refunding	3.30-5.00	02-12-19	10-01-32	118-4,056	17,066	16,826	5,051	21,877
Series 2020 A	Public Improvement	4.00-5.00	02-11-20	10-01-39	3,515-3,520	70,064	63,330	27,953	91,283
Series 2020 A	Refunding	4.00-5.00	02-11-20	10-01-31	1,333-3,423	35,627	29,351	7,480	36,831
Series 2020 B	Refunding	0.26-1.83	09-16-20	10-01-35	2,047-15,316	122,271	120,036	14,408	134,444
Series 2021 A	Public Improvement	2.00-4.00	02-09-21	10-01-40	4,870-4,875	96,850	92,575	23,481	116,056
Series 2022 A	Public Improvement	2.00-4.00	02-08-22	10-01-41	5,450-5,455	109,060	109,060	31,555	140,615
Total general obligation bonds - General County						1,442,272	896,598	214,232	1,110,830
Schools:									
Series 2009 E	Public Improvement (BABs)	4.60-5.25	10-28-09	10-01-29	9,233	138,500	73,866	14,979	88,845
Series 2012 B	Refunding		02-02-12	04-01-24	14,742-21,058	117,591	35,800	2,527	38,327
Series 2013 A	Public Improvement	5.00	01-24-13	10-01-22	6,390	127,800	6,390	160	6,550
Series 2013 B	Refunding	3.00-4.00	01-24-13	10-01-25	1,518-11,969	73,611	21,054	1,653	22,707
Series 2014 A	Public Improvement	3.00-5.00	02-06-14	10-01-33	7,045	140,904	28,181	2,536	30,717
Series 2014 A	Refunding	5.00	02-06-14	10-01-23	1,559-1,572	33,411	3,132	157	3,289
Series 2014 B	Refunding	3.00-5.00	11-04-14	10-01-26	6,626-28,423	131,791	88,338	8,108	96,446
Series 2015 A	Public Improvement	3.00-5.00	03-04-15	10-01-34	7,065	141,303	49,455	7,383	56,838
Series 2015 B	Refunding	3.00-5.00	03-11-15	10-01-26	4,736-19,772	39,081	39,081	6,193	45,274
Series 2015 C	Refunding	5.00	07-07-15	10-01-25	3,253-3,328	90,438	13,160	1,322	14,482
Series 2016 A	Public Improvement	3.00-5.00	02-09-16	10-01-35	6,735-6,740	134,728	53,890	8,108	61,998
Series 2016 A	Refunding	3.00-5.00	02-09-16	10-01-30	5,819-27,125	81,134	69,118	15,501	84,619
Series 2017 A	Public Improvement	4.00-5.00	02-07-17	10-01-36	6,845-6,850	136,980	102,730	33,007	135,737
Series 2018 A	Public Improvement	4.00-5.00	01-24-18	10-01-37	6,755-6,760	135,160	108,120	37,841	145,961
Series 2019 A	Public Improvement	4.00-5.00	02-12-19	10-01-38	7,810	156,200	132,770	55,022	187,792
Series 2019 B	Refunding	3.30-5.00	02-12-19	10-01-32	192-6,604	27,784	27,394	8,223	35,617
Series 2020 A	Public Improvement	4.00-5.00	02-11-20	10-01-39	7,210-7,215	143,861	129,860	57,336	187,196
Series 2020 A	Refunding	4.00-5.00	02-11-20	10-01-31	2,427-6,233	64,833	53,409	13,613	67,022
Series 2020 B	Refunding	0.26-1.83	09-16-20	10-01-35	2,863-21,890	171,789	168,664	21,010	189,674
Series 2021 A	Public Improvement	2.00-4.00	02-09-21	10-01-40	7,915	157,340	150,385	38,150	188,535
Series 2022 A	Public Improvement	2.00-4.00	02-08-22	10-01-41	8,175-8,180	163,590	163,590	47,335	210,925
Total general obligation bonds - Schools						2,407,829	1,518,387	380,164	1,898,551
Total general obligation bonds						3,850,101	2,414,985	594,396	3,009,381
Revenue bonds:									
EDA revenue bonds:									
Series 2014 A	Public Safety Facility Project	5.00	06-26-14	10-01-24	7040	126,690	21,120	1,584	22,704
Series 2014 A	County Facilities Refunding	5.00	06-26-14	10-01-24	1,855-2,050	44,000	5,860	449	6,309
Series 2014 B	County Facilities Project	3.110-3.53	06-26-14	10-01-24	1,355-1,445	30,175	4,195	218	4,413
Series 2016	Silver Line Phase 1 Project	4.00-5.00	03-16-16	04-01-34	6,090-12,955	173,960	125,060	35,926	160,986
Series 2017	Metrarail Parking System Project	5.00	03-08-17	04-01-47	1,405-4,530	69,645	67,030	51,869	118,899
Series 2017A	County Facilities Project	2.37-3.79	08-10-17	10-01-37	790-1,290	19,060	16,060	4,976	21,036
Series 2017B	County Facilities Refunding	1.63-5.00	08-10-17	10-01-28	1,385-1,845	31,150	11,205	2,047	13,252
Series 2019	Six Public Facilities Refunding	3.50-4.13	04-23-19	04-01-32	1,225-1,725	18,125	14,695	3,747	18,442
Series 2020	Metrarail Station Parking Refunding	5.00	05-05-20	08-01-34	3,310-6,035	62,285	59,135	21,275	80,410
Series 2021 A	County Facilities Projects (Stormwater)	4.00-5.00	11-23-21	10-01-41	1,640-4,100	54,550	54,550	29,057	83,607
Series 2021 B	County Facilities Refunding	4.00-5.00	11-23-21	10-01-41	2,525-3,020	13,865	13,865	10,677	24,542
Series 2021 C	County Facilities Refunding	0.31-2.63	11-23-21	10-01-36	1,420-5,380	53,475	53,475	8,784	62,259

(Continued)

BASIC FINANCIAL STATEMENTS

(Continued)

Series	Interest Rate (%)	Issue Date	Final Maturity Date	Annual Principal Payments (000)	Original Issue (000)	Principal Outstanding (000)	Interest Payable to Maturity (000)	Total Principal Outstanding & Interest Payable to Maturity (000)
FCRHA lease revenue bonds:								
Series 2018A Crescent	2.75	02-08-18	10-01-22	1,175	11,175	1,175	16	1,191
Series 2019 Wedgewood	5.00	08-13-19	10-01-39	2,040-4,765	61,795	58,010	29,959	87,969
VRA Subfund Revenue bonds:								
Series 2013 C Linconia Project	4.40-5.13	11-20-13	10-01-33	555	11,085	6,660	1,852	8,512
CDA revenue bonds:								
Series 2020 A Tax-Exempt	4.00	12-03-20	03-01-36	1,550-3,295	37,765	36,215	11,784	47,999
Series 2020 A Taxable	0.90-2.99	12-03-20	03-01-36	965-1,410	17,885	16,920	3,408	20,328
Total revenue bonds					836,685	565,230	217,628	782,858
Direct Placements and Borrowings:								
Series 2021 D Revenue County Facilities Refunding	2.03	11-23-21	10-01-34	1,695-11,340	110,485	110,485	16,916	127,401
TIFIA Loan	2.73	12-17-14	04-01-46	4,462-8,003	403,275	459,780	3,095	462,875
Total direct placements and borrowings					513,760	570,265	20,011	590,276
Notes payables:								
General County:								
Salona	4.18-4.29	12-27-05	12-31-25	645	12,900	2,257	193	2,450
Financed purchase agreement	1.1020	04-13-16	04-13-23	899-960	6,503	960	11	971
Schools:								
Financed purchase agreement - Bus	1.10-2.90	01-31-18	04-30-26	166-418	39,446	12,532	373	12,905
Financed purchase agreement - Gatehouse building	5.0000	01-10-05	01-04-35	2,838	60,690	36,890	5,357	42,247
Financed purchase agreement - Laptops	0.56-2.18	05-17-20	08-28-24	454-5,495	50,643	31,485	523	32,008
Park Authority:								
Financed purchase agreement	4.5000	06-01-22	06-01-25	1,355 - 2,711	91	88	6	94
Total notes payables					170,273	84,212	6,463	90,675
HUD Section 108 Loans:								
HUD Section 108 loan #12	Variable	02-14-11	08-01-30	343-344	6,535	3,095	442	3,537
Total HUD Section 108 loans					6,535	3,095	442	3,537
Total governmental activities					5,377,354	3,637,787	838,940	4,476,727
Business-type activities:								
Sewer revenue bonds:								
UOSA Bonds Subordinated	0.297-5.60	12-23-10	07-01-52	843-23,735	277,621	220,895	52,726	273,621
Series 2002 Subordinated	0	06-01-02	02-01-22	0	50,000	-	-	-
EDA Series 2021A Subordinated	4.00-5.00	11-23-21	10-01-41	605-1,505	20,055	20,055	10,681	30,736
Series 2012 Revenue	0	08-08-12	07-15-21	0	90,710	-	-	-
Series 2014 Refunding	3.00-5.00	04-16-14	07-15-28	4,485-5,770	61,755	36,150	4,751	40,901
Series 2016 Refunding	3.00-5.00	05-12-16	07-15-39	6,290-12,950	164,450	156,685	57,777	214,462
Series 2017 Revenue	4.00-5.00	06-28-17	07-15-47	1,545-5,375	85,785	80,155	63,053	143,208
Series 2021A Revenue	4.00-5.00	06-09-21	07-15-51	3,130-11,545	191,990	191,990	158,293	350,283
Series 2021B Refunding	3.00-4.00	06-09-21	07-15-42	3,585-4,545	24,210	24,210	16,040	40,250
Total business-type activities					966,576	730,140	363,321	1,093,461
Total County bond, note, and loan indebtedness					\$6,343,930	4,367,927	1,202,261	5,570,188

Principal and interest to maturity (in thousands) for the County's general obligation bonds, revenue bonds, loans, and Sewer System revenue bonds outstanding at June 30, 2022 are as follows:

Fiscal Year	Governmental Activities								Business-Type Activities			
	General Obligation Bonds		Revenue Bonds		Direct Placements and Direct Borrowings		Notes and Loans		Sewer System Revenue Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 220,090	89,991	40,190	23,759	1,695	5,320	21,155	1,568	28,368	27,241	311,498	147,879
2024	208,430	78,909	36,575	22,146	461,510	2,191	20,053	1,205	32,524	26,162	759,092	130,613
2025	205,235	69,243	37,890	20,485	2,010	2,153	13,443	854	33,778	24,922	292,356	117,657
2026	194,875	60,867	30,025	18,996	11,340	2,017	4,192	647	42,200	23,664	282,632	106,191
2027	186,975	53,136	31,315	17,670	11,155	1,790	3,154	564	36,949	22,392	269,548	95,552
2028-2032	751,620	170,075	177,275	67,108	53,040	5,649	16,035	1,783	146,532	96,049	1,144,502	340,664
2033-2037	463,855	63,017	127,660	31,918	29,515	891	9,275	284	133,331	71,160	763,636	167,270
2038-2042	183,905	9,158	63,710	12,357	-	-	-	-	135,972	43,724	383,587	65,239
2043-2047	-	-	20,590	3,189	-	-	-	-	76,693	21,902	97,283	25,091
2048-2052	-	-	-	-	-	-	-	-	63,793	6,105	63,793	6,105
Totals	\$ 2,414,985	594,396	565,230	217,628	570,265	20,011	87,307	6,905	730,140	363,321	4,367,927	1,202,261

In July 2005, the City of Fairfax (the City) secured funding, for the construction of the New Library, through the sale of 30 year EDA Lease Revenue Bonds for public improvements. Approximately, \$22,940,000 of the bond proceeds were allocated for the construction of the New Library. After the new library was completed, the City transferred ownership to the County on January 13, 2009, including all land and the new building. On January 22, 2009, the County transferred ownership to the City for the existing library, including all land and the old building.

Annual requirements to amortize long-term obligations related to the library exchange are as follows:

Fiscal Year	Governmental Activities
	Library Exchange
	Contribution
2023	\$ 868,274
2024	871,646
2025	875,031
2026	878,429
2027	881,841
2028-2032	4,460,839
2033-2035	2,718,296
Totals	<u>\$ 11,554,355</u>

7. FCRHA Bonds, Notes, and Loans Payable

In December 2018, the FCRHA issued a \$20,000,000 Multifamily Housing Revenue Bond Note (Series 2018) for the acquisition and rehabilitation of Murraygate Village Apartments by Murraygate Village Limited Partnership (MVLP), a limited partner of the FCRHA. These bonds had an interest rate of 2.26 percent. In August 2020, the FCRHA issued an additional \$4,000,000 Multifamily Housing Revenue Bond Note (Series 2020) for the continued rehabilitation of Murraygate Village Apartments by MVLP. These bonds had an interest rate of 2.00 percent.

The FCRHA issues various debt instruments, including bonds, notes and mortgages, to finance the cost of acquisition, construction, and equipping of its workforce, senior, disabled, low income, transient, and homeless affordable housing projects. These debt instruments are usually secured by the properties being financed. Sources of permanent financing include the Federal Department of Housing and Urban Development (HUD), the Virginia Housing Development Authority (VHDA), commercial lenders, and the County.

BASIC FINANCIAL STATEMENTS

The table details all FCRHA bonds, notes (including a loan from the County), and loans payable as of June 30, 2022, excluding FCRHA's component units is presented as follows:

Series	Secured By	Interest Rate (%)	Issue Date	Final Maturity Date	Annual Principal Payments (000)	Original Issue (000)	Total Principal Outstanding (000)
Housing Bonds Payable:							
Mortgage revenue bonds	Little River Glen rental property	4.65-6.10	08-29-96	09-01-26	\$ 150-190	\$ 6,340	\$ 1,975
Tax-exempt revenue bonds	Herndon Harbor I - rental property	6.35	08-01-97	07-01-27	24-30	2,875	332
Multi-family revenue bonds	Herndon Harbor II - rental property	4.875-6.0	05-01-99	05-01-29	44-56	2,000	830
Multi-family revenue bonds	Cedar Ridge Apartments	5.984	03-29-07	10-01-48	62-115	13,200	11,337
Multi-family revenue bonds	Olley Glen - senior rental property	average of 5.37%	08-26-08	08-01-51	30-355	12,220	4,497
Total mortgage bonds payable - FCRHA						36,635	18,971
Mortgage Notes Payable and Loan from County:							
United Bank	Faircrest North, Laurel Hill, Westcott Ridge, Legato Corner	6.21	01-01-07	12-01-32	54-65	2,998	1,340
	East Market, Fair oaks, Bryson	6.14	12-06-07	12-01-22	15-22	856	519
	Stockwell, Northampton, Halstead I & II	6.11	07-24-09	07-01-24	15-22	868	578
Sun Trust Bank	Stonegate rental property	6.16	02-08-05	01-08-24	112	1,286	218
Virginia Housing Development	First Stop Group Home property	7.61	08-01-06	03-01-25	36	385	96
	Gum Springs Glen property	4.5	07-22-03	08-31-33	96	1,500	827
Fulton Bank	Morris Glen	8.50	01-01-14	04-01-26	26	322	153
Fairfax County Redevelopment and Housing Authority							
	Herndon Harbour House I	2.00	varies	08-01-27	-	3,013	2,654
	Herndon Harbour House II	2.00	varies	05-01-29	-	3,059	3,059
	The Green rental property	3.37	varies	11-01-28	-	1,257	907
	Castellani Meadows	4.00	varies	04-01-28	-	1,920	1,227
	Tavener	7.21	varies	01-01-27	-	2,042	778
	Morris Glen	1.00-2.00	varies	01-01-26	-	2,272	1,409
	Stonegate	1.00	varies	04-01-24	-	1,957	271
	Gum Springs Glen	4.25	varies	04-01-33	-	655	444
Total mortgage notes payable - FCRHA						24,390	14,480
Total public housing bonds, notes, and loans payable - FCRHA primary government						\$ 61,025	\$ 33,451

The FCRHA's annual required principal and interest payments to maturity on the bonds, notes (including a loan from the County), and loans payable, excluding FCRHA's component units, at June 30, 2022, are presented below:

Fiscal Year	Component Unit - FCRHA (Primary Government)					
	Housing Bonds Payable		Mortgage Notes Payable and Loan from County		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	758,910	1,008,891	826,870	152,592	1,585,780	1,161,483
2024	803,781	964,020	845,721	121,497	1,649,502	1,085,517
2025	860,164	916,354	184,581	83,129	1,044,745	999,483
2026	908,145	865,496	1,575,728	677,555	2,483,873	1,543,051
2027	984,172	804,871	3,558,168	1,619,770	4,542,340	2,424,641
2028-2032	2,060,428	3,582,100	6,873,203	4,300,657	8,933,631	7,882,757
2033-2037	2,602,426	3,001,766	615,950	253,011	3,218,376	3,254,777
2038-2042	3,206,854	2,246,659	-	-	3,206,854	2,246,659
2043-2047	4,410,558	1,239,975	-	-	4,410,558	1,239,975
2048-2052	2,375,184	194,013	-	-	2,375,184	194,013
Totals	\$ 18,970,622	14,824,145	14,480,221	7,208,211	33,450,843	22,032,356

8. Park Authority Bonds, Loans, and Notes Payable

In February 1995, the Park Authority issued \$13,870,000 of Park Facilities Revenue Bonds, Series 1995, to fund the construction of additional golf facilities for County residents and patrons. In September 2001, the Park Authority issued \$13,015,000 of Park Facilities Revenue Refunding Bonds, Series 2001, with an average interest rate of 4.36 percent, to advance refund \$11,670,000 of the outstanding Series 1995 bonds with an average interest rate of 6.62 percent. Proceeds of \$12,615,112 were used to purchase U.S. Government securities, which were deposited in an irrevocable escrow fund to provide for the resources to redeem the Series 1995 Bonds on July 15, 2003. The outstanding \$7.02 million of Revenue Bonds Series 2001 was refunded on June 5, 2013 through the Virginia Resources Authority bond sale of Series 2013, which resulted in a total debt service savings of \$1.92 million. The bonds are solely the obligation of the Park Authority and were paid off in October 2020 of fiscal year 2021. As a result of this, the bond covenant which required to keep reserve in the Park Improvement Fund, upon recommendation of the Executive Director, the Park Board approved transfer into Park Revenue and Operating Fund to restore the net negative position caused due to the COVID-19 pandemic.

In June 2003, the Park Authority received a \$15,530,000 loan from the County to fund the development and construction of a public golf course and related structures, facilities, and equipment to be located in the Laurel Hill area of the southern part of the County. As a result of the refunding of the Series 2003 Laurel Hill revenue bonds by the Fairfax County Economic Development Authority in April 2012, the outstanding loan payable amount was reduced to \$13,042,200.

The debt service requirements to maturity for the outstanding bonds and loan at June 30, 2022, are as follows:

Fiscal Year	Loan from Primary Government		
	Int. Rate	Principal	Interest
2023	0.31 %	\$ 875,000	133,862
2024	0.51	765,000	130,547
2025	0.83	810,000	125,243
2026	1.11	815,000	117,349
2027-2031	2.00	4,285,000	395,071
2032-2033	2.00	1,830,000	39,471
Totals		<u>\$ 9,380,000</u>	<u>941,543</u>

9. Conduit Debt Obligations

The FCRHA is empowered by the Commonwealth to issue tax-exempt bonds on behalf of qualified businesses to develop or rehabilitate low-income housing within the County. Principal and interest on the tax-exempt bonds are paid entirely by the owners of the properties, who have entered into binding contracts to develop or rehabilitate the subject properties. The terms of the tax-exempt bonds stipulate that neither the FCRHA nor the County guarantees the repayment of principal and interest to the bondholders. A bondholder's sole recourse in the event of default on the tax-exempt bonds is to the subject property and third-party beneficiaries. Accordingly, these bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2022, approximately \$58.9 million of such tax-exempt bonds that are still outstanding.

On December 15, 2020, the FCRHA issued \$22,500,000 of Multifamily Housing Revenue Bonds. The tax-exempt bonds have provided funding for the construction of a 148-unit project known as Ovation at Arrowbrook. The project is owned by Arrowbrook Apartments II, LLC. The FCRHA is a conduit issuer for these bonds and the bondholders will be paid solely from the project's revenue. The bond bears an initial interest rate of 0.41percent and matures on January 1, 2041.

During the year ended June 30, 2022, the FCRHA issued private activity bonds to make loans for the assistance in the development, equipping, and/or construction of four affordable rental housing development projects by private sponsors. In June 2022, a total of \$515,000 in short-term Multifamily Housing Revenue Bonds (Series 2022) were issued to provide supplemental financing for the costs of the construction and equipping of a 47-unit (\$270,000) and a 94 -unit (\$245,000) residential rental housing project. Both projects comprise one portion of a larger affordable multifamily housing development to be known as Residences at North Hill. The construction of the projects was also financed with Virginia Housing 4.0percent Low Income Housing Tax Credits. The bonds bear an average interest rate of 2.75percent calculated on the basis of a 360-day year with a maturity date of May 1, 2023.

In September 2021, FCRHA issued a total of \$19,680,000 in Multifamily Housing Revenue Bonds (Series 2021) to provide supplemental financing for the construction of a 120-unit affordable multifamily housing development project to be known as One University Senior Apartments. The Project was to be constructed on the land owned by FCRHA and leased to the borrower pursuant to a Deed of Lease between FCRHA and the borrower. The bond bears an interest rate of 1.25percent and will mature December 1, 2025.

And, in October 2021, FCRHA issued a total \$12,570,000 in Multifamily Housing Revenue Bonds (Series 2021) to finance, refinance or reimburse a portion of the costs of the construction and equipping of a 70-unit multifamily housing development to be owned and operated as an affordable multifamily rental housing project and to be known as Oakwood North Four Project. The Project was to be constructed on the land owned by FCRHA and leased to an affiliate of the Borrower pursuant to a Deed of Lease and sub-leased to the Borrower pursuant to a Sub-Leased Agreement. The bond bears an initial interest rate of 0.41percent with a maturity date of May 1, 2025.

The EDA is empowered by the Commonwealth to issue Industrial Revenue Bonds (IRBs) on behalf of businesses relocating and/or expanding their operations within the County. Principal and interest on the IRBs are paid entirely by the businesses. The terms of the IRBs stipulate that neither the EDA nor the County guarantees the repayment of principal and interest to the bondholders. Accordingly, these bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2021, the cumulative amount of all IRBs outstanding was \$399,424,699.

In October 2003, August 2004, March 2007, and July 2008, the EDA issued \$33,375,000, \$57,410,000, \$41,505,000, and \$51,505,000, respectively, of transportation contract revenue bonds on behalf of the State Route 28 Transportation Improvement District for the purpose of financing a portion of the costs of constructing certain improvements to State Route 28 in the County and in Loudoun County, Virginia. In May 2012, the EDA issued \$86,275,000 of transportation contract revenue refunding bonds, Series 2012, on behalf of the State Route 28 Transportation Improvement District to advance refund \$29,285,000 of outstanding Series 2003 bonds and \$52,755,000 of outstanding Series 2004 bonds. In August 2016, the EDA issued \$43,035,000 of transportation contract revenue refunding bonds, Series 2016 A and \$45,760,000 of transportation contract revenue refunding bonds, Series 2016 B, on behalf of the State Route 28 Transportation Improvement District to advance refund \$41,505,000 of outstanding Series 2007A bonds and partially refund \$43,660,000 of outstanding principal of the Series 2008 Bonds, respectively, leaving \$3,590,000 of the outstanding principal of the Series 2008 bonds unrefunded. In February 2022, the EDA issued \$49,080,000 of

transportation contract revenue refunding bonds, Series 2022A, on behalf of the State Route 28 Transportation Improvement District to current refund all the outstanding maturities of Series 2012 bonds. These bonds are payable primarily from a limited ad valorem real property tax levied by the counties on property owners in the district. The bonds are secured by a reserve subfund, and each County has agreed to cure one-half of any deficiency in the reserve subfund. As neither the EDA nor the Counties are responsible to make principal or interest payments on the bonds, neither reports a liability for the bonds. Rather, this liability for debt service payments on the bonds rests with the State Route 28 Highway Transportation Improvement District. As of June 30, 2022, the total outstanding principal amount of these transportation contract revenue bonds outstanding was \$135,110,000.

In the event of default, Trustees may proceed to protect and enforce its rights and rights of the State Route 28 District's Bond Holders under the Master Indenture, the Bond Acts and the Bonds by such suits, actions, or proceedings provided, that any monetary remedies under the Master Indenture will be limited to amounts, if any, from the Board's Trust Estate, including but limited to civil actions to recover monetary damages. The acceleration clause allows the lender, upon default, to accelerate payment of the entire unpaid Bond principal and interest.

In December 2005, the Park Authority issued two notes totaling \$12.9 million to finance the acquisition of a permanent conservation easement. As the County is responsible, under the related documents and subject to appropriation, to pay the principal and interest on the notes, the related transactions, including the liability for the notes, have been recorded in the County's financial statements and not in those of the Park Authority. The notes are not general obligation debt of the County, and the full faith and credit of the County is not pledged to the notes. As of June 30, 2022, \$2.3 million of these notes are outstanding.

In the event of default, the Park Authority is not obligated to pay the instalments on these notes except from the County payments pledged for such purpose. Neither the faith and credit nor the taxing power of the County or Park Authority is pledged to the payments of installments on these notes. The Park Authority has no taxing power.

10. Defeasance of Debt

Advance Refundings Resulting in Defeasance of Debt:

During the fiscal year, the County has defeased certain outstanding bonds by placing the proceeds of newly issued bonds in an irrevocable escrow fund to provide for all future debt service payments on the old bonds. Accordingly, the escrow fund assets and the liabilities for the defeased bonds are not included in the financial statements. As of June 30, 2022, the outstanding bonds considered defeased but not yet redeemed are \$379 million in revenue bonds.

In-Substance Defeasance of Debt Using Only Existing Resources:

In fiscal year 2022, the County partially defeased certain EDA 2016 obligations associated with the transportation district improvement bonds (Silver Line Phase 1 Project) using only existing resources.

Following is the information on the nature of transaction:

Amount of debt extinguished	\$4,780,000
Amount placed in trust	\$5,010,495
Reason for defeasance	To save \$6.6 million of future debt service payments.
Cash flows required to service the defeased debt	\$5,545,000

Accordingly, the escrow fund assets and liabilities for the defeased bonds are not included in the financial statements.

11. Sanitary Landfill Closure and Postclosure Obligation

The County is required to present Financial Assurance Requirements for any future closure and post-closure expenditures related to the I-95 Sanitary Landfill, the I-66 Landfill, and the I-66 Transfer Station by reporting an estimated financial assurance liability (closure and post-closure obligation).

The majority of the \$51.7 million closure and post-closure obligation, as of June 30, 2022, is in relation to the I-95 Landfill. State and federal regulations require the County to place final covers on the I-95 Landfill at key points in time during the life of the disposal units, such as when final design grades are reached and, ultimately, when the unit stops accepting solid waste. In addition, maintenance of environmental infrastructure and monitoring of performance parameters are required for 30 years after closure.

The I-95 Landfill consists of two major units: the Municipal Solid Waste (MSW) unit and the Area Three Lined Landfill (ATLL) unit. The MSW unit stopped accepting waste on December 31, 1995 and the final closure cap, Phase IV, was completed during 2007. As of December 31, 2007, all closure costs associated with the MSW unit were complete and no post-closure costs are anticipated until I-95 Landfill facility reaches capacity. The ATLL unit is active and continues to accept incinerator ash generated from the thermal processing of municipal solid waste at the Fairfax and Arlington/Alexandria Waste-To-Energy facilities. Closure expenditures for approximately 17 percent of the permitted ATLL cap area have been incurred for the ATLL unit. The County holds permits allowing it to continue to dispose of ash in the ATLL unit until it reaches capacity, currently estimated to occur in approximately 2055.

The closure and post-closure obligation for the I-95 Landfill, as of June 30, 2022, is \$50.3 million. The amount represents closure and post-closure obligation for ATLL unit and post-closure obligation for MSW unit. The actual cost may vary due to inflation, changes in technology, or changes in regulations. It is expected that the landfill closure and post-closure care costs will be funded from existing resources in the I-95 Refuse Disposal Fund.

A \$1.4 million obligation was estimated for long-term operational maintenance expenditures related to the landfill gas collection system at the closed I-66 Landfill and for the closure and post-closure expenditures related to the I-66 Transfer Station.

12. Leases

Leases Payable

For the year ended June 30, 2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

The County has entered into a various long-term non-cancelable lease agreements as lessee for use of office space, land, infrastructure, and office equipment. Most leases have initial terms of up to 25 years and contain renewals at the County's option. As the interest rate implicit in the County's leases is not readily determinable, the County uses its incremental borrowing rate to discount the lease payments.

At June 30, 2022 the value of the underlying assets and the annual requirements to maturity relating to leases are as follows:

Asset Class	Primary Government - Governmental	Component Units
Land	\$ 3,413,311	-
Buildings	113,593,970	45,585,709
Infrastructure	1,825,101	233,954
Equipment	8,353,872	13,541,155
Total assets, at cost	127,186,254	59,360,818
Accumulated amortization	(19,846,801)	(10,008,097)
Total assets, net	<u>\$ 107,339,453</u>	<u>49,352,721</u>

Fiscal Year	Primary Government - Governmental Activities			Component Units		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 18,569,369	1,491,191	20,060,560	\$ 9,785,073	897,787	10,682,860
2024	14,306,383	1,307,863	15,614,246	8,277,154	636,481	8,913,635
2025	13,031,014	1,138,780	14,169,794	6,582,424	466,969	7,049,393
2026	9,069,367	985,760	10,055,127	5,951,605	366,543	6,318,148
2027	8,539,636	851,567	9,391,203	5,846,769	281,116	6,127,885
2028-2032	35,409,243	2,385,010	37,794,253	15,357,404	421,933	15,779,337
2033-2037	6,997,793	585,161	7,582,954	118,062	39,389	157,451
2038-2042	2,020,073	215,453	2,235,526	63,928	25,183	89,111
2043-2047	982,415	44,248	1,026,663	66,908	7,350	74,258
Total	<u>\$ 108,925,293</u>	<u>9,005,033</u>	<u>117,930,326</u>	<u>\$ 52,049,327</u>	<u>3,142,751</u>	<u>55,192,078</u>

K. LONG-TERM COMMITMENTS**1. Washington Metropolitan Area Transit Authority (WMATA)**

The County's commitments to WMATA are comprised of agreements to make capital contributions for the construction of rail lines and for the acquisition, replacement, and renovation of transit equipment and facilities and to provide operating subsidies for its rail, bus, and paratransit systems. The County's commitments in each of these areas are summarized as follows:

Capital Contributions – Transit Equipment and Facilities

Each fiscal year, the County and other local jurisdictions make contributions for WMATA's acquisition, replacement, and rehabilitation of transit equipment and facilities and for the debt service on federally guaranteed transit revenue bonds issued by WMATA. The County's obligation of approximately \$46.7 million for fiscal year 2022 was funded with \$41.0 million of County general obligation bond proceeds, bond premium credits, state aid and regional gasoline tax receipts. It is anticipated that the County's obligation for fiscal year 2022 will amount to \$47.7 million and be funded with \$29.9 million from County general obligation bond proceeds and \$17.8 million of County funds.

Operating Subsidies

The County and other local jurisdictions contribute annually toward WMATA's deficits resulting from the operation of its rail, bus, and paratransit systems. For fiscal year 2022, the County's obligation of approximately \$152.8 million for operating subsidies was offset by a \$57.6 million credit allocated by WMATA as part of the CARES Act. This resulted in a net obligation of \$95.2 million, which was funded with \$30.0 million of County funds and \$65.2 million from state aid and regional gasoline tax receipts provided through the NVTC. It is anticipated that the County's obligation for fiscal year 2023 will amount to \$163.1 million and be funded with \$119.0 million of state aid and regional gasoline tax receipts provided through the NVTC and \$44 million of County funds.

The state aid discussed in both Capital Contributions and Operating subsidies is shown passing through the County and Regional Transportation Projects Fund but is transmitted to NVTC directly from the Commonwealth.

2. Virginia Railway Express (VRE)

The County, as a member of the NVTC and in cooperation with the Potomac and Rappahannock Transportation Commission (PRTC), is a participating jurisdiction in the operation of the VRE commuter rail service. The service primarily consists of rush hour trips originating from Manassas, Virginia and from Fredericksburg, Virginia to Union Station in Washington, DC. There are five stations in Fairfax County.

In October 1989, the Board approved the Commuter Rail Master Agreement and financial plans. These have subsequently been amended to reflect voting criteria for member jurisdictions, new member requirements, and fairness in the subsidy allocation formula which took effect for fiscal year 2008. The Board approved this Amended Master Agreement on September 10, 2007, which required the County to contribute to capital, operating, and debt service costs of the VRE on a pro rata basis

according to its share of ridership. The County's fiscal year 2022 contribution to the VRE was \$1.7 million.

3. Intermunicipal Agreements

City of Alexandria, Virginia Renew Enterprises

The Sewer System is obligated under an agreement with the City of Alexandria, Alexandria Renew Enterprises (ARE) to share in the construction and operating costs and debt service requirements for ARE's sewage treatment facility. Currently, the Sewer System has a capacity entitlement of 32.4 MGD, which is 60 percent of the facility's total capacity of 54 MGD. Although the Sewer System is allowed one nonvoting representative at the meetings of ARE, the Sewer System has no significant influence in the management of the treatment facility. In addition, the Sewer System has no direct ongoing equity interest in the assets or liabilities of ARE.

The ARE facility is currently undergoing major improvements to meet new water quality standards. The Sewer System paid ARE \$11.3 million for purchased capacity in fiscal year 2022 to fund its share of the construction and land acquisition costs. The Sewer System estimates its share of the remaining construction costs to be \$138.5 million, of which \$19.4 million is expected to be incurred in fiscal year 2023 and the remaining balance over fiscal years 2024 to 2031. In addition, the Sewer System made payments of \$10.8 million to ARE during fiscal year 2022 for its share of ARE's operating costs.

District of Columbia Water and Sewer Authority

The Sewer System is obligated under the 2012 Blue Plains Intermunicipal Agreement, between the County; the District of Columbia (District); District of Columbia Water and Sewer Authority (DC Water); Montgomery County, Maryland; Prince George's County, Maryland; and the Washington Suburban Sanitary Commission, to share the construction and operating costs of the Blue Plains Wastewater Treatment Plant, which is operated by DC Water. Currently, the Sewer System has a capacity entitlement of 31 MGD, which is approximately 8.4 percent of the Plant's total capacity of 370 MGD. DC Water has a Board of Directors comprised of six members from the District, two each from Montgomery and Prince George's Counties, and one from the County. The County has no significant control over plant operations and construction and no ownership interest in the assets of DC Water.

The Blue Plains Plant is currently undergoing a major renovation of its nitrogen removal facilities along with the constructions of new wet weather flow facilities. The Sewer System paid DC Water \$9.1 million for purchased capacity during fiscal year 2022 to fund its share of construction costs. The Sewer System estimates its share of the remaining construction costs to be \$231.7 million, of which \$20.7 million is expected to be incurred in fiscal year 2023 and the remaining balance over fiscal years 2024 to 2031. In addition, the Sewer System made payments of \$13.8 million to DC Water during fiscal year 2022 for its share of the Blue Plains Plant's operating costs.

Upper Occoquan Service Authority

As described in Note A, UOSA is a joint venture created under the provisions of the Virginia Water and Waste Authorities Act to be the single regional entity to finance, construct, and operate the regional sewage treatment facility for the upper portion of the Occoquan Watershed. Currently, the Sewer System has a capacity entitlement of 22.1 MGD, which is approximately 41 percent of this facility's total capacity of 54.0 MGD. The governing body of UOSA is an eight member board of

directors consisting of two members from each participating jurisdiction, appointed to four year terms.

UOSA's current operating expenses, construction costs, and annual debt service payments are funded by each of the participating jurisdictions based on their allocated capacity, with certain modifications. The Sewer System made contractual service payments to UOSA of \$13.8 million in fiscal year 2022 to pay its share of UOSA's operating costs.

Summarized UOSA financial information as of and for the years ended June 30, 2021 and 2020 (the most recent audited financial information available), is as follows:

	2021	2020
Total assets	\$ 545,139,317	579,854,777
Deferred outflows of resources	30,108,454	17,674,213
Total liabilities	(546,755,430)	(554,186,450)
Deferred inflows of resources	(1,214,477)	(2,274,841)
Net position	\$ 27,277,864	41,067,699
Operating revenues	\$ 32,486,897	30,622,512
Operating expenses	(62,531,610)	(59,493,683)
Nonoperating revenues, net	(4,852,451)	3,787,368
Capital contributions	21,107,329	19,301,263
Decrease in net position	\$ (13,789,835)	(5,782,540)
Total net position, beginning of year	41,067,699	46,850,239
Total net position, end of year	\$ 27,277,864	41,067,699

Arlington County, Virginia

The Sewer System is obligated under an agreement with Arlington County, Virginia to share the construction and operating costs of the sewage treatment facility owned and operated by Arlington County. Currently, the Sewer System has a capacity entitlement of 3.0 MGD, which is 7.5 percent of the facility's total capacity of 40.0 MGD. The Sewer System has no significant influence over the management of the treatment facility and no direct on-going equity interest in the facility's assets and liabilities.

The Arlington facility has recently completed a major upgrade to meet new water quality standards. The Sewer System paid Arlington \$0.4 million for purchased capacity in fiscal year 2022. The Sewer System estimates its share of the remaining construction costs to be \$15.6 million, of which \$2.0 million is expected to be incurred in fiscal year 2023 and the remaining balance over fiscal years 2024 to 2031. In addition, the Sewer System made payments of \$2.0 million for contractual services to Arlington during fiscal year 2022 for its share of Arlington's operating costs.

Loudoun County, Virginia

The Sewer System is obligated under an agreement with Loudoun County, Virginia to share the construction costs, operating costs, and debt service payments for the sewage treatment facility owned and operated by Loudoun Water. Currently, the Sewer System has a capacity entitlement of 1.0 MGD, which is 9.0 percent of the facility's total capacity of 11.0 MGD. The Sewer System has no significant influence over the management of the treatment facility and no direct on-going equity interest in the facility's assets and liabilities.

The System did not pay any operating cost to Loudoun Water in fiscal year 2022. The System will incur operating costs once it starts to deliver flows to Loudoun Water's facilities, which is not expected to start in fiscal year 2023.

4. Long-term Contracts

At June 30, 2022, the Primary Government had contractual commitments of \$179,943,671 in the capital projects funds and \$71,011,200 in the Sewer System for the construction of various sewer projects. At June 30, 2022, the component units had contractual commitments of \$132,325,488 and \$6,470,443 in the capital projects funds of the Public Schools and the Park Authority, respectively, for the construction of various projects.

L. CONTINGENT LIABILITIES

The County is contingently liable with respect to lawsuits and other claims that arise in the ordinary course of its operations. Although the outcome of these matters is not presently determinable, in the opinion of County management, the resolution of these matters will not have a material adverse effect on the County's financial condition.

The County receives grant funds, principally from the federal government, which benefit programs across many functional areas. Certain expenditures of these funds are subject to audit by the grantor, and the County is contingently liable to refund amounts received in excess of allowable expenditures. In the opinion of County management, no material refunds will be required as a result of expenditures disallowed by the grantors.

M. IMPLEMENTATION OF NEW ACCOUNTING PRONOUNCEMENTS

In Fiscal Year 2022 the County implemented the following GASB Standards:

No. 87, Leases

This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors.

As a result of this change in accounting standard, a prior period adjustment was recorded to eliminate balances associated with the prior lease accounting standards and establish balances associated with the new guidance which will impact net position, as shown in Note N the County:

The implementation of the following standards did not have a material impact on the County's financial statements.

No. 92, Omnibus 2020

This Statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics.

No. 93, Replacement of Interbank Offered Rates

This Statement establishes accounting and financial reporting requirements related to the replacement of IBORs in hedging derivative instruments and leases.

BASIC FINANCIAL STATEMENTS

No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*

This Statement improves consistency in the financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans.

N. RESTATEMENT

The following restatements are due to the implementation of GASB Statement No. 87:

	July 1, 2021 Total net position, as previously stated	Change in capital assets	Change in long-term liabilities	July 1, 2021 Total net position, as restated*
Governmental Activities	\$ (439,598,423)	124,670,349	(124,648,773)	\$ (439,576,847)

	July 1, 2021 Total net capital assets, as previously stated	Reduce net capital assets under capital lease	Add right-to-use lease under implementation of GASB 87	July 1, 2021 Total net capital assets, as restated**
Governmental Activities: Vehicles and equipment, net	\$ 152,610,242	(1,061,801)	-	\$ 151,548,441
Right-to-use lease assets	-	-	125,732,149	125,732,149
Total	\$ 152,610,242	(1,061,801)	125,732,149	\$ 277,280,590

	July 1, 2021 Notes payable and capital lease liability, as previously stated	Reduce capital lease and installment purchases	Add liability under implementation of GASB 87	July 1, 2021 Notes payable and lease liability, as restated***
Governmental Activities: Notes Payable	\$ 2,902,500	-	1,909,181	\$ 4,811,681
Capital lease liability	2,992,557	(2,992,557)	-	-
Lease liability	-	-	125,732,149	125,732,149
Total	\$ 5,895,057	(2,992,557)	127,641,330	\$ 130,543,830

* See Exhibit A-1 for restated net position.

** See Note F-1 for restated capital asset beginning balances.

*** See Note J for restated liability beginning balances.

Required

Supplementary Information

The Required Supplementary Information subsection includes the budgetary comparison schedule for the County of Fairfax's major fund, the General Fund. It also includes trend data, related to the pension trust funds and OPEB plans of the County of Fairfax and the Fairfax County Public Schools component unit. The notes to required supplementary information are also included in this subsection.

COUNTY OF FAIRFAX, VIRGINIA
Budgetary Comparison Schedule - General Fund (Budget Basis)
For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance from Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 4,016,574,360	4,072,002,156	4,124,173,610	52,171,454
Permits, privilege fees, and regulatory licenses	52,439,181	50,782,784	59,606,580	8,823,796
Intergovernmental	352,978,609	351,930,086	466,662,665	114,732,579
Charges for services	57,104,738	50,885,981	53,280,387	2,394,406
Fines and forfeitures	8,727,970	6,913,687	7,202,177	288,490
Revenue from the use of money and property	14,973,158	14,597,536	19,255,568	4,658,032
Recovered costs	15,526,944	14,778,130	16,946,204	2,168,074
Total revenues	4,518,324,960	4,561,890,360	4,747,127,191	185,236,831
EXPENDITURES				
General government administration	127,936,255	139,859,989	129,090,394	10,769,595
Judicial administration	46,729,001	50,310,778	46,604,681	3,706,097
Public safety	543,465,019	563,165,787	543,943,643	19,222,144
Public works	82,068,220	85,639,746	73,969,396	11,670,350
Health and welfare	310,148,992	317,738,743	281,169,228	36,569,515
Community development	76,631,409	82,446,577	74,942,678	7,503,899
Parks, recreation, and cultural	58,385,135	60,390,281	58,477,270	1,913,011
Nondepartmental	409,652,305	560,278,590	445,767,669	114,510,921
Total expenditures	1,655,016,336	1,859,830,491	1,653,964,959	205,865,532
Excess of revenues over expenditures	2,863,308,624	2,702,059,869	3,093,162,232	391,102,363
OTHER FINANCING SOURCES (USES)				
Transfers in from other primary government funds	9,000,481	24,000,481	24,000,481	-
Transfers out to other primary government funds	(684,659,335)	(836,305,499)	(836,305,499)	-
Transfers out to component units	(2,187,649,770)	(2,189,935,661)	(2,189,935,661)	-
Total other financing (uses), net	(2,863,308,624)	(3,002,240,679)	(3,002,240,679)	-
Net change in fund balance	\$ -	(300,180,810)	90,921,553	391,102,363

See accompanying notes to required supplementary information.

COUNTY OF FAIRFAX, VIRGINIA
Schedule of Changes in Net Pension Liability and Related Ratios - Employees' Retirement System
Last Ten Fiscal Years *
(Dollar amounts in thousands)

ACFR Reporting Year Measurement Date June 30 of prior year	2022	2021	2020	2019
Total Pension Liability				
Service cost	\$ 108,644	103,313	99,759	96,662
Interest	427,327	415,149	400,860	385,505
Changes in benefit terms	-	-	-	603
Differences between expected and actual experience	(43,616)	(5,461)	29,355	41,363
Changes of assumptions	233,720	-	-	-
Benefit payments, including refunds of member contributions	(357,332)	(343,616)	(329,517)	(300,641)
Net change in total pension liability	368,743	169,385	200,457	223,492
Total pension liability - beginning	5,961,066	5,791,681	5,591,224	5,367,732
Total pension liability - ending	\$ 6,329,809	5,961,066	5,791,681	5,591,224
Plan Fiduciary Net Position				
Contributions - employer	\$ 227,846	234,743	210,964	188,578
Contributions - member	39,914	40,327	37,916	36,358
Net investment income	1,096,260	111,442	243,546	269,418
Benefit payments, including refunds of member contributions	(357,332)	(343,616)	(329,517)	(300,641)
Administrative expense	(2,519)	(2,471)	(2,198)	(2,171)
Net change in plan fiduciary net position	1,004,169	40,425	160,711	191,542
Plan fiduciary net position - beginning	4,142,063	4,101,638	3,940,927	3,749,385
Plan fiduciary net position - ending	\$ 5,146,232	4,142,063	4,101,638	3,940,927
Net pension liability - ending	\$ 1,183,577	1,819,003	1,690,043	1,650,297
Plan fiduciary net position as a percentage of the total pension liability	81.30 %	69.49 %	70.82 %	70.48 %
Covered payroll	\$ 803,691	828,020	777,319	745,664
Net pension liability as a percentage of covered payroll	147.27 %	219.68 %	217.42 %	221.32 %

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

2018	2017	2016	2015	
93,128	85,499	84,154	84,075	Total Pension Liability
367,586	361,074	353,622	340,920	Service cost
582	773	1,463	-	Interest
				Changes in benefit terms
74,948	(104,260)	(8,617)	-	Differences between expected and actual experience
-	68,573	-	-	Changes of assumptions
(284,929)	(274,902)	(258,835)	(238,562)	Benefit payments, including refunds of member contributions
251,315	136,757	171,787	186,433	Net change in total pension liability
5,116,417	4,979,660	4,807,873	4,621,440	Total pension liability - beginning
5,367,732	5,116,417	4,979,660	4,807,873	Total pension liability - ending
				Plan Fiduciary Net Position
167,312	155,780	138,493	129,618	Contributions - employer
35,476	34,627	33,194	32,759	Contributions - member
243,496	(16,668)	16,342	490,196	Net investment income
(284,931)	(274,902)	(258,835)	(238,560)	Benefit payments, including refunds of member contributions
(2,050)	(2,112)	(1,897)	(1,885)	Administrative expense
159,303	(103,275)	(72,703)	412,128	Net change in plan fiduciary net position
3,590,082	3,693,357	3,766,060	3,353,932	Plan fiduciary net position - beginning
3,749,385	3,590,082	3,693,357	3,766,060	Plan fiduciary net position - ending
1,618,347	1,526,335	1,286,303	1,041,813	Net pension liability - ending
69.85 %	70.17 %	74.17 %	78.33 %	Plan fiduciary net position as a percentage of the total pension liability
730,618	708,415	686,289	671,597	Covered payroll
221.50 %	215.46 %	187.43 %	155.12 %	Net pension liability as a percentage of covered payroll

COUNTY OF FAIRFAX, VIRGINIA

Schedule of Changes in Net Pension Liability and Related Ratios - Police Officers Retirement System

Last Ten Fiscal Years *

(Dollar amounts in thousands)

ACFR Reporting Year Measurement Date June 30 of prior year	2022	2021	2020	2019
Total Pension Liability				
Service cost	\$ 32,981	32,944	31,993	30,744
Interest	133,441	128,461	123,663	118,405
Differences between expected and actual experience	20,396	(5,785)	(7,959)	1,315
Changes of assumptions	55,913	-	-	-
Benefit payments, including refunds of member contributions	(89,580)	(84,449)	(80,576)	(77,838)
Net change in total pension liability	153,151	71,171	67,121	72,626
Total pension liability - beginning	1,851,587	1,780,416	1,713,295	1,640,669
Total pension liability - ending	\$ 2,004,738	1,851,587	1,780,416	1,713,295
Plan Fiduciary Net Position				
Contributions - employer	\$ 50,348	50,781	47,183	44,505
Contributions - member	14,688	10,570	10,177	9,896
Net investment income	432,834	(59,355)	71,578	94,135
Benefit payments, including refunds of member contributions	(89,580)	(84,449)	(80,576)	(77,838)
Administrative expense	(666)	(656)	(611)	(619)
Net change in plan fiduciary net position	407,624	(83,109)	47,751	70,079
Plan fiduciary net position - beginning	1,400,565	1,483,674	1,435,923	1,365,844
Plan fiduciary net position - ending	\$ 1,808,189	1,400,565	1,483,674	1,435,923
Net pension liability - ending	\$ 196,549	451,022	296,742	277,372
Plan fiduciary net position as a percentage of the total pension liability	90.20 %	75.64 %	83.33 %	83.81 %
Covered payroll	\$ 121,029	122,071	117,663	114,173
Net pension liability as a percentage of covered payroll	162.40 %	369.48 %	252.20 %	242.94 %

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

2018	2017	2016	2015	
				Total Pension Liability
29,052	30,913	30,390	30,859	Service cost
112,638	110,362	106,740	102,492	Interest
				Differences between expected and actual experience
11,638	(30,821)	(11,516)	-	Changes of assumptions
-	9,895	-	-	Benefit payments, including refunds of member contributions
(73,175)	(70,750)	(67,757)	(62,288)	
80,153	49,599	57,857	71,063	Net change in total pension liability
1,560,516	1,510,917	1,453,060	1,381,997	Total pension liability - beginning
1,640,669	1,560,516	1,510,917	1,453,060	Total pension liability - ending
				Plan Fiduciary Net Position
43,381	40,647	37,867	34,179	Contributions - employer
9,632	9,324	8,890	10,091	Contributions - member
116,099	10,764	41,601	176,684	Net investment income
				Benefit payments, including refunds of member contributions
(73,176)	(70,750)	(67,757)	(62,288)	Administrative expense
(481)	(511)	(443)	(431)	
95,455	(10,526)	20,158	158,235	Net change in plan fiduciary net position
1,270,389	1,280,915	1,260,757	1,102,522	Plan fiduciary net position - beginning
1,365,844	1,270,389	1,280,915	1,260,757	Plan fiduciary net position - ending
274,825	290,127	230,002	192,303	Net pension liability - ending
83.25 %	81.41 %	84.78 %	86.77 %	Plan fiduciary net position as a percentage of the total pension liability
111,291	107,022	102,844	100,912	Covered payroll
246.94 %	271.09 %	223.64 %	190.57 %	Net pension liability as a percentage of covered payroll

COUNTY OF FAIRFAX, VIRGINIA

Schedule of Changes in Net Pension Liability and Related Ratios - Uniformed Retirement System

Last Ten Fiscal Years *

(Dollar amounts in thousands)

ACFR Reporting Year Measurement Date June 30 of prior year	2022	2021	2020	2019
Total Pension Liability				
Service cost	\$ 45,463	43,435	43,537	42,115
Interest	165,370	159,360	153,521	147,114
Changes in benefit terms	-	-	-	956
Differences between expected and actual experience	(4,253)	(6,625)	(7,935)	(1,128)
Changes of assumptions	60,742	-	-	-
Benefit payments, including refunds of member contributions	(119,190)	(111,543)	(105,543)	(96,896)
Net change in total pension liability	148,132	84,627	83,580	92,161
Total pension liability - beginning	2,294,057	2,209,430	2,125,850	2,033,689
Total pension liability - ending	\$ 2,442,189	2,294,057	2,209,430	2,125,850
Plan Fiduciary Net Position				
Contributions - employer	\$ 69,464	69,931	69,246	67,895
Contributions - member	12,980	12,810	12,605	12,262
Net investment income	440,347	(22,161)	78,142	131,997
Benefit payments, including refunds of member contributions	(119,190)	(111,543)	(105,543)	(96,896)
Administrative expense	(678)	(667)	(620)	(618)
Net change in plan fiduciary net position	402,923	(51,630)	53,830	114,640
Plan fiduciary net position - beginning	1,762,103	1,813,733	1,759,903	1,645,263
Plan fiduciary net position - ending	\$ 2,165,026	1,762,103	1,813,733	1,759,903
Net pension liability - ending	\$ 277,163	531,954	395,697	365,947
Plan fiduciary net position as a percentage of the total pension liability	88.65 %	76.81 %	82.09 %	82.79 %
Covered payroll	\$ 178,847	180,049	178,285	174,808
Net pension liability as a percentage of covered payroll	154.97 %	295.45 %	221.95 %	209.34 %

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

2018	2017	2016	2015	
				Total Pension Liability
39,668	43,408	41,721	39,648	Service cost
140,286	136,679	132,951	125,660	Interest
839	806	1,702	-	Changes in benefit terms
6,048	(54,054)	11,019	-	Differences between expected and actual experience
-	20,479	-	-	Changes of assumptions
(93,609)	(90,536)	(84,849)	(78,918)	Benefit payments, including refunds of member contributions
93,232	56,782	102,544	86,390	Net change in total pension liability
1,940,457	1,883,675	1,781,131	1,694,741	Total pension liability - beginning
2,033,689	1,940,457	1,883,675	1,781,131	Total pension liability - ending
				Plan Fiduciary Net Position
67,410	65,548	60,928	56,095	Contributions - employer
12,223	12,020	11,473	10,906	Contributions - member
161,014	(13,447)	21,800	210,256	Net investment income
(93,609)	(90,536)	(84,849)	(78,917)	Benefit payments, including refunds of member contributions
(477)	(500)	(455)	(434)	Administrative expense
146,561	(26,915)	8,897	197,906	Net change in plan fiduciary net position
1,498,702	1,525,617	1,516,720	1,318,814	Plan fiduciary net position - beginning
1,645,263	1,498,702	1,525,617	1,516,720	Plan fiduciary net position - ending
388,426	441,755	358,058	264,411	Net pension liability - ending
80.90 %	77.23 %	80.99 %	85.15 %	Plan fiduciary net position as a percentage of the total pension liability
173,604	168,808	160,762	153,979	Covered payroll
223.74 %	261.69 %	222.73 %	171.72 %	Net pension liability as a percentage of covered payroll

COUNTY OF FAIRFAX, VIRGINIA

Schedule of Changes in Net Pension Liability and Related Ratios - Educational Employees Supplementary Retirement System

Last Ten Fiscal Years *

(Dollar amounts in thousands)

ACFR Reporting Year Measurement Date June 30 of prior year	2022	2021	2020	2019
Total Pension Liability				
Service cost	\$ 91,770	92,719	90,633	88,599
Interest	253,330	243,579	231,477	221,107
Changes in benefit terms	-	-	-	-
Differences between expected and actual experience	29,759	(12,696)	27,727	12,141
Changes of assumptions	(17,342)	-	-	-
Benefit payments, including refunds of member contributions	(191,266)	(185,986)	(181,932)	(177,720)
Net change in total pension liability	166,251	137,616	167,905	144,127
Total pension liability - beginning	3,543,957	3,406,341	3,238,436	3,094,309
Total pension liability - ending	<u>\$ 3,710,208</u>	<u>3,543,957</u>	<u>3,406,341</u>	<u>3,238,436</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 104,784	104,741	96,983	91,705
Contributions - member	48,934	49,096	46,645	44,169
Net investment income	720,739	108,472	117,728	188,145
Benefit payments, including refunds of member contributions	(191,266)	(185,986)	(181,932)	(177,720)
Administrative expense	(4,423)	(4,381)	(4,262)	(4,300)
Net change in plan fiduciary net position	678,768	71,942	75,162	141,999
Plan fiduciary net position - beginning	2,593,384	2,521,442	2,446,280	2,304,281
Plan fiduciary net position - ending	<u>\$ 3,272,152</u>	<u>2,593,384</u>	<u>2,521,442</u>	<u>2,446,280</u>
Net pension liability - ending	<u>\$ 438,056</u>	<u>950,573</u>	<u>884,899</u>	<u>792,156</u>
Plan fiduciary net position as a percentage of the total pension liability	88.19 %	73.18 %	74.02 %	75.54 %
Covered payroll	\$ 1,627,086	1,626,417	1,549,248	1,469,629
Net pension liability as a percentage of covered payroll	26.92 %	58.45 %	57.12 %	53.90 %

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

** Restated from prior year to reflect measurement date presentation.

See accompanying notes to required supplementary information.

2018	2017	2016 **	2015 **	
				Total Pension Liability
78,926	77,761	77,494	75,788	Service cost
209,516	205,720	198,939	192,724	Interest
(1,039)	-	-	-	Changes in benefit terms
19,857	(11,012)	(17,051)	(19,052)	Differences between expected and actual experience
23,334	45,752	-	-	Changes of assumptions
(173,386)	(170,348)	(167,843)	(167,050)	Benefit payments, including refunds of member contributions
157,208	147,873	91,539	82,410	Net change in total pension liability
2,937,101	2,789,228	2,697,689	2,615,279	Total pension liability - beginning
3,094,309	2,937,101	2,789,228	2,697,689	Total pension liability - ending
				Plan Fiduciary Net Position
80,094	76,600	74,324	74,174	Contributions - employer
43,063	41,384	39,983	40,018	Contributions - member
250,982	(15,767)	32,084	304,641	Net investment income
(173,386)	(170,348)	(167,842)	(167,050)	Benefit payments, including refunds of member contributions
(4,060)	(4,005)	(3,752)	(3,629)	Administrative expense
196,693	(72,136)	(25,203)	248,154	Net change in plan fiduciary net position
2,107,588	2,179,724	2,204,927	1,956,773	Plan fiduciary net position - beginning
2,304,281	2,107,588	2,179,724	2,204,927	Plan fiduciary net position - ending
790,028	829,513	609,504	492,762	Net pension liability - ending
74.47 %	71.76 %	78.15 %	81.73 %	Plan fiduciary net position as a percentage of the total pension liability
1,430,260	1,374,735	1,328,420	1,328,420	Covered payroll
55.24 %	60.34 %	45.88 %	37.09 %	Net pension liability as a percentage of covered payroll

COUNTY OF FAIRFAX, VIRGINIA
Schedule of Net Pension Liability-Single Employer Plans
Last Ten Fiscal Years *
(Dollar amounts in thousands)

ACFR Reporting Year Measurement Date June 30 of prior year	2022	2021	2020	2019
Employees' Retirement System:				
Total pension liability	\$ 6,329,809	5,961,066	5,791,681	5,591,224
Pension plan's fiduciary net position	5,146,232	4,142,063	4,101,638	3,940,927
Net pension liability	\$ 1,183,577	1,819,003	1,690,043	1,650,297
Plan fiduciary net position as a percentage of the total pension liability	81.30 %	69.49 %	70.82 %	70.48 %
Covered payroll	\$ 803,691	828,020	777,319	745,664
Net pension liability as a percentage of covered payroll	147.27 %	219.68 %	217.42 %	221.32 %
Police Officers Retirement System:				
Total pension liability	\$ 2,004,738	1,851,587	1,780,416	1,713,295
Pension plan's fiduciary net position	1,808,189	1,400,565	1,483,674	1,435,923
Net pension liability	\$ 196,549	451,022	296,742	277,372
Plan fiduciary net position as a percentage of the total pension liability	90.20 %	75.64 %	83.33 %	83.81 %
Covered payroll	\$ 121,029	122,071	117,663	114,173
Net pension liability as a percentage of covered payroll	162.40 %	369.48 %	252.20 %	242.94 %
Uniformed Retirement System:				
Total pension liability	\$ 2,442,189	2,294,057	2,209,430	2,125,850
Pension plan's fiduciary net position	2,165,026	1,762,103	1,813,733	1,759,903
Net pension liability	\$ 277,163	531,954	395,697	365,947
Plan fiduciary net position as a percentage of the total pension liability	88.65 %	76.81 %	82.09 %	82.79 %
Covered payroll	\$ 178,847	180,049	178,285	174,808
Net pension liability as a percentage of covered payroll	154.97 %	295.45 %	221.95 %	209.34 %
Educational Employees' Supplementary Retirement System				
Total pension liability	\$ 3,710,208	3,543,957	3,406,341	3,238,436
Pension plan's fiduciary net position	3,272,152	2,593,384	2,521,442	2,446,280
Net pension liability	\$ 438,056	950,573	884,899	792,156
Plan fiduciary net position as a percentage of the total pension liability	88.19 %	73.18 %	74.02 %	75.54 %
Covered payroll	\$ 1,627,086	1,626,417	1,549,248	1,469,629
Net pension liability as a percentage of covered payroll	26.92 %	58.45 %	57.12 %	53.90 %

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

2018	2017	2016	2015	
5,367,732	5,116,416	4,979,660	4,807,874	Employees' Retirement System:
3,749,385	3,590,081	3,693,357	3,766,060	Total pension liability
1,618,347	1,526,335	1,286,303	1,041,814	Pension plan's fiduciary net position
				Net pension liability
69.85 %	70.17 %	74.17 %	78.33 %	Plan fiduciary net position as a percentage of the total pension liability
730,618	708,415	686,289	671,597	Covered payroll
221.50 %	215.46 %	187.43 %	155.12 %	Net pension liability as a percentage of covered payroll
1,640,669	1,560,516	1,510,917	1,453,060	Police Officers Retirement System:
1,365,844	1,270,389	1,280,915	1,260,757	Total pension liability
274,825	290,127	230,002	192,303	Pension plan's fiduciary net position
				Net pension liability
83.25 %	81.41 %	84.78 %	86.77 %	Plan fiduciary net position as a percentage of the total pension liability
111,291	107,022	102,844	100,912	Covered payroll
246.94 %	271.09 %	223.64 %	190.57 %	Net pension liability as a percentage of covered payroll
2,033,689	1,940,457	1,883,675	1,781,131	Uniformed Retirement System:
1,645,263	1,498,702	1,525,617	1,516,720	Total pension liability
388,426	441,755	358,058	264,411	Pension plan's fiduciary net position
				Net pension liability
80.90 %	77.23 %	80.99 %	85.15 %	Plan fiduciary net position as a percentage of the total pension liability
173,604	168,808	160,762	153,979	Covered payroll
223.74 %	261.69 %	222.73 %	171.72 %	Net pension liability as a percentage of covered payroll
3,094,309	2,937,101	2,789,228	2,697,689	Educational Employees' Supplementary Retirement System
2,304,281	2,107,588	2,179,724	2,204,927	Total pension liability
790,028	829,513	609,504	492,762	Pension plan's fiduciary net position
				Net pension liability
74.47 %	71.76 %	78.15 %	81.73 %	Plan fiduciary net position as a percentage of the total pension liability
1,430,260	1,374,735	1,328,420	1,328,420	Covered payroll
55.24 %	60.34 %	45.88 %	37.09 %	Net pension liability as a percentage of covered payroll

COUNTY OF FAIRFAX, VIRGINIA
Schedule of Employer Contributions-Single Employer Plans
Last Ten Fiscal Years
(Dollar amounts in thousands)

	2022	2021	2020	2019	2018
Employees' Retirement Systems:					
Actuarial Determined Contribution	\$ 229,114	227,846	234,744	210,964	188,578
Contributions in Relations to the					
Actuarial Determined Contribution	229,114	227,846	234,744	210,964	188,578
Contribution (Deficiency) Excess	\$ -	-	-	-	-
Covered Payroll	\$ 793,331	803,691	828,021	777,319	745,664
Contributions as a Percentage of					
Covered Payroll	28.88%	28.35%	28.35%	27.14%	25.29%
Police Officers Retirement System:					
Actuarial Determined Contribution	\$ 52,066	50,348	50,781	47,183	44,505
Contributions in Relations to the					
Actuarial Determined Contribution	52,066	50,348	50,781	47,183	44,505
Contribution (Deficiency) Excess	\$ -	-	-	-	-
Covered Payroll	\$ 113,089	121,029	122,071	117,663	114,173
Contributions as a Percentage of					
Covered Payroll	46.04%	41.60%	41.60%	40.10%	38.98%
Uniformed Retirement System:					
Actuarial Determined Contribution	\$ 65,793	69,464	69,931	69,246	67,895
Contributions in Relations to the					
Actuarial Determined Contribution	65,793	69,464	69,931	69,246	67,895
Contribution (Deficiency) Excess	\$ -	-	-	-	-
Covered Payroll	\$ 167,370	178,847	180,049	178,285	174,853
Contributions as a Percentage of					
Covered Payroll	39.31%	38.84%	38.84%	38.84%	38.83%
Educational Employees' Supplementary Retirement System:					
Actuarial Determined Contribution	\$ 111,119	104,784	104,741	96,983	93,543
Contributions in Relations to the					
Actuarial Determined Contribution	111,119	104,784	104,741	96,983	91,705
Contribution (Deficiency) Excess	\$ -	-	-	-	(1,838)
Covered Payroll	\$ 1,658,499	1,627,086	1,626,417	1,549,248	1,469,629
Contributions as a Percentage of					
Covered Payroll	6.70%	6.44%	6.44%	6.26%	6.24%

See accompanying notes to required supplementary information.

2017	2016	2015	2014	2013	
167,312	155,780	138,493	129,618	127,448	Employees' Retirement Systems:
167,312	155,780	138,493	129,618	127,448	Actuarial Determined Contribution
-	-	-	-	-	Contributions in Relations to the
					Actuarial Determined Contribution
					Contribution (Deficiency) Excess
730,618	708,415	686,289	671,597	669,018	Covered Payroll
22.90%	21.99%	20.18%	19.30%	19.05%	Contributions as a Percentage of
					Covered Payroll
43,381	40,647	37,867	34,179	34,011	Police Officers Retirement System:
43,381	40,647	37,867	34,179	34,011	Actuarial Determined Contribution
-	-	-	-	-	Contributions in Relations to the
					Actuarial Determined Contribution
					Contribution (Deficiency) Excess
111,291	107,022	102,844	100,912	102,598	Covered Payroll
38.98%	37.98%	36.82%	33.87%	33.15%	Contributions as a Percentage of
					Covered Payroll
67,410	65,548	60,929	56,095	53,722	Uniformed Retirement System:
67,410	65,548	60,929	56,095	53,722	Actuarial Determined Contribution
-	-	-	-	-	Contributions in Relations to the
					Actuarial Determined Contribution
					Contribution (Deficiency) Excess
173,604	168,808	160,762	153,979	153,492	Covered Payroll
38.83%	38.83%	37.90%	36.43%	35.00%	Contributions as a Percentage of
					Covered Payroll
80,305	76,070	74,791	72,749	68,242	Educational Employees'
80,146	76,600	74,324	74,174	67,735	Supplementary Retirement System:
(159)	530	(467)	1,425	(507)	Actuarial Determined Contribution
					Contributions in Relations to the
					Actuarial Determined Contribution
					Contribution (Deficiency) Excess
1,430,260	1,374,735	1,328,420	1,328,420	1,268,439	Covered Payroll
5.60%	5.57%	5.59%	5.58%	5.34%	Contributions as a Percentage of
					Covered Payroll

COUNTY OF FAIRFAX, VIRGINIA

Schedule of Proportionate Share of Net Pension Liability in VRS Pension Plan

Last Ten Fiscal Years *

(Dollar amounts in thousands)

	Proportion of the net pension liability	Proportion share of the net pension liability	Covered payroll	Proportionate share of the net pension liability as a percentage of its covered payroll	Contributions as a Percentage of Covered Payroll
2022	18.40%	\$ 1,428,168	\$ 1,657,850	86.15%	85.46%
2021	18.51%	2,693,016	1,626,469	165.57%	71.47%
2020	18.47%	2,430,715	1,549,185	156.90%	73.51%
2019	18.19%	2,139,027	1,470,716	145.44%	74.81%
2018	18.16%	2,232,727	1,432,051	155.91%	72.92%
2017	17.95%	2,515,447	1,368,572	183.80%	68.28%
2016	17.89%	2,251,917	1,330,241	169.29%	70.88%
2015	18.15%	2,193,660	1,327,488	165.25%	70.88%

* The schedule is intended to show information for 10 years. 2015 is first year implemented, additional years will be displayed as they become available.

The amounts presented for each fiscal year were determined as of June 30th, year shown is fiscal year of presentation. See accompanying notes to required supplementary information.

COUNTY OF FAIRFAX, VIRGINIA

Schedule of Contributions-VRS Pension Plan

Last Ten Fiscal Years *

(Dollar amounts in thousands)

	Actuarial Determined Contribution	Contributions in Relations to the Actuarial Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ 275,535	275,535	-	1,657,850	16.62 %
2021	270,303	270,303	-	1,626,372	16.62
2020	255,030	255,030	-	1,626,469	15.68
2019	242,912	242,912	-	1,549,185	15.68
2018	240,021	240,021	-	1,470,716	16.32
2017	233,711	209,939	23,772	1,432,051	14.66
2016	192,421	192,421	-	1,368,572	14.06
2015	192,885	192,885	-	1,330,245	14.50

* The schedule is intended to show information for 10 years. Fiscal year 2015 is the first year implemented, additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

COUNTY OF FAIRFAX, VIRGINIA

Schedule of Changes in the Net OPEB (Asset) Liability and Related Ratios*

Last Ten Fiscal Years **

(Dollar amounts in thousands)

	Fiscal Year Ending June 30					
	2022	2021	2020	2019	2018	2017
Total OPEB Liability						
Service Cost	\$ 13,532	11,679	15,608	13,994	9,987	7,582
Interest	26,912	24,392	33,195	28,235	22,517	23,024
Changes of Benefit Terms	-	-	-	-	(387)	-
Differences Between Expected and Actual Experiences	36,029	21,576	(1,518)	17,956	(10,412)	3,389
Changes of Assumptions	(45,521)	(791)	(145,858)	32,078	78,188	(22,671)
Benefit Payments	(22,146)	(23,252)	(23,254)	(22,798)	(21,670)	(20,278)
Net Change in Total OPEB Liability	8,806	33,604	(121,827)	69,465	78,223	(8,954)
Total OPEB Liability (Beginning)	381,810	348,206	470,033	400,568	322,345	331,299
Total OPEB Liability (Ending)	\$ 390,616	381,810	348,206	470,033	400,568	322,345
Plan Fiduciary Net Position						
Contributions—Employer	\$ 19,004	18,072	19,677	25,659	24,367	27,992
Net Investment Income	(38,248)	98,443	9,633	13,837	26,160	30,711
Benefit Payments	(22,146)	(23,252)	(23,254)	(22,827)	(21,670)	(20,278)
Administrative Expense	(132)	(131)	(131)	(127)	(123)	(118)
Net Change in Plan Fiduciary Net Position	(41,522)	93,132	5,925	16,542	28,734	38,307
Plan Fiduciary Net Position (Beginning)	423,897	330,765	324,840	308,298	279,564	241,257
Plan Fiduciary Net Position (Ending)	\$ 382,375	423,897	330,765	324,840	308,298	279,564
Net OPEB (Asset) Liability (Ending)	\$ 8,241	(42,087)	17,441	145,193	92,270	42,781
Net Position as a Percentage of the Total OPEB Liability	97.89%	111.02%	94.99%	69.11%	76.96%	86.73%
Covered-Employee Payroll	\$ 1,027,575	1,027,104	961,557	932,764	911,923	908,162
Net OPEB Liability as a Percentage of Covered-Employee Payroll	0.80%	(4.10)%	1.81%	15.57%	10.11%	4.71%

* Dates Presented are based on the Plan reporting year. One year prior represents the perspective of the reporting entity, therefore 11 years will be presented.

** The schedule is intended to show information for 10 year. Additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

COUNTY OF FAIRFAX, VIRGINIA

Schedule of Contributions-OPEB

Last Ten Fiscal Years *

(Dollar amounts in thousands)

	Actuarially Determined Contribution	Contributions Made in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2022	\$ 11,985	19,004	(7,019)	1,027,575	1.85%
2021	18,864	18,072	792	1,027,104	1.76%
2020	16,220	19,677	(3,457)	961,557	2.05%
2019	22,827	25,659	(2,832)	932,764	2.75%
2018	21,670	24,367	(2,697)	911,923	2.67%
2017	20,278	27,992	(7,714)	908,162	3.08%

* The schedule is intended to show information for 10 years. Fiscal year 2017 is the first year implemented, additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

COUNTY OF FAIRFAX, VIRGINIA

Schedule of Investment Returns-OPEB

Last Ten Fiscal Years *

	Annual money-weighted rate of return, net of investment expense
2022	(8.19)%
2021	30.61%
2020	2.55%
2019	4.57%
2018	9.55%
2017	12.85%

* The schedule is intended to show information for 10 years. Fiscal year 2017 is first year implemented, additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

COUNTY OF FAIRFAX, VIRGINIA

Schedule of Changes in the Net OPEB Liability and Related Ratios - Public Schools OPEB Plan

Last Ten Fiscal Years *

(Dollar amounts in thousands)

ACFR Reporting Year Measurement Date June 30 of prior year	2022	2021	2020	2019	2018	2017
Total OPEB Liability						
Service cost	\$ 4,150	3,878.11	5,046	5,221	8,320	N/A
Interest	15,413	15,321	12,378	17,157	29,187	N/A
Changes of benefit terms	-	-	-	(39,067)	-	N/A
Differences between expected and actual experience	33,747	(6,731)	58,670	(24,768)	33,884	N/A
Changes of assumptions	(18,881)	(999)	(15,662)	-	(170,068)	N/A
Benefit payments, including refunds of member contributions	(10,528)	(10,349)	(23,875)	(29,287)	(54,806)	N/A
Net change in total OPEB liability	23,901	1,120	36,557	(70,744)	(153,483)	N/A
Total OPEB liability - beginning	221,203	220,083	183,526	254,270	407,753	N/A
Total OPEB liability - ending	<u>\$ 245,104</u>	<u>221,203</u>	<u>220,083</u>	<u>183,526</u>	<u>254,270</u>	<u>407,753</u>
Plan Fiduciary Net Position						
Contributions - employer	\$ 15,528	15,349	28,875	34,287	59,806	22,404
Net investment income	(19,692)	47,507	4,561	6,423	11,565	13,289
Benefit payments, including refunds of member contributions	(10,528)	(10,349)	(23,875)	(29,287)	(54,806)	(17,404)
Administrative expense	(121)	(101)	(101)	(89)	(87)	(84)
Net change in plan fiduciary net position	(14,813)	52,406	9,460	11,334	16,478	18,205
Plan fiduciary net position - beginning	208,375	155,969	146,509	135,175	118,697	100,492
Plan fiduciary net position - ending	<u>\$ 193,562</u>	<u>208,375</u>	<u>155,969</u>	<u>146,509</u>	<u>135,175</u>	<u>118,697</u>
Net OPEB liability - ending	<u>\$ 51,542</u>	<u>12,828</u>	<u>64,114</u>	<u>37,017</u>	<u>119,095</u>	<u>289,056</u>
Plan fiduciary net position as a percentage of the total OPEB liability	78.97 %	94.20 %	70.87 %	79.83 %	53.16 %	29.11
Covered employee payroll	\$ 1,765,660	1,750,085	1,699,112	1,393,959	1,340,335	1,256,877
Net OPEB liability as a percentage of covered employee payroll	2.92 %	0.73 %	3.77 %	2.66 %	8.89 %	23.00

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

COUNTY OF FAIRFAX, VIRGINIA

Schedule of Public Schools' Proportionate Share of Net OPEB Liability

VRS HIC OPEB Plan

Last Ten Fiscal Years *

(Dollar amounts in thousands)

	Proportion of the net OPEB liability	Proportionate share of the net OPEB liability	Covered employee payroll	Proportionate share of the net OPEB liability as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2022	18.39%	\$ 236,047	\$ 1,657,839	14.24%	13.15%
2021	18.55%	242,022	1,626,466	14.88%	9.95%
2020	18.47%	241,787	1,549,185	15.61%	8.97%
2019	18.18%	230,889	1,470,712	15.70%	8.08%
2018	18.15%	230,217	1,432,191	16.07%	7.04%

* The schedule is intended to show information for 10 years. Fiscal year 2018 is the first year implemented, additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

COUNTY OF FAIRFAX, VIRGINIA

Schedule of Public Schools' Proportionate Share of Net OPEB Liability

VRS GLI OPEB Plan

Last Ten Fiscal Years *

(Dollar amounts in thousands)

	Proportion of the net OPEB liability	Proportionate share of the net OPEB liability	Covered employee payroll	Proportionate share of the net OPEB liability as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2022	7.94%	\$ 92,481	\$ 1,667,366	5.55%	67.45%
2021	7.95%	132,610	1,635,371	8.11%	52.64%
2020	7.96%	129,575	1,560,950	8.30%	52.00%
2019	7.79%	118,262	1,480,801	7.99%	51.22%
2018	7.80%	117,380	1,438,996	8.16%	48.86%

* The schedule is intended to show information for 10 years. Fiscal year 2018 is the first year implemented, additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

COUNTY OF FAIRFAX, VIRGINIA
Schedule of Contributions-Public Schools OPEB Plan
Last Ten Fiscal Years *
(Dollar amounts in thousands)

	Actuarial Determined Contribution	Contributions in Relations to the Actuarial Determined Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2022	\$ 10,528	\$ 15,528	\$ (5,000)	\$ 1,765,660	0.88%
2021	10,349	15,349	(5,000)	1,750,085	0.88%
2020	23,875	28,875	(5,000)	1,699,112	1.70%
2019	29,287	34,287	(5,000)	1,393,959	2.46%
2018	54,806	59,806	(5,000)	1,340,335	4.46%

* The schedule is intended to show information for 10 years. Fiscal year 2017 is the first year implemented, additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

COUNTY OF FAIRFAX, VIRGINIA
Schedule of Contributions-Public Schools
VRS HIC OPEB Plan
Last Ten Fiscal Years
(Dollar amounts in thousands)

	Contractually Required contribution	Contributions in Relations to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2022	\$ 9,004	\$ 9,004	\$ -	\$ 1,667,366	0.5%
2021	8,856	8,856	-	1,639,978	0.5%
2020	8,504	8,504	-	1,635,371	0.5%
2019	8,117	8,117	-	1,560,950	0.5%
2018	7,700	7,700	-	1,480,801	0.5%
2017	7,483	7,483	-	1,438,996	0.5%
2016	7,286	6,599	687	1,374,776	0.5%
2015	7,073	6,405	668	1,334,442	0.5%
2014	7,062	6,396	666	1,332,479	0.5%
2013	6,790	6,149	641	1,281,054	0.5%

The amounts presented for each fiscal year were determined as of June 30th of the fiscal year shown. See accompanying notes to required supplementary information.

COUNTY OF FAIRFAX, VIRGINIA
Schedule of Contributions-Public Schools
VRS GLI OPEB Plan
Last Ten Fiscal Years
(Dollar amounts in thousands)

	Contractually Required contribution	Contributions in Relations to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2022	\$ 9,004	\$ 9,004	\$ -	\$ 1,667,366	0.5%
2021	8,856	8,856	-	1,639,978	0.5%
2020	8,504	8,504	-	1,635,371	0.5%
2019	8,117	8,117	-	1,560,950	0.5%
2018	7,700	7,700	-	1,480,801	0.5%
2017	7,483	7,483	-	1,438,996	0.5%
2016	7,286	6,599	687	1,374,776	0.5%
2015	7,073	6,405	668	1,334,442	0.5%
2014	7,062	6,396	666	1,332,479	0.5%
2013	6,790	6,149	641	1,281,054	0.5%

The amounts presented for each fiscal year were determined as of June 30th of the fiscal year shown.
See accompanying notes to required supplementary information.

COUNTY OF FAIRFAX, VIRGINIA
Schedule of Investment Returns-Public Schools OPEB Plan
Last Ten Fiscal Years *

Annual money-weighted rate of return, net of investment expense	
2022	(9.36)%
2021	30.09%
2020	3.05%
2019	4.66%
2018	9.50%
2017	12.86%

* The schedule is intended to show information for 10 years. Fiscal year 2017 is the first year implemented, additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

COUNTY OF FAIRFAX, VIRGINIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2022

A. BUDGETARY DATA

The Board of Supervisors adheres to the following procedures in establishing the annual budgetary data reflected in the financial statements:

- a. By March 1, the County Executive submits to the Board of Supervisors a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. During April, public hearings are conducted to obtain taxpayer comments. By May 1, the budget is legally enacted through passage of an appropriation resolution.
- b. The operating budget includes all County appropriated funds and certain non-appropriated funds. The non-appropriated funds include certain funds of the Park Authority and the FCRHA that are not financed by the County.
- c. Budget reviews are held during the fiscal year. Public hearings are held if the recommended increase in the appropriated budget is greater than one percent of expenditures.
- d. The budget is controlled at certain legal and administrative levels. The *Code of Virginia* requires that the County annually adopt a balanced budget. The adopted Fiscal Planning Resolution places legal restrictions on expenditures at the agency (e.g., County organizations in the General Fund) or fund level and identifies administrative controls at the character (i.e., personnel services, operating expenses, recovered costs, and capital equipment) or project level. The County's Department of Management and Budget is authorized to transfer budgeted amounts between characters or projects within any agency or fund as a management function. Any revisions that alter the total expenditures of any agency or fund must be approved by the Board of Supervisors.
- e. Annual operating budgets are adopted for all appropriated governmental funds, except for the capital projects funds in which budgetary control is achieved on a project-by-project basis. The budgets are on a basis consistent with GAAP for the General Fund, except that:
 - Certain purchase order transactions that qualify as current expenditures under GAAP, are not recognized as expenditures in the current budget due to the timing of the receipt of goods or services.
 - Offsetting revenues and expenditures related to donated food are not budgeted.
 - Capital lease transactions when initiated are not budgeted as offsetting expenditures and other financing sources.
 - Certain capital outlays are budgeted as functional expenditures.
 - Payments from or to component units are budgeted as transfers rather than functional revenues and expenditures.
 - Inventories of supplies are not included in the fund balance for budget purposes.
 - Nondepartmental expenditures are reported for budgeting purposes, but are included in functional expenditures for reporting purposes.

- The Gift Fund, which is included in the County's General Fund for reporting purposes, is treated as an custodial fund for budgeting purposes.
- The Information Technology Fund, Consolidated Community Funding Pool Fund, Contributory Fund, the Revenue Stabilization Fund, Northern Virginia Regional Identification System (NOVARIS), and the Economic Opportunity Reserve Fund which are included in the County's General Fund for reporting purposes, are budgeted as separate funds.

The following schedule reconciles the amounts on the Budgetary Comparison Schedule – General Fund (Budget Basis) to the amounts on the Statement of Revenues, Expenditures, and Changes in Fund Balances (Exhibit A-3):

	Primary Government General Fund
Net change in fund balance (Budget basis)	\$ 90,921,553
Timing difference - Goods/Invoice Receipt	(936,353)
Basis difference - Appropriated reserve fund balance deferral	(60,419,624)
Perspective differences:	
The Gift Fund is treated as an custodial fund for budget purposes	93,259
The Northern Virginia Regional Identification System (NOVARIS) is treated as a separate fund for budget purposes	(33,432)
The Revenue Stabilization Fund is treated as a separate fund for budget purposes	9,239,959
The Economic Opportunity Reserve Fund is treated as separate fund for budget purposes	594,273
The Consolidated Community Funding Pool Fund is treated as a separate fund for budget purposes	265,275
The Contributory Fund is treated as a separate fund for budget purposes	29,092
The Information Technology Fund is treated as a separate fund for budget purposes	11,998,517
Net change in fund balance (GAAP basis)	\$ 51,754,853

- Original and final budgeted amounts are shown on the Budgetary Comparison Schedule; amendments were not significant in relation to the original budget.
- Appropriations lapse at June 30 unless the Board of Supervisors approves carrying them forward to the next fiscal year.

B. PENSION TREND DATA

Ten-year historical trend information of the retirement systems administered by the County is presented as required supplementary information. This information is intended to help users assess each system's funding status on a going concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparisons with other public employee retirement systems.

Analysis of the dollar amounts of plan fiduciary net position, total pension liability, and net pension liability in isolation can be misleading. Expressing plan net position as a percentage of the total pension liability provides one indication of each system's funding status. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage is, the stronger the system. Trends in the net pension liability and covered payroll are both affected by inflation. Expressing the net pension liability as a percentage of covered payroll approximately adjusts for the effects

of inflation and aids in the analysis of the systems' progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller the percentage is, the stronger the system.

The Schedule of Changes in Net Pension Liability and Related Ratios illustrates whether each plan's net position is increasing or decreasing over time relative to the total pension liability, and the net pension liability as it relates to covered payroll.

Discount rate, net of plan investment expenses	6.75%
Inflation	2.25%
Salary increases, including inflation	2.25%
Investment rate of return, net of plan investment expenses	6.73%
Mortality	Healthy and Disabled Mortality Table PubG-2010 & PubS-2010 projected using the MP-2020 model

The Schedule of Employer Contributions provides historical context for the amount of contributions in the current period. The actuarially determined contribution rates are calculated as of June 30, one year prior to the beginning of the fiscal year in which contributions are reported. Significant methods and assumptions used to determine the contributions for County administered systems include:

Information pertaining to the retirement systems administered by the reporting entity can be found in Note G to the financial statements.

C. OTHER POSTEMPLOYMENT BENEFITS (OPEB) TREND DATA

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Changes in net OPEB Liability and Related Ratios presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Beginning in fiscal year 2017, information provided in relation to the GASB 74 requirements include information related to the total and net OPEB liability, information associated with the actuarially

Investment rate of return	7.00%, net of OPEB plan investment expense, including inflation
Retirement age	Varies by age and pension plan
Mortality	Pub-2010, "General" classification, Employees & Healthy Annuitant mortality table, projected using scale MP-2020, sex-distinct. Disabled mortality table Pub-2010, "General" classification, Disabled Retirement mortality table, projected using scale MP-2020, sex distinct.
Healthcare cost trend rate	6.9% - 11.6%, decreasing to 4.5%

determined contribution, and investment returns. Significant methods and assumptions used to determine the contributions for net OPEB liability include:

Disclosures associated with the County reporting of OPEB and OPEB Plan reporting are found in Note H to the financial statements.



Other

Supplementary Information

The Other Supplementary Information subsection includes the combining and individual fund statements and schedules for the following:

- Governmental Funds
- Internal Service Funds
- Fiduciary Funds
- Component Units:
 - Fairfax County Public Schools
 - Fairfax County Redevelopment and Housing Authority
 - Fairfax County Park Authority
 - Fairfax County Economic Development Authority

The **General Fund** is used to account for all revenues and expenditures of the County, which are not required to be accounted for in other funds.

Revenues are derived primarily from real estate and personal property taxes, local sales taxes, utility taxes, business, professional and occupational license taxes, the use of money and property, license and permit fees, and state shared taxes.

Expenditures and transfers out include the costs of the general County government and transfers to component units and other funds, principally made to fund the operations of the Public Schools, and the debt service requirements of the County and Public Schools.

The General Fund Group contains funds which are included in the General Fund for GAAP reporting purposes, but are budgeted separately. Prior to fiscal year 2017, these funds were included in the budget as special revenue funds:

Consolidated Community Funding Pool Fund is used to account for money awarded to community-based nonprofit organizations on a competitive basis to provide certain services to County citizens.

Contributory Fund is used to account for money awarded to certain contributory organizations to provide human services to County citizens.

Northern Virginia Regional Identification System (NOVARIS) is used to account for contributions received from the County and six other participating Northern Virginia jurisdictions to enhance the Northern Virginia Regional Identification System. Program operations are decentralized among the participating Northern Virginia jurisdictions.

Information Technology Fund is used to account for the acquisition of computer hardware and software for information technology projects which are designed to improve the County's management information system, its operational efficiency, and customer service.

Revenue Stabilization Fund is used to reserve funds that could be utilized in the event of a significant unexpected downturn in the economy.

Economic Opportunity Reserve is used as a reserve to stimulate economic growth and to provide for strategic investment opportunities identified as priorities by the Board.

COUNTY OF FAIRFAX, VIRGINIA
Budgetary Comparison Schedule Detail - General Fund (Budget Basis)
For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Taxes:				
Real property	\$ 3,047,959,917	3,051,670,797	3,053,920,696	2,249,899
Personal property	442,806,499	460,705,328	474,622,920	13,917,592
Business licenses	176,660,000	183,060,000	191,267,075	8,207,075
Local sales and use	256,605,804	276,486,780	292,659,144	16,172,364
Consumers utility	44,940,753	44,374,901	44,880,523	505,622
Recordation	27,981,850	29,926,163	36,659,136	6,732,973
Occupancy, tobacco, and other	19,619,537	25,778,187	30,164,116	4,385,929
Total taxes	4,016,574,360	4,072,002,156	4,124,173,610	52,171,454
Permits, privilege fees, and regulatory licenses	52,439,181	50,782,784	59,606,580	8,823,796
Intergovernmental	352,978,609	351,930,086	466,662,665	114,732,579
Charges for services	57,104,738	50,885,981	53,280,387	2,394,406
Fines and forfeitures	8,727,970	6,913,687	7,202,177	288,490
Revenue from the use of money and property	14,973,158	14,597,536	19,255,568	4,658,032
Recovered costs	15,526,944	14,778,130	16,946,204	2,168,074
Total revenues	4,518,324,960	4,561,890,360	4,747,127,191	185,236,831
EXPENDITURES				
General government administration:				
Board of Supervisors	5,569,932	5,623,432	5,246,806	376,626
Financial and Program Auditor	417,685	439,685	377,077	62,608
County Executive	6,444,013	8,421,765	7,399,657	1,022,108
Clerk Services	1,832,445	1,908,353	1,803,950	104,403
Tax Administration	28,152,495	29,370,487	27,652,584	1,717,903
Finance	9,199,096	9,255,596	8,710,139	545,457
Human Resources	8,758,003	9,527,593	8,642,957	884,636
Procurement and Material Management	7,629,840	9,144,517	7,885,329	1,259,188
Public Affairs	1,808,863	1,948,346	1,723,496	224,850
Elections	5,174,595	8,003,149	6,376,662	1,626,487
County Attorney	8,311,656	9,495,293	8,101,012	1,394,281
Information Technology	38,248,362	38,889,948	38,358,041	531,907
Management and Budget	5,585,361	6,903,592	6,146,438	757,154
Civil Service Commission	472,756	476,756	323,303	153,453
Independent Police Auditor	331,153	333,153	290,712	42,441
Independent Police Civilian Review Panel	-	118,324	52,231	66,093
Total general government administration	127,936,255	139,859,989	129,090,394	10,769,595
Judicial administration:				
Circuit Court and Records	12,786,917	13,206,946	12,873,323	333,623
Commonwealth Attorney	8,022,126	9,185,146	7,118,573	2,066,573
General District Court	5,121,248	5,215,764	4,276,539	939,225
Sheriff	20,798,710	22,702,922	22,336,246	366,676
Total judicial administration	46,729,001	50,310,778	46,604,681	3,706,097
Public safety:				
Cable and Consumer Services	766,580	773,637	676,129	97,508
Land Development Services	14,868,781	15,313,664	14,636,834	676,830
Juvenile and Domestic Relations District Court	25,895,668	26,358,501	23,585,326	2,773,175
Police Department	220,828,958	226,359,861	218,660,560	7,699,301
Sheriff	51,449,508	52,424,064	47,229,444	5,194,620
Fire and Rescue	219,846,455	226,620,517	226,193,782	426,735
Emergency Management and Security	2,204,240	7,502,444	5,708,029	1,794,415
Animal Sheltering	2,770,499	2,929,378	2,673,244	256,134
Code Compliance	4,834,330	4,883,721	4,580,295	303,426
Total public safety	\$ 543,465,019	563,165,787	543,943,643	19,222,144

continued

EXHIBIT B

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance from Final Budget Positive (Negative)
	Original	Final		
Public works:				
Facilities Management	\$ 61,452,985	63,708,900	55,855,411	7,853,489
Business Planning and Support	1,017,779	1,208,555	1,023,363	185,192
Capital Facilities	15,648,762	16,457,019	13,786,585	2,670,434
Unclassified Administrative Expenses	3,948,694	4,265,272	3,304,037	961,235
Total public works	82,068,220	85,639,746	73,969,396	11,670,350
Health and welfare:				
Family Services	147,732,466	146,212,006	134,388,358	11,823,648
Health Department	72,619,720	77,712,498	70,733,025	6,979,473
Office of Strategy Management for Health & Human Services	3,400,338	-	-	-
Neighborhood and Community Services	86,396,468	93,814,239	76,047,845	17,766,394
Total health and welfare	310,148,992	317,738,743	281,169,228	36,569,515
Community development:				
Economic Development Authority	8,882,016	9,070,016	9,029,922	40,094
Economic Initiatives	1,408,919	1,907,195	1,450,427	456,768
Land Development Services	16,398,686	17,112,791	15,900,627	1,212,164
Planning and Development	13,727,895	15,045,439	12,405,319	2,640,120
Housing and Community Development	25,249,134	27,092,945	25,448,564	1,644,381
Human Rights and Equity Programs	1,877,330	1,925,339	1,498,649	426,690
Transportation	9,087,429	10,292,852	9,209,170	1,083,682
Total community development	76,631,409	82,446,577	74,942,678	7,503,899
Parks, recreation, and cultural:				
Park Authority	27,796,201	28,857,355	28,153,070	704,285
Public Library	30,588,934	31,532,926	30,324,200	1,208,726
Total parks, recreation, and cultural	58,385,135	60,390,281	58,477,270	1,913,011
Nondepartmental:				
Unclassified Administrative Expenses	-	148,182,133	51,164,055	97,018,078
Employee Benefits	409,652,305	412,096,457	394,603,614	17,492,843
Total nondepartmental	409,652,305	560,278,590	445,767,669	114,510,921
Total expenditures	1,655,016,336	1,859,830,491	1,653,964,959	205,865,532
Excess of revenues over expenditures	\$ 2,863,308,624	2,702,059,869	3,093,162,232	391,102,363

continued

COUNTY OF FAIRFAX, VIRGINIA
Budgetary Comparison Schedule Detail - General Fund (Budget Basis)
For the fiscal year ended June 30, 2022

EXHIBIT B
concluded

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget
OTHER FINANCING SOURCES (USES)				Positive
				(Negative)
Transfers in:				
From other Primary Government funds:				
Special Revenue Funds:				
Cable Communications	\$ 2,704,481	2,704,481	2,704,481	-
Integrated Pest Management	141,000	141,000	141,000	-
Stormwater Services	1,125,000	1,125,000	1,125,000	-
Leaf Collection	54,000	54,000	54,000	-
Refuse Collection and Recycling Operations	494,000	494,000	494,000	-
Fairfax-Falls Church Community Services Board	-	15,000,000	15,000,000	-
Refuse Disposal	626,000	626,000	626,000	-
I-95 Refuse Disposal	186,000	186,000	186,000	-
Sewer Operation and Maintenance	2,850,000	2,850,000	2,850,000	-
Component Units	820,000	820,000	820,000	-
Total transfers in from other Primary Government funds	9,000,481	24,000,481	24,000,481	-
Transfers out:				
To other Primary Government funds:				
Special Revenue Funds:				
County Transit Systems	(40,633,472)	(40,633,472)	(40,633,472)	-
Federal/State Grants	(4,432,654)	(4,432,654)	(4,432,654)	-
Information Technology Projects	-	(27,049,400)	(27,049,400)	-
Fairfax-Falls Church Community Services Board	(148,691,446)	(150,158,878)	(150,158,878)	-
Consolidated Community Funding Pool	(12,283,724)	(12,283,724)	(12,283,724)	-
Contributory Fund	(14,492,449)	(15,177,449)	(15,177,449)	-
E-911	(6,400,398)	(7,331,793)	(7,331,793)	-
Alcohol Safety Action Program	(791,411)	(808,641)	(808,641)	-
Early Childhood Birth to 5	(32,619,636)	(32,667,557)	(32,667,557)	-
Affordable Housing Development and Investment	-	(12,000,700)	(12,000,700)	-
Revenue Stabilization	-	(9,102,768)	(9,102,768)	-
Economic Reserve	-	(926,773)	(926,773)	-
Debt Service Fund:				
Debt Service Fund	(328,435,654)	(328,435,654)	(328,435,654)	-
Capital Projects Funds:				
General Construction and Contributions	(16,579,278)	(52,991,229)	(52,991,229)	-
Environmental and Energy Program	(1,298,767)	(19,498,767)	(19,498,767)	-
Infrastructure Replacement and Upgrades	-	(28,291,318)	(28,291,318)	-
Public Safety Construction	-	(2,500,000)	(2,500,000)	-
Metro Operations and Construction	(43,950,424)	(43,950,424)	(43,950,424)	-
Transportation Improvements	-	(5,000,000)	(5,000,000)	-
Pedestrian Walkway Improvements	(800,000)	(800,000)	(800,000)	-
Internal Service Funds:				
Department of Vehicles	-	(479,774)	(479,774)	-
County Insurance	(24,308,191)	(25,960,961)	(25,960,961)	-
Document Services	(3,941,831)	(3,965,525)	(3,965,525)	-
Technology Infrastructure Services	-	(6,858,038)	(6,858,038)	-
OPEB Trust Fund	(5,000,000)	(5,000,000)	(5,000,000)	-
Total transfers out to other Primary Government funds	(684,659,335)	(836,305,499)	(836,305,499)	-
To component units:				
Public Schools:				
School Operation	(2,172,661,166)	(2,172,661,166)	(2,172,661,166)	-
School Construction	(13,100,000)	(13,100,000)	(13,100,000)	-
FCRHA - Elderly Housing Program	(1,888,604)	(1,890,758)	(1,890,758)	-
Park Authority - Park Revenue and Operating	-	(2,283,737)	(2,283,737)	-
Total transfers out to component units	(2,187,649,770)	(2,189,935,661)	(2,189,935,661)	-
Total transfers out	(2,872,309,105)	(3,026,241,160)	(3,026,241,160)	-
Total other financing (uses), net	(2,863,308,624)	(3,002,240,679)	(3,002,240,679)	-
Net change in fund balance	\$ -	(300,180,810)	90,921,553	391,102,363

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT B-1A

General Fund Group

Budgetary Comparison Schedule - Consolidated Community Funding Pool Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
EXPENDITURES				
Health and welfare	\$ 12,283,724	12,666,382	12,018,449	647,933
Total expenditures	12,283,724	12,666,382	12,018,449	647,933
Excess (deficiency) of revenues over (under) expenditures	(12,283,724)	(12,666,382)	(12,018,449)	647,933
OTHER FINANCING SOURCES				
Transfers in	12,283,724	12,283,724	12,283,724	-
Total other financing sources	12,283,724	12,283,724	12,283,724	-
Net change in fund balance	\$ -	(382,658)	265,275	647,933

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT B-1B

General Fund Group

Budgetary Comparison Schedule - Contributory Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 5,000,000	5,000,000	5,000,000	-
Total revenues	5,000,000	5,000,000	5,000,000	-
EXPENDITURES				
General government administration	2,488,911	2,513,911	2,484,108	29,803
Public safety	19,577	19,577	19,577	-
Health and welfare	3,599,984	3,599,984	3,599,984	-
Community development	4,199,286	4,219,286	4,219,286	-
Parks, recreation, and cultural	9,059,745	9,699,745	9,699,745	-
Nondepartmental	125,657	125,657	125,657	-
Total expenditures	19,493,160	20,178,160	20,148,357	29,803
Excess (deficiency) of revenues over (under) expenditures	(14,493,160)	(15,178,160)	(15,148,357)	29,803
OTHER FINANCING SOURCES				
Transfers in	14,492,449	15,177,449	15,177,449	-
Total other financing sources	14,492,449	15,177,449	15,177,449	-
Net change in fund balance	\$ (711)	(711)	29,092	29,803

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT B-1c

General Fund Group

Budgetary Comparison Schedule - Northern Virginia Regional Identification System (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Revenue from the use of money and property	\$ 206	206	70	(136)
Recovered costs	18,593	18,593	18,593	-
Total revenues	18,799	18,799	18,663	(136)
EXPENDITURES				
Public safety	18,799	94,401	52,095	42,306
Total expenditures	18,799	94,401	52,095	42,306
Excess (deficiency) of revenues over (under) expenditures	-	(75,602)	(33,432)	42,170
Net change in fund balance	\$ -	(75,602)	(33,432)	42,170

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT B-1d

General Fund Group

Budgetary Comparison Schedule - Information Technology Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ -	663,426	1,121,420	457,994
Charges for Services	-	162,439	2,418,232	2,255,793
Revenue from the use of money and property	-	-	41,073	41,073
Recovered costs	-	220,575	413,875	193,300
Total revenues	-	1,046,440	3,994,600	2,948,160
EXPENDITURES				
General government administration	-	67,076,498	19,015,821	48,060,677
Total expenditures	-	67,076,498	19,015,821	48,060,677
Excess (deficiency) of revenues over (under) expenditures	-	(66,030,058)	(15,021,221)	51,008,837
OTHER FINANCING SOURCES				
Transfers in	-	27,049,400	27,049,400	-
Total other financing sources	-	27,049,400	27,049,400	-
Net change in fund balance	\$ -	(38,980,658)	12,028,179	51,008,837

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT B-1E

General Fund Group

Budgetary Comparison Schedule - Revenue Stabilization Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Revenue from the use of money and property	\$ -	-	137,191	137,191
Total revenues	-	-	137,191	137,191
Excess of revenues over expenditures	-	-	137,191	137,191
OTHER FINANCING SOURCES				
Transfers in	-	9,102,768	9,102,768	-
Total other financing sources	-	9,102,768	9,102,768	-
Net change in fund balance	\$ -	9,102,768	9,239,959	137,191

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT B-1F

General Fund Group

Budgetary Comparison Schedule - Economic Opportunity Reserve Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Revenue from the use of money and property	\$ 150,000	150,000	36,911	(113,089)
Total revenues	150,000	150,000	36,911	(113,089)
EXPENDITURES				
Community development	-	6,791,358	369,411	6,421,947
Nondepartmental	-	40,812,787	-	40,812,787
Total expenditures	-	47,604,145	369,411	47,234,734
Excess (deficiency) of revenues over (under) expenditures	150,000	(47,454,145)	(332,500)	47,121,645
OTHER FINANCING SOURCES				
Transfers in	-	926,773	926,773	-
Total other financing sources	-	926,773	926,773	-
Net change in fund balance	\$ 150,000	(46,527,372)	594,273	47,121,645



The **Nonmajor Governmental Funds** include all special revenue funds, the debt service funds, and capital projects funds.

COUNTY OF FAIRFAX, VIRGINIA
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2022

EXHIBIT C

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Equity in pooled cash and temporary investments	\$ 754,576,025	7,892,264	350,791,095	1,113,259,384
Receivables (net of allowances):				
Accounts	10,294,492	-	131,105	10,425,597
Leases	1,032,124	-	-	1,032,124
Accrued interest	1,776,247	4,006	5,932,660	7,712,913
Loans	12,555,184	-	48,418,030	60,973,214
Notes	-	36,890,000	-	36,890,000
Due from intergovernmental units	119,793,430	-	204,814	119,998,244
Due from component units	-	-	458	458
Loan to component unit	-	9,380,000	-	9,380,000
Prepaid and other assets	771,501	-	-	771,501
Restricted assets:				
Equity in pooled cash and temporary investments	695,743	-	35,666,688	36,362,431
Cash with fiscal agents	139,412,025	4,925,821	1,426,281	145,764,127
Property held for sale	1,236,754	-	-	1,236,754
Total assets	1,042,143,525	59,092,091	442,571,131	1,543,806,747
DEFERRED OUTFLOWS OF RESOURCES				
Total deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	\$ 1,042,143,525	59,092,091	442,571,131	1,543,806,747
LIABILITIES				
Accounts payable and accrued liabilities	\$ 68,729,785	333,565	11,753,611	80,816,961
Accrued salaries and benefits	19,918,245	-	55,122	19,973,367
Contract retainages	3,021,039	-	6,953,507	9,974,546
Due to intergovernmental units	10,970,358	-	-	10,970,358
Due to component units	-	-	1,591,233	1,591,233
Interfund payables	4,736,672	-	-	4,736,672
Unearned revenues	7,590,103	-	24,246,680	31,836,783
Performance and other deposits	682,172	-	51,392,179	52,074,351
Total liabilities	115,648,374	333,565	95,992,332	211,974,271
DEFERRED INFLOWS OF RESOURCES				
Lease revenue	1,010,856	-	-	1,010,856
Unavailable revenue	6,197,189	36,890,000	5,932,660	49,019,849
Total deferred inflows of resources	7,208,045	36,890,000	5,932,660	50,030,705
Total liabilities and deferred inflows of resources	122,856,419	37,223,565	101,924,992	262,004,976
FUND BALANCES				
Nonspendable:				
Prepaid amounts	471,507	-	-	471,507
Total Nonspendable	471,507	-	-	471,507
Restricted for:				
Public safety, courts, and judicial	51,537,889	-	-	51,537,889
General public works	117,699,180	-	-	117,699,180
Stormwater management	166,940,593	-	-	166,940,593
Transportation	404,795,976	-	-	404,795,976
Social services, health and welfare	16,085,818	-	-	16,085,818
Housing and community development	42,920,731	-	-	42,920,731
Parks, recreation, and cultural	15,852,997	-	-	15,852,997
Debt service	-	4,928,321	-	4,928,321
Capital projects	-	1,403	109,459,833	109,461,236
Other purposes	7,072,814	-	-	7,072,814
Total Restricted	822,905,998	4,929,724	109,459,833	937,295,555
Committed to:				
Public safety, courts, and judicial	2,334,021	-	-	2,334,021
Transportation	26,978,197	-	-	26,978,197
Social services, health and welfare	56,404,461	-	-	56,404,461
Housing and community development	10,192,922	-	-	10,192,922
Capital projects	-	16,938,802	231,186,306	248,125,108
Total Committed	95,909,601	16,938,802	231,186,306	344,034,709
Total fund balances	919,287,106	21,868,526	340,646,139	1,281,801,771
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,042,143,525	59,092,091	442,571,131	1,543,806,747

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT C-1

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

For the fiscal year ended June 30, 2022

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 47,366,218	-	14,238,460	61,604,678
Permits, privilege fees, and regulatory licenses	19,857,255	-	-	19,857,255
Intergovernmental	435,508,199	4,047,414	6,371,822	445,927,435
Charges for services	331,024,522	-	1,683,620	332,708,142
Fines and forfeitures	98,020	-	-	98,020
Developers' contributions	1,709,651	-	11,063,665	12,773,316
Revenue from the use of money and property	12,073,903	1,346,150	2,299,074	15,719,127
Recovered costs	3,251,172	-	4,704,132	7,955,304
Gifts, donations, and contributions	430,668	-	-	430,668
Total revenues	851,319,608	5,393,564	40,360,773	897,073,945
EXPENDITURES				
Current:				
General government administration	3,382,821	-	4,966,499	8,349,320
Judicial administration	979,963	-	-	979,963
Public safety	62,064,857	-	351,954	62,416,811
Public works	118,291,091	-	68,653	118,359,744
Health and welfare	375,185,120	-	4,235,613	379,420,733
Community development	216,185,872	-	16,270,661	232,456,533
Parks, recreation, and cultural	13,742,645	-	3,598,532	17,341,177
Intergovernmental:				
Community development	2,994,290	-	71,019,735	74,014,025
Parks, recreation, and cultural	-	-	28,317,024	28,317,024
Education - for Public Schools	3,054,486	-	180,000,000	183,054,486
Capital outlay:				
General government administration	445,021	-	18,753,106	19,198,127
Judicial administration	-	-	191,955	191,955
Public safety	5,562,605	-	40,118,601	45,681,206
Public works	47,745,169	-	1,823,730	49,568,899
Health and welfare	34,380,361	-	15,748,083	50,128,444
Community development	55,149,508	-	11,670,979	66,820,487
Parks, recreation, and cultural	4,950,403	-	8,607,986	13,558,389
Debt service:				
Principal retirement	20,982,306	251,140,000	5,085,000	277,207,306
Interest and other charges	14,717,128	104,234,555	3,130,441	122,082,124
Total expenditures	979,813,646	355,374,555	413,958,552	1,749,146,753
Deficiency of revenues under expenditures	(128,494,038)	(349,980,991)	(373,597,779)	(852,072,808)
OTHER FINANCING SOURCES (USES)				
Transfers in	280,188,041	337,613,501	174,497,327	792,298,869
Transfers out	(75,620,345)	-	(12,222,020)	(87,842,365)
General obligation bonds issued	-	-	272,650,000	272,650,000
Premium on general obligation bonds issued	-	-	28,080,444	28,080,444
Revenue bonds issued	54,550,000	-	-	54,550,000
Premium on revenue bonds issued	13,725,957	-	-	13,725,957
Lease revenue refunding bonds issued	-	177,825,000	-	177,825,000
Premium on lease revenue refunding bonds issued	-	3,364,204	-	3,364,204
Payments to refunded bonds escrow agent	-	(163,535,669)	-	(163,535,669)
Leases	35,854,472	-	-	35,854,472
Total other financing sources, net	308,698,125	355,267,036	463,005,751	1,126,970,912
Net change in fund balances	180,204,087	5,286,045	89,407,972	274,898,104
Fund balances, July 1, 2021	739,083,019	16,582,481	251,238,167	1,006,903,667
Fund balances, June 30, 2022	\$ 919,287,106	21,868,526	340,646,139	1,281,801,771



The **Special Revenue Funds** are used to account for the proceeds of specific revenue sources (other than bond proceeds for major capital projects) that are legally restricted to expenditures for specified purposes.

County Transit Systems Fund is used to account for the operation of a bus service, known as the Fairfax Connector, to transport citizens in certain parts of the County to and from WMATA's rail stations and for the County's contributions to the Virginia Railway Express commuter rail service.

Dulles Rail Phase I Transportation Improvement District Fund is used to account for the charges to property owners within the Phase I District to support the debt service payments for bonds issued to fund the County's share of certain transportation improvements in the district.

Dulles Rail Phase II Transportation Improvement District Fund is used to account for the charges to property owners within the Phase II District to support the debt service payments for bonds to be issued. These bonds fund the County's share of certain transportation improvements in the district.

County and Regional Transportation Projects is used to account for the special tax assessed on commercial and industrial real estate in Fairfax County to support opportunities to improve transportation and pedestrian access. The tax revenues support roadway, pedestrian, and transit projects.

Tysons Service District Fund is used to account for the special tax assessed on commercial and residential real estate in Fairfax County Tysons Service District. These revenues provide the district's share of funding for transportation infrastructure improvements in Tysons.

Reston Service District Fund is used to account for the special tax assessed on commercial and residential real estate in Fairfax County Reston Service District. These revenues provide the district's share of funding for transportation infrastructure improvements in Reston.

Metrorail Parking System Pledged Revenue Fund is used to collect and disburse funds related to revenue-generating activities at Metrorail parking facilities owned by and located within the County. These funds will be earned from fees paid at these parking facilities and used to pay operating, maintenance and debt expenses of the facilities.

Federal/State Grant Fund is used to account for the utilization of federal and state funds to assist County citizens.

Cable Communications Fund is used to account for costs associated with monitoring the County's Cable Communications Ordinance and Franchise Agreement as well as providing programming for the County's Governmental Access Channel. Its primary source of revenue is franchise fees.

Early Childhood Birth to 5 Fund is used to account for programs supporting a comprehensive approach to advancing and expanding the County's early childhood system by providing full and equitable access to high quality, affordable, early care and education for young children.

Fairfax-Falls Church Community Services Board Fund is used to account for mental health, intellectual disability, and alcohol and drug services to individuals and families in Fairfax County and the Cities of Fairfax and Falls Church.

Reston Community Center Fund is used to account for the operation of a community center serving the residents of Small District Five, located within the Hunter Mill Magisterial Districts. The district's residents support the fund by payment of a special assessment.

Mosaic Community Development Authority (CDA) Fund is the main operating fund of the CDA. The CDA was established as a separate corporate entity and all operational aspects are handled by administrators and trustees outside the County. This fund is not an appropriated fund within the operating budget. Thus, there is no budgetary comparison schedule for this fund. The CDA is funded through a special assessment on property located within the district.

McLean Community Center Fund is used to account for the operation of a community center serving the residents of Small District One, located within the Dranesville Magisterial District. The district's residents support the fund by payment of a special assessment.

Burgundy Village Community Center Fund is used to account for the operation of a community center serving the residents of Service District 1A, located within the Lee Magisterial District. The district's residents support the fund by payment of a special assessment.

E-911 Fund is used to account for the operation of a 911 emergency response service for the citizens of the County, including related information technology projects.

Integrated Pest Management Program Fund is used to account for detection, abatement, and public information programs to suppress gypsy moth and cankerworm insect populations in the County.

Stormwater Services Fund is used to account for the operation of the Stormwater Management Program. The operating requirements and stormwater capital projects are supported by the stormwater service district levy.

Leaf Collection Fund is used to account for the collection and disposal of leaves from residences and businesses located within designated districts. These districts' residents and businesses support the fund by payment of a special assessment.

Refuse Collection and Recycling Operations Fund is used to account for the collection of refuse in designated districts and from all County departments and also accounts for the operation of the County's solid waste reduction and recycling centers.

Refuse Disposal Fund is used to account for the operation of a transfer station to receive refuse collected throughout the County and channel it to either the Energy Resource Recovery Facility (incinerator) or a landfill.

I-95 Refuse Disposal Fund is used to account for the operation of a landfill which is now only used for disposal of ash generated by certain local incinerators.

Community Development Block Grant Fund is used to account for programs to upgrade low and moderate income neighborhoods through the provision of public facilities, home improvements, and public services.

Housing Trust Fund is used to account for the promotion of housing for low and moderate income individuals in the County by providing low cost debt and equity capital in the form of loans, grants, and equity contributions.

HOME Investment Partnership Grant Fund is used to account for affordable housing programs involving acquisition, rehabilitation, new construction, and tenant-based rental assistance.

Alcohol Safety Action Program Fund is used to account for programs to reduce the incidence of driving under the influence (DUI) of alcohol through rehabilitative alcohol/drug education, case management of DUI defendants, referral to alcohol/drug treatment programs and public information. This fund is solely fee supported and is not an appropriated fund within the operating budget. Thus, there is no budgetary comparison schedule for this fund.



COUNTY OF FAIRFAX, VIRGINIA
Special Revenue Funds
Combining Balance Sheet
June 30, 2022

	County Transit Systems	Dulles Rail Phase I Transportation Improvement District	Dulles Rail Phase II Transportation Improvement District	County and Regional Transportation Projects	Tysons Service District
ASSETS					
Equity in pooled cash and temporary investments	\$ 40,942,358	7,293,732	54,074,112	195,311,744	48,950,934
Receivables (net of allowances):					
Accounts	513,069	13,081	78,418	207,962	14,410
Leases	-	-	-	-	-
Accrued interest	-	-	-	-	-
Loans	-	-	-	-	-
Due from intergovernmental units	3,968,229	-	-	33,631,188	-
Prepaid and other assets	-	-	-	-	-
Restricted assets:					
Equity in pooled cash and temporary investments	-	-	-	-	-
Cash with fiscal agents	-	28,081,052	15,212,985	13,301,461	-
Property held for sale	-	-	-	-	-
Total assets	45,423,656	35,387,865	69,365,515	242,452,355	48,965,344
DEFERRED OUTFLOWS OF RESOURCES					
Total deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	\$ 45,423,656	35,387,865	69,365,515	242,452,355	48,965,344
LIABILITIES					
Accounts payable and accrued liabilities	\$ 18,445,459	19,560	4,124	5,051,374	13,841
Accrued salaries and benefits	-	-	-	487,864	-
Contract retainages	-	-	-	414,613	-
Due to intergovernmental units	-	-	-	10,071,523	-
Interfund payables	-	-	-	-	-
Unearned revenues	-	13,081	78,418	208,148	14,410
Performance and other deposits	-	-	-	-	-
Total liabilities	18,445,459	32,641	82,542	16,233,522	28,251
DEFERRED INFLOWS OF RESOURCES					
Lease revenue	-	-	-	-	-
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Total liabilities and deferred inflows of resources	18,445,459	32,641	82,542	16,233,522	28,251
FUND BALANCES					
Nonspendable:					
Prepaid amounts	-	-	-	-	-
Total Nonspendable	-	-	-	-	-
Restricted for:					
Public safety, courts, and judicial	-	-	-	-	-
General public works	-	-	-	-	-
Stormwater management	-	-	-	-	-
Transportation	-	35,355,224	69,282,973	226,218,833	48,937,093
Social services, health and welfare	-	-	-	-	-
Housing and community development	-	-	-	-	-
Parks, recreation, and cultural	-	-	-	-	-
Other purposes	-	-	-	-	-
Total Restricted	-	35,355,224	69,282,973	226,218,833	48,937,093
Committed to:					
Public safety, courts, and judicial	-	-	-	-	-
Transportation	26,978,197	-	-	-	-
Social services, health and welfare	-	-	-	-	-
Housing and community development	-	-	-	-	-
Total Committed	26,978,197	-	-	-	-
Total fund balances	26,978,197	35,355,224	69,282,973	226,218,833	48,937,093
Total liabilities, deferred inflows of resources, and fund balances	\$ 45,423,656	35,387,865	69,365,515	242,452,355	48,965,344

EXHIBIT D

Reston Service District	Metrorail Parking System Pledged Revenue	Federal/State Grant	Cable Communications	Early Childhood Birth-5	
9,728,955	2,096,753	505,620	9,520,871	12,222,718	ASSETS
8,453	-	1,335,905	1,404,175	-	Equity in pooled cash and temporary investments
-	-	-	-	-	Receivables (net of allowances):
-	-	-	-	-	Accounts
-	-	-	-	-	Leases
-	-	-	-	-	Accrued interest
-	-	68,188,528	1,515,960	4,341	Loans
-	-	299,994	-	-	Due from intergovernmental units
-	-	-	-	-	Prepaid and other assets
-	-	-	-	-	Restricted assets:
-	10,931,968	-	-	-	Equity in pooled cash and temporary investments
-	-	-	-	-	Restricted assets - Cash with fiscal agents
9,737,408	13,028,721	70,330,047	12,441,006	12,227,059	Property held for sale
					Total assets
-	-	-	-	-	DEFERRED OUTFLOWS OF RESOURCES
					Total deferred outflows of resources
9,737,408	13,028,721	70,330,047	12,441,006	12,227,059	Total assets and deferred outflows of resources
16,954	290,783	14,541,280	1,159,692	1,227,002	LIABILITIES
-	-	3,144,319	332,026	416,086	Accounts payable and accrued liabilities
-	75,949	394,071	-	-	Accrued salaries and benefits
-	-	898,835	-	-	Contract retainages
-	-	4,500,000	-	-	Due to intergovernmental units
8,453	-	6,079,113	-	-	Interfund payables
-	-	-	-	-	Unearned revenues
25,407	366,732	29,557,618	1,491,718	1,643,088	Performance and other deposits
					Total liabilities
-	-	-	-	-	DEFERRED INFLOWS OF RESOURCES
-	-	-	756,366	-	Lease revenue
-	-	-	756,366	-	Unavailable revenue
					Total deferred inflows of resources
25,407	366,732	29,557,618	2,248,084	1,643,088	Total liabilities and deferred inflows of resources
-	-	-	-	-	FUND BALANCES
-	-	-	-	-	Nonspendable:
-	-	-	-	-	Prepaid amounts
-	-	-	-	-	Total Nonspendable
-	-	17,645,430	-	-	Restricted for:
-	-	-	-	-	Public safety, courts, and judicial
-	-	-	-	-	General public works
9,712,001	12,661,989	2,627,863	-	-	Stormwater management
-	-	13,024,521	-	-	Transportation
-	-	141,485	-	-	Social services, health and welfare
-	-	5,914	-	-	Housing and community development
-	-	7,072,814	-	-	Parks, recreation, and cultural
9,712,001	12,661,989	40,518,027	-	-	Other purposes
					Total Restricted
-	-	-	-	-	Committed to:
-	-	-	-	-	Public safety, courts, and judicial
-	-	254,402	-	10,583,971	Transportation
-	-	-	10,192,922	-	Social services, health and welfare
-	-	254,402	10,192,922	10,583,971	Housing and community development
9,712,001	12,661,989	40,772,429	10,192,922	10,583,971	Total Committed
					Total fund balances
9,737,408	13,028,721	70,330,047	12,441,006	12,227,059	Total liabilities, deferred inflows of resources, and fund balances

continued

COUNTY OF FAIRFAX, VIRGINIA
Special Revenue Funds
Combining Balance Sheet
June 30, 2022

	Fairfax- Falls Church Community Services Board	Reston Community Center	Mosaic Community Development Authority	McLean Community Center	Burgundy Village Community Center
ASSETS					
Equity in pooled cash and temporary investments	\$ 59,335,040	9,869,628	-	7,199,036	332,425
Receivables (net of allowances):					
Accounts	-	42,717	-	26,919	735
Leases	-	-	-	-	-
Accrued interest	-	-	2,169	-	-
Loans	-	-	-	-	-
Due from intergovernmental units	265,587	-	-	-	-
Prepaid and other assets	146,996	-	-	137,466	-
Restricted assets:					
Equity in pooled cash and temporary investments	-	-	-	-	-
Restricted assets - Cash with fiscal agents	-	-	2,679,840	-	-
Property held for sale	-	-	-	-	-
Total assets	59,747,623	9,912,345	2,682,009	7,363,421	333,160
DEFERRED OUTFLOWS OF RESOURCES					
Total deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	\$ 59,747,623	9,912,345	2,682,009	7,363,421	333,160
LIABILITIES					
Accounts payable and accrued liabilities	\$ 5,020,955	143,559	1,021	170,318	236
Accrued salaries and benefits	9,114,027	409,125	-	252,388	987
Contract retainages	-	-	-	-	-
Due to intergovernmental units	-	-	-	-	-
Interfund payables	-	-	-	-	-
Unearned revenues	-	258,876	-	375,878	9,410
Performance and other deposits	-	3,600	-	-	-
Total liabilities	14,134,982	815,160	1,021	798,584	10,633
DEFERRED INFLOWS OF RESOURCES					
Lease revenue	-	-	-	-	-
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Total liabilities and deferred inflows of resources	14,134,982	815,160	1,021	798,584	10,633
FUND BALANCES					
Nonspendable:					
Prepaid amounts	146,996	-	-	137,466	-
Total Nonspendable	146,996	-	-	137,466	-
Restricted for:					
Public safety, courts, and judicial	-	-	-	-	-
General public works	-	-	-	-	-
Stormwater management	-	-	-	-	-
Transportation	-	-	-	-	-
Social services, health and welfare	-	-	-	-	-
Housing and community development	-	-	2,680,988	-	-
Parks, recreation, and cultural	-	9,097,185	-	6,427,371	322,527
Other purposes	-	-	-	-	-
Total Restricted	-	9,097,185	2,680,988	6,427,371	322,527
Committed to:					
Public safety, courts, and judicial	-	-	-	-	-
Transportation	-	-	-	-	-
Social services, health and welfare	45,465,645	-	-	-	-
Housing and community development	-	-	-	-	-
Total Committed	45,465,645	-	-	-	-
Total fund balances	45,612,641	9,097,185	2,680,988	6,564,837	322,527
Total liabilities, deferred inflows of resources, and fund balances	\$ 59,747,623	9,912,345	2,682,009	7,363,421	333,160

EXHIBIT D

E-911	Integrated Pest Management Program	Stormwater Services	Leaf Collection	Refuse Collection and Recycling Operations	
					ASSETS
34,486,885	5,723,716	112,565,514	5,124,378	5,340,794	Equity in pooled cash and temporary investments
-	11,849	372,926	10,754	186,895	Receivables (net of allowances):
-	-	-	-	-	Accounts
-	-	-	-	-	Leases
-	-	-	-	-	Accrued interest
7,967,477	-	3,007,017	-	59,840	Loans
-	-	187,045	-	-	Due from intergovernmental units
-	-	-	-	-	Prepaid and other assets
-	-	-	-	-	Restricted assets:
-	-	-	-	-	Equity in pooled cash and temporary investments
-	-	68,054,824	-	-	Cash with fiscal agents
-	-	-	-	-	Property held for sale
42,454,362	5,735,565	184,187,326	5,135,132	5,587,529	Total assets
					DEFERRED OUTFLOWS OF RESOURCES
-	-	-	-	-	Total deferred outflows of resources
42,454,362	5,735,565	184,187,326	5,135,132	5,587,529	Total assets and deferred outflows of resources
					LIABILITIES
684,750	12,013	13,091,399	49,401	648,378	Accounts payable and accrued liabilities
1,875,572	124,488	1,589,672	4,984	620,303	Accrued salaries and benefits
-	-	1,437,273	-	-	Contract retainages
-	-	-	-	-	Due to intergovernmental units
-	-	-	-	-	Interfund payables
-	11,814	372,772	10,749	148,981	Unearned revenues
-	-	568,572	-	60,000	Performance and other deposits
2,560,322	148,315	17,059,688	65,134	1,477,662	Total liabilities
					DEFERRED INFLOWS OF RESOURCES
-	-	-	-	-	Lease revenue
3,667,560	-	-	-	-	Unavailable revenue
3,667,560	-	-	-	-	Total deferred inflows of resources
6,227,882	148,315	17,059,688	65,134	1,477,662	Total liabilities and deferred inflows of resources
					FUND BALANCES
-	-	187,045	-	-	Nonspendable:
-	-	187,045	-	-	Prepaid amounts
-	-	-	-	-	Total Nonspendable
33,892,459	-	-	-	-	Restricted for:
-	-	-	5,069,998	4,109,867	Public safety, courts, and judicial
-	-	166,940,593	-	-	General public works
-	-	-	-	-	Stormwater management
-	-	-	-	-	Transportation
-	3,061,297	-	-	-	Social services, health and welfare
-	2,525,953	-	-	-	Housing and community development
-	-	-	-	-	Parks, recreation, and cultural
-	-	-	-	-	Other purposes
33,892,459	5,587,250	166,940,593	5,069,998	4,109,867	Total Restricted
2,334,021	-	-	-	-	Committed to:
-	-	-	-	-	Public safety, courts, and judicial
-	-	-	-	-	Transportation
-	-	-	-	-	Social services, health and welfare
-	-	-	-	-	Housing and community development
2,334,021	-	-	-	-	Total Committed
36,226,480	5,587,250	167,127,638	5,069,998	4,109,867	Total fund balances
42,454,362	5,735,565	184,187,326	5,135,132	5,587,529	Total liabilities, deferred inflows of resources, and fund balances

continued

COUNTY OF FAIRFAX, VIRGINIA
Special Revenue Funds
Combining Balance Sheet
June 30, 2022

	Refuse Disposal	I-95 Refuse Disposal	Community Development Block Grant	Housing Trust
ASSETS				
Equity in pooled cash and temporary investments	\$ 64,347,409	47,190,303	202,440	22,018,050
Receivables (net of allowances):				
Accounts	5,564,982	486,896	-	8,000
Leases	1,032,124	-	-	-
Accrued interest	815	-	-	1,773,263
Loans	-	-	634,830	11,002,226
Due from intergovernmental units	174,705	-	551,748	-
Prepaid and other assets	-	-	-	-
Restricted assets:				
Equity in pooled cash and temporary investments	-	-	-	695,743
Cash with fiscal agents	-	-	-	1,149,895
Property held for sale	-	-	-	1,236,754
Total assets	71,120,035	47,677,199	1,389,018	37,883,931
DEFERRED OUTFLOWS OF RESOURCES				
Total deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	\$ 71,120,035	47,677,199	1,389,018	37,883,931
LIABILITIES				
Accounts payable and accrued liabilities	\$ 7,302,539	516,658	194,710	117,287
Accrued salaries and benefits	1,023,007	289,356	115,359	-
Contract retainages	81,169	4,334	564,518	49,112
Due to intergovernmental units	-	-	-	-
Interfund payables	-	-	-	-
Unearned revenues	-	-	-	-
Performance and other deposits	50,000	-	-	-
Total liabilities	8,456,715	810,348	874,587	166,399
DEFERRED INFLOWS OF RESOURCES				
Lease revenue	1,010,856	-	-	-
Unavailable revenue	-	-	-	1,773,263
Total deferred inflows of resources	1,010,856	-	-	1,773,263
Total liabilities and deferred inflows of resources	9,467,571	810,348	874,587	1,939,662
FUND BALANCES				
Nonspendable:				
Prepaid amounts	-	-	-	-
Total Nonspendable	-	-	-	-
Restricted for:				
Public safety, courts, and judicial	-	-	-	-
General public works	61,652,464	46,866,851	-	-
Stormwater management	-	-	-	-
Transportation	-	-	-	-
Social services, health and welfare	-	-	-	-
Housing and community development	-	-	514,431	35,944,269
Parks, recreation, and cultural	-	-	-	-
Other purposes	-	-	-	-
Total Restricted	61,652,464	46,866,851	514,431	35,944,269
Committed to:				
Public safety, courts, and judicial	-	-	-	-
Transportation	-	-	-	-
Social services, health and welfare	-	-	-	-
Housing and community development	-	-	-	-
Total Committed	-	-	-	-
Total fund balances	61,652,464	46,866,851	514,431	35,944,269
Total liabilities, deferred inflows of resources, and fund balances	\$ 71,120,035	47,677,199	1,389,018	37,883,931

EXHIBIT D
 concluded

HOME Investment Partnerships Grant	Alcohol Safety Action Program	Total Special Revenue Funds	
			ASSETS
-	192,610	754,576,025	Equity in pooled cash and temporary investments
-	6,346	10,294,492	Receivables (net of allowances):
-	-	1,032,124	Accounts
-	-	1,776,247	Leases
918,128	-	12,555,184	Accrued interest
458,810	-	119,793,430	Loans
-	-	771,501	Due from intergovernmental units
-	-	695,743	Prepaid and other assets
-	-	139,412,025	Restricted assets:
-	-	1,236,754	Equity in pooled cash and temporary investments
1,376,938	198,956	1,042,143,525	Cash with fiscal agents
			Property held for sale
			Total assets
			DEFERRED OUTFLOWS OF RESOURCES
-	-	-	Total deferred outflows of resources
1,376,938	198,956	1,042,143,525	Total assets and deferred outflows of resources
			LIABILITIES
4,242	2,250	68,729,785	Accounts payable and accrued liabilities
22,419	96,263	19,918,245	Accrued salaries and benefits
-	-	3,021,039	Contract retainages
-	-	10,970,358	Due to intergovernmental unit:
236,672	-	4,736,672	Interfund payables
-	-	7,590,103	Unearned revenues
-	-	682,172	Performance and other deposits
263,333	98,513	115,648,374	Total liabilities
			DEFERRED INFLOWS OF RESOURCES
-	-	1,010,856	Lease revenue
-	-	6,197,189	Unavailable revenue
-	-	7,208,045	Total deferred inflows of resources
263,333	98,513	122,856,419	Total liabilities and deferred inflows of resources
			FUND BALANCES
-	-	471,507	Nonspendable:
-	-	471,507	Prepaid amounts
			Total Nonspendable
-	-	51,537,889	Restricted for:
-	-	117,699,180	Public safety, courts, and judicial
-	-	166,940,593	General public works
-	-	404,795,976	Stormwater management
-	-	16,085,818	Transportation
1,113,605	-	42,920,731	Social services, health and welfare
-	-	15,852,997	Housing and community development
-	-	7,072,814	Parks, recreation, and cultural
1,113,605	-	822,905,998	Other purposes
			Total Restricted
-	-	2,334,021	Committed to:
-	-	26,978,197	Public safety, courts, and judicial
-	100,443	56,404,461	Transportation
-	-	10,192,922	Social services, health and welfare
-	100,443	95,909,601	Housing and community development
1,113,605	100,443	919,287,106	Total Committed
			Total fund balances
1,376,938	198,956	1,042,143,525	Total liabilities, deferred inflows of resources, and fund balances

COUNTY OF FAIRFAX, VIRGINIA

Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

For the fiscal year ended June 30, 2022

	County Transit Systems	Dulles Rail Phase I Transportation Improvement District	Dulles Rail Phase II Transportation Improvement District	County and Regional Transportation Projects	Tysons Service District
REVENUES					
Taxes	\$ -	-	-	-	-
Permits, privilege fees, and regulatory licenses	-	-	-	-	-
Intergovernmental	42,965,612	-	-	71,049,771	-
Charges for services	2,771,551	15,378,945	20,015,642	61,809,098	8,564,698
Fines and forfeitures	-	-	-	-	-
Developers' contributions	-	-	-	-	-
Revenue from the use of money and property	1,917,834	67,436	69,158	112,820	37,754
Recovered costs	22,156	-	-	-	-
Gifts, donations, and contributions	-	-	-	-	-
Total revenues	47,677,153	15,446,381	20,084,800	132,971,689	8,602,452
EXPENDITURES					
Current:					
General government administration	-	-	-	-	-
Judicial administration	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Health and welfare	-	-	-	-	-
Community development	103,899,430	-	11,047,939	54,079,329	220,483
Parks, recreation, and cultural	-	-	-	-	-
Intergovernmental:					
Community development	1,788,406	-	-	-	-
Education - for Public Schools	-	-	-	-	-
Capital outlay:					
General government administration	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Health and welfare	-	-	-	-	-
Community development	23,122,894	-	-	2,253,296	-
Parks, recreation, and cultural	-	-	-	-	-
Debt service:					
Principal retirement	-	12,690,000	-	-	-
Interest and other charges	-	6,364,435	13,350	-	-
Total expenditures	128,810,730	19,054,435	11,061,289	56,332,625	220,483
Excess (deficiency) of revenues over (under) expenditures	(81,133,577)	(3,608,054)	9,023,511	76,639,064	8,381,969
OTHER FINANCING SOURCES (USES)					
Transfers in	81,494,778	-	-	-	-
Transfers out	-	-	-	(40,693,740)	-
Revenue bonds issued	-	-	-	-	-
Premium on revenue bonds issued	-	-	-	-	-
Leases	-	-	-	-	-
Total other financing sources (uses), net	81,494,778	-	-	(40,693,740)	-
Net change in fund balances	361,201	(3,608,054)	9,023,511	35,945,324	8,381,969
Fund balances, July 1, 2021	26,616,996	38,963,278	60,259,462	190,273,509	40,555,124
Fund balances, June 30, 2022	\$ 26,978,197	35,355,224	69,282,973	226,218,833	48,937,093

EXHIBIT D-1

Reston Service District	Metrorail Parking system Pledged Revenue	Federal/ State Grant	Cable Communications	Early Childhood Birth to 5	
REVENUES					
-	-	-	-	-	Taxes
-	-	-	19,721,528	10,122	Permits, privilege fees, and regulatory licenses
-	-	286,181,729	-	40,112	Intergovernmental
2,370,807	1,086,306	4,109,438	-	-	Charges for services
-	-	-	-	350	Fines and forfeitures
-	-	-	-	-	Developers' contributions
7,430	3,158,358	23,825	-	-	Revenue from the use of money and property
-	-	1,930,531	-	7,104	Recovered costs
-	-	90,530	-	-	Gifts, donations, and contributions
2,378,237	4,244,664	292,336,053	19,721,528	57,688	Total revenues
EXPENDITURES					
Current:					
-	-	-	3,382,821	-	General government administration
-	-	979,963	-	-	Judicial administration
-	-	19,046,704	882,366	-	Public safety
-	-	1,308,348	-	-	Public works
-	-	183,949,445	-	24,664,709	Health and welfare
29,646	1,607,450	25,624,694	4,941,723	-	Community development
-	-	144,800	-	-	Parks, recreation, and cultural
Intergovernmental:					
-	-	-	-	-	Community development
-	-	-	3,054,486	-	Education - for Public Schools
Capital outlay:					
-	-	-	445,021	-	General government administration
-	-	4,250,176	-	-	Public safety
-	-	-	-	-	Public works
-	-	2,325,270	-	-	Health and welfare
-	308,682	25,121,755	410,082	-	Community development
-	-	-	-	-	Parks, recreation, and cultural
Debt service:					
-	4,490,000	43,908	-	-	Principal retirement
-	6,454,000	973	-	-	Interest and other charges
29,646	12,860,132	262,796,036	13,116,499	24,664,709	Total expenditures
2,348,591	(8,615,468)	29,540,017	6,605,029	(24,607,021)	Excess (deficiency) of revenues over (under) expenditures
OTHER FINANCING SOURCES (USES)					
-	3,293,740	4,432,654	-	32,667,557	Transfers in
-	-	-	(7,418,583)	(5,000,000)	Transfers out
-	-	-	-	-	Revenue refunding bonds issued
-	-	-	-	-	Premium on revenue refunding bonds
-	-	-	-	-	Leases
-	3,293,740	4,432,654	(7,418,583)	27,667,557	Total other financing sources (uses), net
2,348,591	(5,321,728)	33,972,671	(813,554)	3,060,536	Net change in fund balances
7,363,410	17,983,717	6,799,758	11,006,476	7,523,435	Fund balances, July 1, 2021
9,712,001	12,661,989	40,772,429	10,192,922	10,583,971	Fund balances, June 30, 2022

continued

COUNTY OF FAIRFAX, VIRGINIA

Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

For the fiscal year ended June 30, 2022

	Fairfax- Falls Church Community Services Board	Reston Community Center	Mosaic Community Development Authority	McLean Community Center	Burgundy Village Community Center
REVENUES					
Taxes	\$ -	-	4,882,023	-	-
Permits, privilege fees, and regulatory licenses	-	-	-	-	-
Intergovernmental	16,632,861	-	-	-	-
Charges for services	23,110,460	9,685,685	-	5,941,022	36,663
Fines and forfeitures	13,587	-	-	-	-
Developers' contributions	-	-	-	-	-
Revenue from the use of money and property	124,800	310,205	4,489	56,277	69,571
Recovered costs	-	-	-	-	-
Gifts, donations, and contributions	-	-	-	31,113	-
Total revenues	39,881,708	9,995,890	4,886,512	6,028,412	106,234
EXPENDITURES					
Current:					
General government administration	-	-	-	-	-
Judicial administration	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Health and welfare	164,173,131	-	-	-	-
Community development	-	-	33,068	-	-
Parks, recreation, and cultural	-	7,907,318	-	5,672,292	18,235
Intergovernmental:					
Community development	-	-	-	-	-
Education - for Public Schools	-	-	-	-	-
Capital outlay:					
General government administration	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Health and welfare	31,959,547	-	-	-	-
Community development	-	-	-	-	-
Parks, recreation, and cultural	-	4,616,639	-	323,684	10,080
Debt service:					
Principal retirement	3,115,473	180,760	-	-	-
Interest and other charges	404,977	85,217	-	-	-
Total expenditures	199,653,128	12,789,934	33,068	5,995,976	28,315
Excess (deficiency) of revenues over (under) expenditures	(159,771,420)	(2,794,044)	4,853,444	32,436	77,919
OTHER FINANCING SOURCES (USES)					
Transfers in	150,158,878	-	-	-	-
Transfers out	(15,000,000)	-	(4,882,022)	-	-
Revenue refunding bonds issued	-	-	-	-	-
Premium on revenue refunding bonds	-	-	-	-	-
Leases	31,429,282	4,417,522	-	-	-
Total other financing sources (uses), net	166,588,160	4,417,522	(4,882,022)	-	-
Net change in fund balances	6,816,740	1,623,478	(28,578)	32,436	77,919
Fund balances, July 1, 2021	38,795,901	7,473,707	2,709,566	6,532,401	244,608
Fund balances, June 30, 2022	\$ 45,612,641	9,097,185	2,680,988	6,564,837	322,527

EXHIBIT D-1

E-911	Integrated Pest Management Program	Stormwater Services	Leaf Collection	Refuse Collection and Recycling Operations	
42,484,195	-	-	-	-	REVENUES
-	-	27,250	-	-	- Taxes
4,591,138	-	2,967,180	-	171,877	Permits, privilege fees, and regulatory licenses
258	2,697,970	88,017,253	2,287,029	19,804,819	Intergovernmental
-	-	-	-	50	Charges for services
-	-	30,583	-	-	Fines and forfeitures
26,680	4,767	179,240	4,336	46,689	Developers' contributions
1,082,227	-	195,570	-	1,778	Revenue from the use of money and property
-	-	-	-	-	Recovered costs
48,184,498	2,702,737	91,417,076	2,291,365	20,025,213	Gifts, donations, and contributions
					Total revenues
					EXPENDITURES
					Current:
-	-	-	-	-	General government administration
42,135,743	-	-	-	-	Judicial administration
-	-	-	-	-	Public safety
-	849,289	36,031,683	2,352,372	18,889,313	Public works
-	1,184,648	-	-	-	Health and welfare
-	-	-	-	-	Community development
-	-	-	-	-	Parks, recreation, and cultural
-	-	-	-	-	Intergovernmental:
-	-	-	-	-	Community development
-	-	-	-	-	Education - for Public Schools
-	-	-	-	-	Capital outlay:
1,312,429	-	-	-	-	General government administration
-	-	-	-	-	Public safety
-	95,544	44,441,724	109,717	32,292	Public works
-	-	-	-	-	Health and welfare
-	-	-	-	-	Community development
-	-	-	-	-	Parks, recreation, and cultural
-	-	-	-	3,165	Debt service:
-	-	-	-	24	Principal retirement
43,448,172	2,129,481	81,766,773	2,462,089	18,924,794	Interest and other charges
					Total expenditures
4,736,326	573,256	9,650,303	(170,724)	1,100,419	Excess (deficiency) of revenues over (under) expenditures
					OTHER FINANCING SOURCES (USES)
7,331,793	-	-	-	-	Transfers in
-	(141,000)	(1,125,000)	(54,000)	(494,000)	Transfers out
-	-	54,550,000	-	-	Revenue refunding bonds issued
-	-	13,725,957	-	-	Premium on revenue refunding bonds
-	-	-	-	7,668	Leases
7,331,793	(141,000)	67,150,957	(54,000)	(486,332)	Total other financing sources (uses), net
12,068,119	432,256	76,801,260	(224,724)	614,087	Net change in fund balances
24,158,361	5,154,994	90,326,378	5,294,722	3,495,780	Fund balances, July 1, 2021
36,226,480	5,587,250	167,127,638	5,069,998	4,109,867	Fund balances, June 30, 2022

continued

COUNTY OF FAIRFAX, VIRGINIA

Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

For the fiscal year ended June 30, 2022

	Refuse Disposal	I-95 Refuse Disposal	Community Development Block Grant	Housing Trust	HOME Investment Partnerships Grant
REVENUES					
Taxes	\$ -	-	-	-	-
Permits, privilege fees, and regulatory licenses	98,355	-	-	-	-
Intergovernmental	-	-	8,948,402	-	1,955,987
Charges for services	50,546,389	12,060,455	-	-	-
Fines and forfeitures	84,033	-	-	-	-
Developers' contributions	-	-	-	1,679,068	-
Revenue from the use of money and property	1,492,687	255,610	44,851	4,018,523	40,271
Recovered costs	11,806	-	-	-	-
Gifts, donations, and contributions	-	-	-	-	309,025
Total revenues	52,233,270	12,316,065	8,993,253	5,697,591	2,305,283
EXPENDITURES					
Current:					
General government administration	-	-	-	-	-
Judicial administration	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	53,335,564	6,373,811	-	-	-
Health and welfare	-	-	-	-	-
Community development	-	-	7,949,379	3,397,354	2,170,729
Parks, recreation, and cultural	-	-	-	-	-
Intergovernmental:					
Community development	-	-	-	1,205,884	-
Education - for Public Schools	-	-	-	-	-
Capital outlay:					
General government administration	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	1,800,663	1,360,773	-	-	-
Health and welfare	-	-	-	-	-
Community development	-	-	1,151,290	2,781,509	-
Parks, recreation, and cultural	-	-	-	-	-
Debt service:					
Principal retirement	-	-	459,000	-	-
Interest and other charges	-	-	100,786	-	-
Total expenditures	55,136,227	7,734,584	9,660,455	7,384,747	2,170,729
Excess (deficiency) of revenues over (under) expenditures	(2,902,957)	4,581,481	(667,202)	(1,687,156)	134,554
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	(626,000)	(186,000)	-	-	-
Revenue refunding bonds issued	-	-	-	-	-
Premium on revenue refunding bonds	-	-	-	-	-
Leases	-	-	-	-	-
Total other financing sources (uses), net	(626,000)	(186,000)	-	-	-
Net change in fund balances	(3,528,957)	4,395,481	(667,202)	(1,687,156)	134,554
Fund balances, July 1, 2021	65,181,421	42,471,370	1,181,633	37,631,425	979,051
Fund balances, June 30, 2022	\$ 61,652,464	46,866,851	514,431	35,944,269	1,113,605

EXHIBIT D-1

concluded

Alcohol Safety Action Program	Total Special Revenue Funds	
REVENUES		
-	47,366,218	Taxes
-	19,857,255	Permits, privilege fees, and regulatory licenses
3,530	435,508,199	Intergovernmental
730,034	331,024,522	Charges for services
-	98,020	Fines and forfeitures
-	1,709,651	Developers' contributions
292	12,073,903	Revenue from the use of money and property
-	3,251,172	Recovered costs
-	430,668	Gifts, donations, and contributions
733,856	851,319,608	Total revenues
EXPENDITURES		
Current:		
-	3,382,821	General government administration
-	979,963	Judicial administration
44	62,064,857	Public safety
-	118,291,091	Public works
1,548,546	375,185,120	Health and welfare
-	216,185,872	Community development
-	13,742,645	Parks, recreation, and cultural
Intergovernmental:		
-	2,994,290	Community development
-	3,054,486	Education - for Public Schools
Capital outlay:		
-	445,021	General government administration
-	5,562,605	Public safety
-	47,745,169	Public works
-	34,380,361	Health and welfare
-	55,149,508	Community development
-	4,950,403	Parks, recreation, and cultural
Debt service:		
-	20,982,306	Principal retirement
-	14,717,128	Interest and other charges
1,548,590	979,813,646	Total expenditures
(814,734)	(128,494,038)	Excess (deficiency) of revenues over (under) expenditures
OTHER FINANCING SOURCES (USES)		
808,641	280,188,041	Transfers in
-	(75,620,345)	Transfers out
-	54,550,000	Revenue bonds issued
-	13,725,957	Premium on revenue bonds
-	35,854,472	Leases
808,641	308,698,125	Total other financing sources (uses), net
(6,093)	180,204,087	Net change in fund balances
106,536	739,083,019	Fund balances, July 1, 2021
100,443	919,287,106	Fund balances, June 30, 2022

COUNTY OF FAIRFAX, VIRGINIA
Special Revenue Fund
Budgetary Comparison Schedule - County Transit Systems Fund (Budget Basis)
For the fiscal year ended June 30, 2022

EXHIBIT D-2A

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 47,480,424	48,908,717	42,965,612	(5,943,105)
Charges for services	5,337,702	5,674,153	2,771,551	(2,902,602)
Revenue from the use of money and property	706,750	631,750	1,917,834	1,286,084
Recovered costs	-	-	22,156	22,156
Total revenues	53,524,876	55,214,620	47,677,153	(7,537,467)
EXPENDITURES				
Community development	137,930,629	147,037,123	128,808,965	18,228,158
Total expenditures	137,930,629	147,037,123	128,808,965	18,228,158
Excess (deficiency) of revenues over (under) expenditures	(84,405,753)	(91,822,503)	(81,131,812)	10,690,691
OTHER FINANCING SOURCES				
Transfers in	81,494,778	81,494,778	81,494,778	-
Total other financing sources	81,494,778	81,494,778	81,494,778	-
Net change in fund balance	\$ (2,910,975)	(10,327,725)	362,966	10,690,691

COUNTY OF FAIRFAX, VIRGINIA
Special Revenue Fund
Budgetary Comparison Schedule - Dulles Rail Phase I Transportation Improvement
District Fund (Budget Basis)
For the fiscal year ended June 30, 2022

EXHIBIT D-2B

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 15,295,113	15,295,113	15,378,945	83,832
Revenue from the use of money and property	-	-	67,436	67,436
Total revenues	15,295,113	15,295,113	15,446,381	151,268
EXPENDITURES				
Debt service:				
Principal retirement	7,910,000	13,108,700	12,690,000	418,700
Interest and other charges:				
Interest	6,556,350	6,108,750	6,339,245	(230,495)
Bond issuance costs and other	-	1,300	25,190	(23,890)
Total expenditures	14,466,350	19,218,750	19,054,435	164,315
Excess (deficiency) of revenues over (under) expenditures	828,763	(3,923,637)	(3,608,054)	315,583
Net change in fund balance	\$ 828,763	(3,923,637)	(3,608,054)	315,583

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2C

Special Revenue Fund

Budgetary Comparison Schedule - Dulles Rail Phase II Transportation Improvement

District Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance from Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 20,375,303	20,375,303	20,015,642	(359,661)
Revenue from the use of money and property	-	-	69,158	69,158
Total revenues	20,375,303	20,375,303	20,084,800	(290,503)
EXPENDITURES				
Community development	-	12,813,233	11,047,939	1,765,294
Debt service:				
Bond issuance costs and other	500,000	500,000	13,350	486,650
Total expenditures	500,000	13,313,233	11,061,289	2,251,944
Excess of revenues over expenditures	19,875,303	7,062,070	9,023,511	1,961,441
Net change in fund balance	\$ 19,875,303	7,062,070	9,023,511	1,961,441

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2D

Special Revenue Fund

Budgetary Comparison Schedule - County and Regional Transportation Projects (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance from Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 41,316,473	121,315,963	72,904,948	(48,411,015)
Charges for services	62,026,632	62,026,632	61,809,098	(217,534)
Revenue from the use of money and property	-	-	120,681	120,681
Total revenues	103,343,105	183,342,595	134,834,727	(48,507,868)
EXPENDITURES				
Community development	65,943,105	424,930,301	56,350,934	368,579,367
Total expenditures	65,943,105	424,930,301	56,350,934	368,579,367
Excess (deficiency) of revenues over (under) expenditures	37,400,000	(241,587,706)	78,483,793	320,071,499
OTHER FINANCING SOURCES (USES)				
Transfers out	(37,400,000)	(40,693,740)	(40,693,740)	-
Revenue bonds issued	-	100,000,000	-	(100,000,000)
Total other financing sources (uses), net	(37,400,000)	59,306,260	(40,693,740)	(100,000,000)
Net change in fund balance	\$ -	(182,281,446)	37,790,053	220,071,499

COUNTY OF FAIRFAX, VIRGINIA

Special Revenue Fund

Budgetary Comparison Schedule - Tysons Service District Fund (Budget Basis)

For the fiscal year ended June 30, 2022

EXHIBIT D-2E

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 8,607,631	8,607,631	8,564,698	(42,933)
Revenue from the use of money and property	-	-	37,754	37,754
Total revenues	8,607,631	8,607,631	8,602,452	(5,179)
EXPENDITURES				
Community development	-	10,700,247	220,483	10,479,764
Total expenditures	-	10,700,247	220,483	10,479,764
Excess (deficiency) of revenues over (under) expenditures	8,607,631	(2,092,616)	8,381,969	10,474,585
Net change in fund balance	\$ 8,607,631	(2,092,616)	8,381,969	10,474,585

COUNTY OF FAIRFAX, VIRGINIA

Special Revenue Fund

Budgetary Comparison Schedule - Reston Service District (Budget Basis)

For the fiscal year ended June 30, 2022

EXHIBIT D-2F

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 2,397,229	2,397,229	2,370,807	(26,422)
Revenue from the use of money and property	-	-	7,430	7,430
Total revenues	2,397,229	2,397,229	2,378,237	(18,992)
EXPENDITURES				
Community development	-	862,560	29,646	832,914
Total expenditures	-	862,560	29,646	832,914
Excess of revenues over expenditures	2,397,229	1,534,669	2,348,591	813,922
Net change in fund balance	\$ 2,397,229	1,534,669	2,348,591	813,922

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2G

Special Revenue Fund

Budgetary Comparison Schedule - Metrorail Parking System Pledged Revenue (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance from Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 2,967,343	500,000	1,086,306	586,306
Revenue from the use of money and property	4,601,505	3,448,000	3,158,358	(289,642)
Total revenues	7,568,848	3,948,000	4,244,664	296,664
EXPENDITURES				
Community development	3,844,460	4,614,096	1,916,132	2,697,964
Debt service:				
Principal retirement	4,490,000	4,454,256	4,490,000	(35,744)
Interest and other charges:				
Interest	6,454,000	6,490,022	6,454,000	36,022
Bond issuance costs and other	-	1,500	-	1,500
Total expenditures	14,788,460	15,559,874	12,860,132	2,699,742
Excess (deficiency) of revenues over (under) expenditures	(7,219,612)	(11,611,874)	(8,615,468)	2,996,406
OTHER FINANCING SOURCES				
Transfers in	-	3,293,740	3,293,740	-
Total other financing sources	-	3,293,740	3,293,740	-
Net change in fund balance	\$ (7,219,612)	(8,318,134)	(5,321,728)	2,996,406

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2H

Special Revenue Fund

Budgetary Comparison Schedule - Federal/State Grant Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance from Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 113,705,421	503,862,372	236,063,081	(267,799,291)
Charges for services	-	-	4,109,438	4,109,438
Revenue from the use of money and property	-	-	23,825	23,825
Recovered costs	-	20,757,193	1,930,531	(18,826,662)
Gifts, donations, and contributions	-	994,620	90,530	(904,090)
Total revenues	113,705,421	525,614,185	242,217,405	(283,396,780)
EXPENDITURES				
General government administration	118,138,075	279,485,118	2,656,404	276,828,714
Judicial administration	-	174,183	794,583	(620,400)
Public safety	-	37,502,761	57,185,157	(19,682,396)
Public works	-	2,559,817	1,308,348	1,251,469
Health and welfare	-	96,460,871	149,960,294	(53,499,423)
Community development	-	154,902,641	50,746,449	104,156,192
Parks, recreation, and cultural	-	-	144,800	(144,800)
Total expenditures	118,138,075	571,085,391	262,796,035	308,289,356
Excess (deficiency) of revenues over (under) expenditures	(4,432,654)	(45,471,206)	(20,578,630)	24,892,576
OTHER FINANCING SOURCES				
Transfers in	-	16,208,797	16,208,797	-
Total other financing sources	-	16,208,797	16,208,797	-
Net change in fund balance	\$ (4,432,654)	(29,262,409)	(4,369,833)	24,892,576

COUNTY OF FAIRFAX, VIRGINIA

Special Revenue Fund

Budgetary Comparison Schedule - Cable Communications Fund (Budget Basis)

For the fiscal year ended June 30, 2022

EXHIBIT D-2I

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Permits, privilege fees, and regulatory licenses	\$ 19,237,413	19,237,413	19,721,528	484,115
Total revenues	19,237,413	19,237,413	19,721,528	484,115
EXPENDITURES				
Community development	10,373,836	17,633,533	10,062,013	7,571,520
Total expenditures	10,373,836	17,633,533	10,062,013	7,571,520
Excess of revenues over expenditures	8,863,577	1,603,880	9,659,515	8,055,635
OTHER FINANCING USES				
Transfers out	(7,418,583)	(7,418,583)	(7,418,583)	-
Transfers out to component units	(3,054,486)	(3,054,486)	(3,054,486)	-
Total other financing uses	(10,473,069)	(10,473,069)	(10,473,069)	-
Net change in fund balance	\$ (1,609,492)	(8,869,189)	(813,554)	8,055,635

COUNTY OF FAIRFAX, VIRGINIA

Special Revenue Fund

Budgetary Comparison Schedule - Early Childhood Birth to 5 Fund (Budget Basis)

For the fiscal year ended June 30, 2022

EXHIBIT D-2J

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Permits, privilege fees, and regulatory licenses	\$ 15,353	15,353	10,122	(5,231)
Intergovernmental	44,689	44,689	40,112	(4,577)
Fines and forfeitures	-	-	350	350
Recovered costs	155,918	155,918	7,104	(148,814)
Total revenues	215,960	215,960	57,688	(158,272)
EXPENDITURES				
Health and welfare	32,835,596	33,123,520	24,664,709	8,458,811
Total expenditures	32,835,596	33,123,520	24,664,709	8,458,811
Excess (deficiency) of revenues over (under) expenditures	(32,619,636)	(32,907,560)	(24,607,021)	8,300,539
OTHER FINANCING USES				
Transfers in	32,619,636	32,667,557	32,667,557	-
Transfers out	-	(5,000,000)	(5,000,000)	-
Total other financing sources, net	32,619,636	27,667,557	27,667,557	-
Net change in fund balance	\$ -	(5,240,003)	3,060,536	8,300,539

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2K

Special Revenue Fund

Budgetary Comparison Schedule - Fairfax-Falls Church Community Services Board Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 15,271,342	15,454,037	16,632,861	1,178,824
Charges for services	20,879,908	20,586,513	23,110,460	2,523,947
Fines and forfeitures	14,100	-	13,587	13,587
Revenue from the use of money and property	-	124,800	124,800	-
Total revenues	36,165,350	36,165,350	39,881,708	3,716,358
EXPENDITURES				
Health and welfare	184,856,796	199,895,087	168,255,282	31,639,805
Total expenditures	184,856,796	199,895,087	168,255,282	31,639,805
Excess (deficiency) of revenues over (under) expenditures	(148,691,446)	(163,729,737)	(128,373,574)	35,356,163
OTHER FINANCING SOURCES				
Transfers in	148,691,446	150,158,878	150,158,878	-
Transfers out	-	(15,000,000)	(15,000,000)	-
Total other financing sources, net	148,691,446	135,158,878	135,158,878	-
Net change in fund balance	\$ -	(28,570,859)	6,785,304	35,356,163

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2L

Special Revenue Fund

Budgetary Comparison Schedule - Reston Community Center Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 9,297,481	9,297,481	9,685,685	388,204
Revenue from the use of money and property	177,675	177,675	310,205	132,530
Total revenues	9,475,156	9,475,156	9,995,890	520,734
EXPENDITURES				
Parks, recreation, and cultural	8,651,779	10,938,211	8,372,412	2,565,799
Total expenditures	8,651,779	10,938,211	8,372,412	2,565,799
Excess (deficiency) of revenues over (under) expenditures	823,377	(1,463,055)	1,623,478	3,086,533
Net change in fund balance	\$ 823,377	(1,463,055)	1,623,478	3,086,533

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2M

Special Revenue Fund

Budgetary Comparison Schedule - McLean Community Center Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget
				Positive
				(Negative)
REVENUES				
Charges for services	\$ 5,827,232	5,827,232	5,941,022	113,790
Revenue from the use of money and property	168,070	168,070	56,277	(111,793)
Gifts, donations, and contributions	-	-	31,113	31,113
Total revenues	5,995,302	5,995,302	6,028,412	33,110
EXPENDITURES				
Parks, recreation, and cultural	6,346,030	6,897,045	5,995,982	901,063
Total expenditures	6,346,030	6,897,045	5,995,982	901,063
Excess (deficiency) of revenues over				
(under) expenditures	(350,728)	(901,743)	32,430	934,173
Net change in fund balance	\$ (350,728)	(901,743)	32,430	934,173

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2N

Special Revenue Fund

Budgetary Comparison Schedule - Burgundy Village Community Center Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget
				Positive
				(Negative)
REVENUES				
Charges for services	\$ 38,081	38,081	36,663	(1,418)
Revenue from the use of money and property	46,138	46,138	69,571	23,433
Total revenues	84,219	84,219	106,234	22,015
EXPENDITURES				
Parks, recreation, and cultural	46,806	161,939	28,315	133,624
Total expenditures	46,806	161,939	28,315	133,624
Excess (deficiency) of revenues over				
(under) expenditures	37,413	(77,720)	77,919	155,639
Net change in fund balance	\$ 37,413	(77,720)	77,919	155,639

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2o

Special Revenue Fund

Budgetary Comparison Schedule - E-911 Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Local sales and use taxes	\$ 40,568,880	40,568,880	42,484,195	1,915,315
Intergovernmental	3,396,251	3,396,251	4,591,138	1,194,887
Charges for Services	-	-	258	258
Revenue from the use of money and property	10,000	10,000	26,680	16,680
Recovered costs	1,046,259	1,046,259	1,082,227	35,968
Total revenues	45,021,390	45,021,390	48,184,498	3,163,108
EXPENDITURES				
Public safety	53,465,076	69,098,056	43,448,172	25,649,884
Total expenditures	53,465,076	69,098,056	43,448,172	25,649,884
Excess (deficiency) of revenues over (under) expenditures	(8,443,686)	(24,076,666)	4,736,326	28,812,992
OTHER FINANCING SOURCES				
Transfers in	6,400,398	7,331,793	7,331,793	-
Total other financing sources	6,400,398	7,331,793	7,331,793	-
Net change in fund balance	\$ (2,043,288)	(16,744,873)	12,068,119	28,812,992

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2p

Special Revenue Fund

Budgetary Comparison Schedule - Integrated Pest Management Program Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 2,692,792	2,692,792	2,697,970	5,178
Revenue from the use of money and property	7,691	7,691	4,767	(2,924)
Total revenues	2,700,483	2,700,483	2,702,737	2,254
EXPENDITURES				
Health and welfare	1,831,572	1,961,153	944,833	1,016,320
Community development	1,504,667	1,724,515	1,184,648	539,867
Total expenditures	3,336,239	3,685,668	2,129,481	1,556,187
Excess (deficiency) of revenues over (under) expenditures	(635,756)	(985,185)	573,256	1,558,441
OTHER FINANCING USES				
Transfers out	(141,000)	(141,000)	(141,000)	-
Total other financing uses	(141,000)	(141,000)	(141,000)	-
Net change in fund balance	\$ (776,756)	(1,126,185)	432,256	1,558,441

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2Q

Special Revenue Fund

Budgetary Comparison Schedule - Stormwater Services Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Permits, privilege fees, and regulatory licenses	\$ -	-	27,250	27,250
Intergovernmental	-	3,677,793	2,967,180	(710,613)
Charges for services	87,175,738	87,175,738	88,017,253	841,515
Developers' contributions	-	-	30,583	30,583
Revenue from the use of money and property	-	-	179,240	179,240
Recovered costs	-	-	195,570	195,570
Total revenues	87,175,738	90,853,531	91,417,076	563,545
EXPENDITURES				
Public works	86,050,738	272,972,778	81,766,773	191,206,005
Total expenditures	86,050,738	272,972,778	81,766,773	191,206,005
Excess (deficiency) of revenues over (under) expenditures	1,125,000	(182,119,247)	9,650,303	191,769,550
OTHER FINANCING SOURCES (USES)				
Revenue bonds issued	-	68,000,000	68,275,957	275,957
Transfers out	(1,125,000)	(1,125,000)	(1,125,000)	-
Total other financing sources (uses), net	(1,125,000)	66,875,000	67,150,957	275,957
Net change in fund balance	\$ -	(115,244,247)	76,801,260	192,045,507

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2R

Special Revenue Fund

Budgetary Comparison Schedule - Leaf Collection Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 2,279,513	2,279,513	2,287,029	7,516
Revenue from the use of money and property	87,591	87,591	4,336	(83,255)
Total revenues	2,367,104	2,367,104	2,291,365	(75,739)
EXPENDITURES				
Public works	2,615,535	2,634,001	2,462,089	171,912
Total expenditures	2,615,535	2,634,001	2,462,089	171,912
Excess (deficiency) of revenues over (under) expenditures	(248,431)	(266,897)	(170,724)	96,173
OTHER FINANCING USES				
Transfers out	(54,000)	(54,000)	(54,000)	-
Total other financing uses	(54,000)	(54,000)	(54,000)	-
Net change in fund balance	\$ (302,431)	(320,897)	(224,724)	96,173

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2s

Special Revenue Fund

Budgetary Comparison Schedule - Refuse Collection and Recycling Operations Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 120,114	120,114	171,876	51,762
Fines and Forfeitures	-	-	50	50
Charges for services	19,354,092	19,354,092	19,804,820	450,728
Revenue from the use of money and property	161,148	161,148	46,689	(114,459)
Recovered costs	24,413	24,413	1,778	(22,635)
Total revenues	19,659,767	19,659,767	20,025,213	365,446
EXPENDITURES				
Public works	20,139,769	21,795,213	18,917,126	2,878,087
Total expenditures	20,139,769	21,795,213	18,917,126	2,878,087
Excess (deficiency) of revenues over (under) expenditures	(480,002)	(2,135,446)	1,108,087	3,243,533
OTHER FINANCING USES				
Transfers out	(494,000)	(494,000)	(494,000)	-
Total other financing uses	(494,000)	(494,000)	(494,000)	-
Net change in fund balance	\$ (974,002)	(2,629,446)	614,087	3,243,533

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2t

Special Revenue Fund

Budgetary Comparison Schedule - Refuse Disposal Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Permits, privilege fees, and regulatory licenses	\$ 82,320	82,320	98,355	16,035
Charges for services	50,560,780	50,560,780	50,546,389	(14,391)
Revenue from the use of money and property	1,740,000	1,740,000	1,470,604	(269,396)
Recovered costs	-	-	11,806	11,806
Fines and forfeitures	-	-	84,033	84,033
Total revenues	52,383,100	52,383,100	52,211,187	(171,913)
EXPENDITURES				
Public works	53,741,293	64,649,086	55,136,227	9,512,859
Total expenditures	53,741,293	64,649,086	55,136,227	9,512,859
Excess (deficiency) of revenues over (under) expenditures	(1,358,193)	(12,265,986)	(2,925,040)	9,340,946
OTHER FINANCING USES				
Transfers out	(626,000)	(626,000)	(626,000)	-
Total other financing uses	(626,000)	(626,000)	(626,000)	-
Net change in fund balance	\$ (1,984,193)	(12,891,986)	(3,551,040)	9,340,946

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2u

Special Revenue Fund

Budgetary Comparison Schedule - I-95 Refuse Disposal Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 10,405,200	10,405,200	12,060,455	1,655,255
Revenue from the use of money and property	658,244	658,244	255,610	(402,634)
Total revenues	11,063,444	11,063,444	12,316,065	1,252,621
EXPENDITURES				
Public works	8,317,216	18,082,618	7,734,578	10,348,040
Total expenditures	8,317,216	18,082,618	7,734,578	10,348,040
Excess (deficiency) of revenues over (under) expenditures	2,746,228	(7,019,174)	4,581,487	11,600,661
OTHER FINANCING USES				
Transfers out	(186,000)	(186,000)	(186,000)	-
Total other financing uses	(186,000)	(186,000)	(186,000)	-
Net change in fund balance	\$ 2,560,228	(7,205,174)	4,395,487	11,600,661

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2v

Special Revenue Fund

Budgetary Comparison Schedule - Community Development Block Grant Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 5,960,799	15,956,612	9,097,003	(6,859,609)
Charges for services	-	2,813	-	(2,813)
Total revenues	5,960,799	15,959,425	9,097,003	(6,862,422)
EXPENDITURES				
Community development	5,401,013	15,830,369	9,100,669	6,729,700
Debt service:				
Principal retirement	459,000	459,000	459,000	-
Interest and other charges:				
Interest	100,786	100,786	100,786	-
Total expenditures	5,960,799	16,390,155	9,660,455	6,729,700
Deficiency of revenues under expenditures	-	(430,730)	(563,452)	(132,722)
Net change in fund balance	\$ -	(430,730)	(563,452)	(132,722)

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2w

Special Revenue Fund

Budgetary Comparison Schedule - Housing Trust Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Developers' contributions	\$ -	-	1,679,068	1,679,068
Revenue from the use of money and property	77,251	77,251	18,406	(58,845)
Other Revenue	3,589,940	3,589,940	4,185,025	595,085
Total revenues	3,667,191	3,667,191	5,882,499	2,215,308
EXPENDITURES				
Community development	3,667,191	23,021,190	7,216,777	15,804,413
Total expenditures	3,667,191	23,021,190	7,216,777	15,804,413
Excess (deficiency) of revenues over (under) expenditures	-	(19,353,999)	(1,334,278)	18,019,721
Net change in fund balance	\$ -	(19,353,999)	(1,334,278)	18,019,721

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT D-2x

Special Revenue Fund

Budgetary Comparison Schedule - HOME Investment Partnership Grant Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 2,141,854	13,154,502	1,955,987	(11,198,515)
Revenue from the use of money and property	-	-	155,254	155,254
Gifts, donations, and contributions	-	-	309,025	309,025
Total revenues	2,141,854	13,154,502	2,420,266	(10,734,236)
EXPENDITURES				
Community development	2,141,854	12,751,196	2,170,729	10,580,467
Total expenditures	2,141,854	12,751,196	2,170,729	10,580,467
Excess (deficiency) of revenues over (under) expenditures	-	403,306	249,537	(153,769)
Net change in fund balance	\$ -	403,306	249,537	(153,769)



The **Debt Service Funds** are used to account for the accumulation of resources for and the payments of bond principal, interest, and related expenses.

Debt Service Fund is used to account for the funds accumulated and expended for the payment of principal, interest, and other costs applicable to general obligation bond issues, certain lease revenue bonds, and loans received from the Literary Fund of Virginia.

Debt Service Fund Mosaic Community Development Authority Fund is used to account for the accumulation of resources for and the payments of bond principal, interest, and related expenses on debt of the Mosaic Community Development Authority. This fund is not appropriated in the County's operating budget.

COUNTY OF FAIRFAX, VIRGINIA
Debt Service Funds
Combining Balance Sheet
June 30, 2022

EXHIBIT E

	Debt Service	Mosaic Community Development Authority	Total Debt Service Funds
ASSETS			
Equity in pooled cash and temporary investments	\$ 7,892,264	-	7,892,264
Receivables:			
Accrued interest	-	4,006	4,006
Notes receivable	36,890,000	-	36,890,000
Loan to component unit	9,380,000	-	9,380,000
Restricted assets:			
Restricted assets - Cash with fiscal agents	1,506	4,924,315	4,925,821
Investments			
Total assets	54,163,770	4,928,321	59,092,091
DEFERRED OUTFLOWS OF RESOURCES			
Total deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	\$ 54,163,770	4,928,321	59,092,091
LIABILITIES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 333,565	-	333,565
Total liabilities	333,565	-	333,565
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	36,890,000	-	36,890,000
Total deferred inflows of resources	36,890,000	-	36,890,000
Total liabilities and deferred inflows of resources	37,223,565	-	37,223,565
FUND BALANCES			
Restricted for:			
Debt service	-	4,928,321	4,928,321
Capital projects	1,403	-	1,403
Total Restricted	1,403	4,928,321	4,929,724
Committed to:			
Capital projects	16,938,802	-	16,938,802
Total Committed	16,938,802	-	16,938,802
Total fund balance	16,940,205	4,928,321	21,868,526
Total liabilities, deferred inflows of resources, and fund balance	\$ 54,163,770	4,928,321	59,092,091

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT E-1

Debt Service Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

For the fiscal year ended June 30, 2022

	Debt Service	Mosaic Community Development Authority	Total Debt Service Funds
REVENUES			
Intergovernmental	\$ 4,047,414	-	4,047,414
Revenue from the use of money and property	1,338,010	8,140	1,346,150
Total revenues	5,385,424	8,140	5,393,564
EXPENDITURES			
Principal retirement:			
County	108,570,600	2,515,000	111,085,600
Schools	140,054,400	-	140,054,400
Interest:			
County	40,447,848	2,367,022	42,814,870
Schools	59,114,787	-	59,114,787
Other charges:			
Bond issuance costs and other charges	2,288,248	-	2,288,248
Arbitrage rebate payments	16,650	-	16,650
Total expenditures	350,492,533	4,882,022	355,374,555
Deficiency of revenues under expenditures	(345,107,109)	(4,873,882)	(349,980,991)
OTHER FINANCING SOURCES (USES)			
Transfers in from:			
General Fund	328,435,654	-	328,435,654
Special revenue funds	-	4,882,022	4,882,022
Capital projects funds	4,295,825	-	4,295,825
Lease revenue refunding bonds issued	177,825,000	-	177,825,000
Premium on lease revenue refunding bonds issued	3,364,204	-	3,364,204
Lease Revenue Payments to refunded bonds escrow agent	(163,535,669)	-	(163,535,669)
Total other financing sources	350,385,014	4,882,022	355,267,036
Net change in fund balance	5,277,905	8,140	5,286,045
Fund balances, July 1, 2021	11,662,300	4,920,181	16,582,481
Fund balances, June 30, 2022	\$ 16,940,205	4,928,321	21,868,526

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT E-2

Debt Service Fund

Budgetary Comparison Schedule - Debt Service Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget
				Positive
				(Negative)
REVENUES				
Intergovernmental	\$ 2,328,000	1,828,000	1,869,345	41,345
Total revenues	2,328,000	1,828,000	1,869,345	41,345
EXPENDITURES				
Principal retirement:				
County	87,315,600	87,315,600	91,590,600	(4,275,000)
Schools	133,099,400	133,099,400	140,054,400	(6,955,000)
Interest:				
County	46,652,624	48,134,734	40,273,803	7,860,931
Schools	66,646,249	69,025,940	59,114,787	9,911,153
Bond issuance costs and other charges	2,000,000	1,999,933	1,588,682	411,251
Total expenditures	335,713,873	339,575,607	332,622,272	6,953,335
Excess (deficiency) of revenues over (under) expenditures	(333,385,873)	(337,747,607)	(330,752,927)	6,994,680
OTHER FINANCING SOURCES (USES)				
General obligation bonds issued	500,000	500,000	513,557	13,557
Transfers in from:				
General Fund	328,435,654	328,435,654	328,435,654	-
Other funds	4,450,219	7,299,618	7,299,618	-
Total other financing sources, net	333,385,873	336,235,272	336,248,829	13,557
Net change in fund balance, net	\$ -	(1,512,335)	5,495,902	7,008,237



The **Capital Projects Funds** are used to account for financial resources used for all general County construction projects other than enterprise fund construction.

Contributed Roadway Improvement Fund is used to account for contributions received from developers to fund specific projects in various growth areas of the County.

Library Construction Fund is used to account for design and construction of new County libraries, renovations of existing facilities, and capital equipment expenditures authorized by voter referendum. Projects are funded from the sale of bonds.

County Construction Fund is used to account for renovations, maintenance, and on-going initiatives involving County, FCPA, and FCPS properties. Projects are funded from a variety of sources including, but not limited to the General Fund, aid from the State, and the sale of bonds.

Capital Renewal Construction Fund is used to account for the planned replacement of County government building subsystems such as roofs, electrical systems, HVAC systems, and plumbing systems that have reached the end of their useful life cycle. Projects are funded by the General Fund.

Transportation Improvements Fund is used to account for road construction and repair authorized by voter referendum. Projects are funded primarily from the sale of bonds. Other sources of funding are developers' contributions and transfers from other funds.

Pedestrian Walkway Improvements Fund is used to account for the design and construction of sidewalks to provide safe walking conditions for public school students. The program is undertaken in cooperation with the FCPS and generally involves projects which link residential areas and public schools. Projects are funded by the General Fund.

Metro Operations and Construction Fund is used to account for subsidies to the WMATA for Metrobus/ Metrorail operations and Metrorail construction. The cost of the operations and construction is shared by all local jurisdictions in the Washington, D.C. metropolitan area.

Public Safety Construction Fund is used to account for the funding of public safety projects, including the design and construction of fire stations, police stations, and the Public Safety Academy. Projects are funded by the sale of bonds.

Pro Rata Drainage Construction Fund is used to account for storm drainage projects in accordance with the Pro Rata Share Program approved by the Board of Supervisors on December 16, 1991. Under this program, funding is obtained from land developers who pay a pro rata share of the total estimated cost of necessary storm drainage improvements.

Environmental and Energy Program Fund is used to account for the funding of projects that supports the County's environmental initiatives and energy strategies. Projects are funded mostly by the General Fund.

The Penny for Affordable Housing Fund is used to account for the planned allocation of funding by the Board of Supervisors to prioritize and monitor affordable housing preservation initiatives. Projects are funded by the amount dedicated by the Board; original method to determine the amount of dedication was the value of one penny of the real estate tax rate.

COUNTY OF FAIRFAX, VIRGINIA
Capital Projects Funds
Combining Balance Sheet
June 30, 2022

	Contributed Roadway Improvement	Library Construction	County Construction
ASSETS			
Equity in pooled cash and temporary investments	\$ 100,865,264	3,581,703	55,139,059
Receivables:			
Accounts	-	-	131,105
Accrued interest	-	-	-
Loans	-	-	-
Due from intergovernmental units	-	-	187,298
Restricted assets:			
Equity in pooled cash and temporary investments	-	10,602,599	-
Cash with fiscal agents	-	-	1,426,281
Total assets	100,865,264	14,184,302	56,883,743
DEFERRED OUTFLOWS OF RESOURCES			
Total deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	\$ 100,865,264	14,184,302	56,883,743
LIABILITIES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 27,242	627,016	4,751,566
Accrued salaries and benefits	-	-	55,122
Contract retainages	-	269,681	1,617,510
Due to component units	-	-	1,591,233
Unearned revenues	-	-	24,246,680
Performance and other deposits	50,015,665	-	1,208,826
Total liabilities	50,042,907	896,697	33,470,937
DEFERRED INFLOW OF RESOURCES			
Unavailable revenue	-	-	-
Total deferred inflows of resources	-	-	-
Total liabilities and deferred inflows of resources	50,042,907	896,697	33,470,937
FUND BALANCES			
Restricted for:			
Capital projects	50,822,357	13,287,605	-
Total Restricted	50,822,357	13,287,605	-
Committed to:			
Capital projects	-	-	23,412,806
Total Committed	-	-	23,412,806
Total fund balances	50,822,357	13,287,605	23,412,806
Total liabilities, deferred inflows of resources, and fund balances	\$ 100,865,264	14,184,302	56,883,743

EXHIBIT F

Capital Renewal Construction	Transportation Improvements	Pedestrian Walkway Improvements	
61,038,929	7,430,496	113,229	ASSETS
-	-	-	Equity in pooled cash and temporary investments
-	-	-	Receivables:
-	-	-	Accounts
-	-	-	Accrued interest
-	-	-	Loans
-	-	17,516	Due from intergovernmental units
-	7,171,562	-	Restricted assets:
-	-	-	Equity in pooled cash and temporary investments
61,038,929	14,602,058	130,745	Cash with fiscal agents
			Total assets
-	-	-	DEFERRED OUTFLOWS OF RESOURCES
			Total deferred outflows of resources
61,038,929	14,602,058	130,745	Total assets and deferred outflows of resources
			LIABILITIES
403,091	1,177,735	-	Liabilities:
-	-	-	Accounts payable and accrued liabilities
-	-	-	Accrued salaries and benefits
-	462,227	2,023	Contract retainages
-	-	-	Due to component units
-	-	-	Unearned revenues
-	-	128,722	Performance and other deposits
403,091	1,639,962	130,745	Total liabilities
			DEFERRED INFLOW OF RESOURCES
-	-	-	Unavailable revenue
-	-	-	Total deferred inflows of resources
403,091	1,639,962	130,745	Total liabilities and deferred inflows of resources
			FUND BALANCES
-	12,962,096	-	Restricted for:
-	12,962,096	-	Capital projects
			Total Restricted
60,635,838	-	-	Committed to:
60,635,838	-	-	Capital projects
60,635,838	12,962,096	-	Total Committed
			Total fund balances
61,038,929	14,602,058	130,745	Total liabilities, deferred inflows of resources, and fund balances

continued

COUNTY OF FAIRFAX, VIRGINIA
Capital Projects Funds
Combining Balance Sheet
June 30, 2022

	Metro Operations and Construction	Public Safety Construction	Pro Rata Drainage Construction
ASSETS			
Equity in pooled cash and temporary investments	\$ 995,427	13,390,067	8,648,343
Receivables:			
Accounts	-	-	-
Accrued interest	-	-	-
Loans	-	-	-
Due from intergovernmental units	-	-	-
Restricted assets:			
Equity in pooled cash and temporary investments	11,181,747	6,710,780	-
Cash with fiscal agents	-	-	-
Total assets	12,177,174	20,100,847	8,648,343
DEFERRED OUTFLOWS OF RESOURCES			
Total deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	\$ 12,177,174	20,100,847	8,648,343
LIABILITIES			
Liabilities:			
Accounts payable and accrued liabilities	\$ -	3,915,362	1,404
Accrued salaries and benefits	-	-	-
Contract retainages	-	4,582,857	-
Due to component units	-	-	-
Unearned revenues	-	-	-
Performance and other deposits	-	-	38,966
Total liabilities	-	8,498,219	40,370
DEFERRED INFLOW OF RESOURCES			
Unavailable revenue	-	-	-
Total deferred inflows of resources	-	-	-
Total liabilities and deferred inflows of resources	-	8,498,219	40,370
FUND BALANCES			
Restricted for:			
Capital projects	12,177,174	11,602,628	8,607,973
Total Restricted	12,177,174	11,602,628	8,607,973
Committed to:			
Capital projects	-	-	-
Total Committed	-	-	-
Total fund balances	12,177,174	11,602,628	8,607,973
Total liabilities, deferred inflows of resources, and fund balances	\$ 12,177,174	20,100,847	8,648,343

EXHIBIT F

concluded

Environmental and Energy Program	The Penny for Affordable Housing	Total Capital Projects Funds	
27,360,435	72,228,143	350,791,095	ASSETS
-	-	131,105	Equity in pooled cash and temporary investments
-	5,932,660	5,932,660	Receivables:
-	48,418,030	48,418,030	Accounts
-	-	204,814	Accrued interest
458	-	458	Loans
-	-	-	Due from intergovernmental units
-	-	-	Due from component units
-	-	35,666,688	Restricted assets:
-	-	1,426,281	Equity in pooled cash and temporary investments
27,360,893	126,578,833	442,571,131	Cash with fiscal agents
			Total assets
-	-	-	DEFERRED OUTFLOWS OF RESOURCES
			Total deferred outflows of resources
27,360,893	126,578,833	442,571,131	Total assets and deferred outflows of resources
			LIABILITIES AND FUND BALANCES
410,650	439,545	11,753,611	Liabilities:
-	-	55,122	Accounts payable and accrued liabilities
-	19,209	6,953,507	Accrued salaries and benefits
-	-	1,591,233	Contract retainages
-	-	24,246,680	Due to component units
-	-	51,392,179	Unearned revenues
-	-	-	Performance and other deposits
410,650	458,754	95,992,332	Total liabilities
-	5,932,660	5,932,660	DEFERRED INFLOW OF RESOURCES
-	5,932,660	5,932,660	Unavailable revenue
			Total deferred inflows of resources
410,650	6,391,414	101,924,992	Total liabilities and deferred inflows of resources
			FUND BALANCES
-	-	109,459,833	Restricted for:
-	-	109,459,833	Capital projects
			Total Restricted
26,950,243	120,187,419	231,186,306	Committed to:
26,950,243	120,187,419	231,186,306	Capital projects
26,950,243	120,187,419	340,646,139	Total Committed
			Total fund balances
27,360,893	126,578,833	442,571,131	Total liabilities, deferred inflows of resources, and fund balances

COUNTY OF FAIRFAX, VIRGINIA

Capital Projects Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

For the fiscal year ended June 30, 2022

	Contributed Roadway Improvement	Library Construction	County Construction
REVENUES			
Taxes	\$ -	-	-
Intergovernmental	-	-	-
Charges for services	-	-	1,683,620
Developers' contributions	10,308,624	-	5,500
Revenue from the use of money and property	77,204	-	404,999
Recovered costs	-	663,000	1,013,587
Total revenues	10,385,828	663,000	3,107,706
EXPENDITURES			
Current:			
General government administration	-	-	325,115
Public safety	-	-	4,077
Public works	-	-	68,653
Health and welfare	-	-	4,235,613
Community development	652,662	-	4,484,738
Parks, recreation, and cultural	-	-	3,598,532
Intergovernmental:			
Community development	-	-	-
Parks, recreation, and cultural	-	-	27,593,056
Education - for Public Schools	-	-	180,000,000
Capital outlay:			
General government administration	-	-	5,074,118
Judicial administration	-	-	191,955
Public safety	-	-	333,192
Public works	-	7,696	(251,778)
Health and welfare	-	-	15,748,083
Community development	7,069,731	-	3,960,146
Parks, recreation, and cultural	-	4,080,309	4,527,677
Debt service:			
Principal retirement	-	-	645,000
Interest and other charges	-	-	116,003
Total expenditures	7,722,393	4,088,005	250,654,180
Excess (deficiency) of revenues over (under) expenditures	2,663,435	(3,425,005)	(247,546,474)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	62,456,118
Transfers out	(181,732)	-	(730,444)
General obligation bonds issued	-	8,000,000	183,790,000
Premium on general obligation bonds issued	-	-	19,940,444
Total other financing sources (uses), net	(181,732)	8,000,000	265,456,118
Net change in fund balances	2,481,703	4,574,995	17,909,644
Fund balances, July 1, 2021	48,340,654	8,712,610	5,503,162
Fund balances, June 30, 2022	\$ 50,822,357	13,287,605	23,412,806

EXHIBIT F-1

Capital Renewal Construction	Transportation Improvements	Pedestrian Walkway Improvements	
REVENUES			
-	-	-	- Taxes
399,764	772,058	-	- Intergovernmental
-	-	-	- Charges for services
-	-	-	- Developers' contributions
-	-	-	- Revenue from the use of money and property
-	-	-	- Recovered costs
399,764	772,058	-	- Total revenues
EXPENDITURES			
Current:			
2,413,652	-	-	- General government administration
-	-	-	- Public safety
-	-	-	- Public works
-	-	-	- Health and welfare
-	4,760,782	-	- Community development
-	-	-	- Parks, recreation, and cultural
Intergovernmental:			
-	-	-	- Community development
-	-	-	- Parks, recreation, and cultural
-	-	-	- Education - for Public Schools
Capital outlay:			
9,346,454	3,588,094	-	- General government administration
-	-	-	- Judicial administration
-	-	-	- Public safety
-	-	-	- Public works
-	-	-	- Health and welfare
-	-	-	- Community development
-	-	-	- Parks, recreation, and cultural
Debt service:			
-	-	-	- Principal retirement
-	-	-	- Interest and other charges
11,760,106	8,348,876	-	- Total expenditures
(11,360,342)	(7,576,818)	-	Excess (deficiency) of revenues over (under) expenditures
OTHER FINANCING SOURCES (USES)			
28,291,318	5,000,000	800,000	Transfers in
-	-	(4,464,889)	Transfers out
-	8,000,000	-	- General obligation bonds issued
-	-	-	- Premium on general obligation bonds issued
28,291,318	13,000,000	(3,664,889)	Total other financing sources (uses), net
16,930,976	5,423,182	(3,664,889)	Net change in fund balances
43,704,862	7,538,914	3,664,889	Fund balances, July 1, 2021
60,635,838	12,962,096	-	Fund balances, June 30, 2022

continued

COUNTY OF FAIRFAX, VIRGINIA

Capital Projects Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

For the fiscal year ended June 30, 2022

	Metro Operations and Construction	Public Safety Construction	Pro Rata Drainage Construction
REVENUES			
Taxes	\$ -	-	-
Intergovernmental	-	-	-
Charges for services	-	-	-
Developers' contributions	-	749,541	-
Revenue from the use of money and property	-	8,634	-
Recovered costs	-	-	2,982,510
Total revenues	-	758,175	2,982,510
EXPENDITURES			
Current:			
General government administration	-	-	-
Public safety	-	347,877	-
Public works	-	-	-
Health and welfare	-	-	-
Community development	-	-	-
Parks, recreation, and cultural	-	-	-
Intergovernmental:			
Community development	70,512,005	-	-
Parks, recreation, and cultural	-	-	-
Education - for Public Schools	-	-	-
Capital outlay:			
General government administration	-	-	-
Judicial administration	-	-	-
Public safety	-	39,785,409	-
Public works	-	-	85,856
Health and welfare	-	-	-
Community development	-	-	-
Parks, recreation, and cultural	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and other charges	-	-	-
Total expenditures	70,512,005	40,133,286	85,856
Excess (deficiency) of revenues over (under) expenditures	(70,512,005)	(39,375,111)	2,896,654
OTHER FINANCING SOURCES (USES)			
Transfers in	43,950,424	2,500,000	-
Transfers out	(3,279,574)	(3,565,381)	-
General obligation bonds issued	36,860,000	36,000,000	-
Premium on general obligation bonds issued	4,140,000	4,000,000	-
Total other financing sources (uses), net	81,670,850	38,934,619	-
Net change in fund balances	11,158,845	(440,492)	2,896,654
Fund balances, July 1, 2021	1,018,329	12,043,120	5,711,319
Fund balances, June 30, 2022	\$ 12,177,174	11,602,628	8,607,973

EXHIBIT F-1

concluded

Environmental and Energy Program	The Penny for Affordable Housing	Total Capital Projects Funds	
			REVENUES
668,460	13,570,000	14,238,460	Taxes
-	5,200,000	6,371,822	Intergovernmental
-	-	1,683,620	Charges for services
-	-	11,063,665	Developers' contributions
-	1,808,237	2,299,074	Revenue from the use of money and property
45,035	-	4,704,132	Recovered costs
713,495	20,578,237	40,360,773	Total revenues
			EXPENDITURES
			Current:
2,227,732	-	4,966,499	General government administration
-	-	351,954	Public safety
-	-	68,653	Public works
-	-	4,235,613	Health and welfare
-	6,372,479	16,270,661	Community development
-	-	3,598,532	Parks, recreation, and cultural
-	507,730	71,019,735	Intergovernmental:
723,968	-	28,317,024	Community development
-	-	180,000,000	Parks, recreation, and cultural
			Education - for Public Schools
			Capital outlay:
744,440	-	18,753,106	General government administration
-	-	191,955	Judicial administration
-	-	40,118,601	Public safety
1,981,956	-	1,823,730	Public works
-	-	15,748,083	Health and welfare
-	641,102	11,670,979	Community development
-	-	8,607,986	Parks, recreation, and cultural
			Debt service:
-	4,440,000	5,085,000	Principal retirement
-	3,014,438	3,130,441	Interest and other charges
5,678,096	14,975,749	413,958,552	Total expenditures
(4,964,601)	5,602,488	(373,597,779)	Excess (deficiency) of revenues over (under) expenditures
			OTHER FINANCING SOURCES (USES)
19,498,767	12,000,700	174,497,327	Transfers in
-	-	(12,222,020)	Transfers out
-	-	272,650,000	General obligation bonds issued
-	-	28,080,444	Premium on general obligation bonds issued
19,498,767	12,000,700	463,005,751	Total other financing sources (uses), net
14,534,166	17,603,188	89,407,972	Net change in fund balances
12,416,077	102,584,231	251,238,167	Fund balances, July 1, 2021
26,950,243	120,187,419	340,646,139	Fund balances, June 30, 2022



The **Internal Service Funds** are used to account for the financing of goods or services provided by a department to another department on a cost reimbursement basis.

Vehicle Services Fund is used to account for the acquisition of certain motor vehicles and the costs associated with the operation thereof by various departments of the reporting entity.

Self-Insurance Fund is used to account for the costs associated with providing coverage to the County for losses related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and citizens, and natural disasters; with managing claims pertaining thereto; and with operating various loss-prevention, safety, and rehabilitation programs.

Document Services Fund is used to account for the costs associated with providing printing, copying, and micrographic services to various departments of the reporting entity.

Technology Infrastructure Services Fund is used to account for the costs associated with providing data center and network services to County departments through the operation and maintenance of a mainframe computer, data communications equipment, and radio networks.

Health Benefits Fund is used to account for the provision of a comprehensive health insurance benefits program to County employees.

COUNTY OF FAIRFAX, VIRGINIA
Internal Service Funds
Combining Statement of Net Position
June 30, 2022

	Vehicle Services	Self- Insurance	Document Services
ASSETS			
Current assets:			
Equity in pooled cash and temporary investments	\$ 74,287,348	106,387,978	1,533,852
Accounts receivable	1,692	-	715
Due from intergovernmental units	1,182	-	19,438
Interfund receivables	-	-	-
Inventories of supplies	3,984,750	-	-
Total unrestricted current assets	78,274,972	106,387,978	1,554,005
Total current assets	78,274,972	106,387,978	1,554,005
Long-term assets:			
Capital assets:			
Non-depreciable/non-amortizable:			
Land	1,938,688	-	-
Construction in progress	26,736,229	-	-
Equipment under construction	3,553,085	-	-
Depreciable/amortizable:			
Vehicles and equipment	166,082,458	-	919,876
Software	-	-	-
Buildings and improvements	20,855,984	-	-
Infrastructure	4,597,790	-	-
Right-to-use lease assets	-	-	4,197,156
Accumulated depreciation	(139,083,269)	-	(841,369)
Accumulated amortization	-	-	(1,049,289)
Total capital assets, net	84,680,965	-	3,226,374
Total assets	162,955,937	106,387,978	4,780,379
DEFERRED OUTFLOWS OF RESOURCES			
Total deferred outflows of resources	-	-	-
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	4,874,654	216,779	247,706
Accrued salaries and benefits	1,698,258	81,451	149,816
Accrued interest payable	-	-	-
Compensated absences payable	1,018,425	41,200	96,338
Lease liability	-	-	1,044,277
Insurance and benefit claims payable	-	14,211,000	-
Total current liabilities	7,591,337	14,550,430	1,538,137
Long-term liabilities:			
Compensated absences payable	1,633,605	68,277	84,576
Lease liability	-	-	2,114,220
Insurance and benefit claims payable	-	65,209,000	-
Total long-term liabilities	1,633,605	65,277,277	2,198,796
Total liabilities	9,224,942	79,827,707	3,736,933
DEFERRED INFLOWS OF RESOURCES			
Total deferred inflows of resources	-	-	-
NET POSITION			
Net investment in capital assets	84,680,965	-	67,877
Unrestricted	69,050,030	26,560,271	975,569
Net position	\$ 153,730,995	26,560,271	1,043,446

EXHIBIT G

Technology Infrastructure Services	Health Benefits	Total Internal Service Funds	
			ASSETS
			Current assets:
23,027,566	76,447,959	281,684,703	Equity in pooled cash and temporary investments
-	-	2,407	Accounts receivable
-	-	20,620	Due from intergovernmental units
-	1,956,937	1,956,937	Interfund receivables
-	-	3,984,750	Inventories of supplies
23,027,566	78,404,896	287,649,417	Total unrestricted current assets
23,027,566	78,404,896	287,649,417	Total current assets
			Long-term assets:
			Capital assets:
			Non-depreciable/non-amortizable:
-	-	1,938,688	Land
-	-	26,736,229	Construction in progress
653,270	-	4,206,355	Equipment under construction
			Depreciable:
35,189,691	61,789	202,253,814	Equipment
2,200,587	-	2,200,587	Software
1,086,205	273,548	22,215,737	Buildings and improvements
-	-	4,597,790	Infrastructure
3,747,234	-	7,944,390	Right-to-use lease assets
(28,921,800)	(123,134)	(168,969,572)	Accumulated depreciation
(3,630,797)	-	(4,680,086)	Accumulated amortization
10,324,390	212,203	98,443,932	Total capital assets, net
33,351,956	78,617,099	386,093,349	Total assets
			DEFERRED OUTFLOWS OF RESOURCES
-	-	-	Total deferred outflows of resources
			LIABILITIES
			Current liabilities:
2,591,814	5,524,779	13,455,732	Accounts payable and accrued liabilities
585,090	32,279	2,546,894	Accrued salaries and benefits
7,695	-	7,695	Accrued interest payable
421,511	-	1,577,474	Compensated absences payable
1,864,888	-	2,909,165	Lease liability
-	13,885,000	28,096,000	Insurance and benefit claims payable
5,470,998	19,442,058	48,592,960	Total current liabilities
			Long-term liabilities:
717,448	-	2,503,906	Compensated absences payable
-	-	2,114,220	Lease liability
-	-	65,209,000	Insurance and benefit claims payable
717,448	-	69,827,126	Total long-term liabilities
6,188,446	19,442,058	118,420,086	Total liabilities
			DEFERRED INFLOWS OF RESOURCES
-	-	-	Total deferred inflows of resources
			NET POSITION
8,459,502	212,203	93,420,547	Net investment in capital assets
18,704,008	58,962,838	174,252,716	Unrestricted
27,163,510	59,175,041	267,673,263	Net position

COUNTY OF FAIRFAX, VIRGINIA

Internal Service Funds

Combining Statement of Revenues, Expenses, and Changes in Net Position

For the fiscal year ended June 30, 2022

	Vehicle Services	Self- Insurance	Document Services
OPERATING REVENUES:			
Charges for services	\$ 91,015,914	26,703,448	4,609,235
Recovered costs	155,621	-	-
Total operating revenues	91,171,535	26,703,448	4,609,235
OPERATING EXPENSES:			
Personnel services	22,227,531	1,232,658	2,089,830
Materials and supplies	240,247	81,447	2,739,167
Equipment operation and maintenance	41,925,688	399,598	1,154,418
Risk financing and benefit payments	-	32,257,835	-
Depreciation and amortization	12,892,816	-	1,064,584
Professional consultant and contractual services	4,232,678	334,221	1,482,729
Other	703,343	59,236	35,576
Total operating expenses	82,222,303	34,364,995	8,566,304
Operating income (loss)	8,949,232	(7,661,547)	(3,957,069)
NONOPERATING REVENUES (EXPENSES):			
Interest revenue	-	87,919	-
Interest expense	-	-	(27,438)
Gain on disposal of capital assets	479,680	-	-
Total nonoperating revenues (expenses), net	479,680	87,919	(27,438)
Income (loss) before transfers and contributions	9,428,912	(7,573,628)	(3,984,507)
Transfers in	479,774	-	3,965,525
Change in net position	9,908,686	(7,573,628)	(18,982)
Net position, July 1, 2021	143,822,309	34,133,899	1,062,428
Net position, June 30, 2022	\$ 153,730,995	26,560,271	1,043,446

EXHIBIT G-1

Technology Infrastructure Services	Health Benefits	Total Internal Service Funds	
OPERATING REVENUES:			
43,893,587	169,215,284	335,437,468	Charges for services
-	-	155,621	Recovered costs
43,893,587	169,215,284	335,593,089	Total operating revenues
OPERATING EXPENSES:			
7,604,663	-	33,154,682	Personnel services
98,041	-	3,158,902	Materials and supplies
6,779,369	105,057	50,364,130	Equipment operation and maintenance
-	170,607,801	202,865,636	Risk financing and benefit payments
4,811,193	18,157	18,786,750	Depreciation and amortization
29,738,639	39,725	35,827,992	Professional consultant and contractual services
107,182	10,112,323	11,017,660	Other
49,139,087	180,883,063	355,175,752	Total operating expenses
(5,245,500)	(11,667,779)	(19,582,663)	Operating income (loss)
NONOPERATING REVENUES (EXPENSES):			
-	65,863	153,782	Interest revenue
(8,563)	-	(36,001)	Interest expense
-	-	479,680	Gain on disposal of capital assets
(8,563)	65,863	597,461	Total nonoperating revenues (expenses), net
(5,254,063)	(11,601,916)	(18,985,202)	Income (loss) before transfers and contributions
11,572,140	-	16,017,439	Transfers in
6,318,077	(11,601,916)	(2,967,763)	Change in net position
20,845,433	70,776,957	270,641,026	Net position, July 1, 2021
27,163,510	59,175,041	267,673,263	Net position, June 30, 2022

COUNTY OF FAIRFAX, VIRGINIA
Internal Service Funds
Combining Statement of Cash Flows
For the fiscal year ended June 30, 2022

	Vehicle Services	Self- Insurance	Document Services
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from interfund services provided	\$ 91,171,294	26,703,448	4,590,656
Payments to suppliers and contractors	(38,885,677)	-	(5,479,556)
Payments to employees	(22,015,621)	(1,271,527)	(2,074,773)
Claims and benefits paid	-	(22,770,378)	-
Payments for interfund services used	(6,329,756)	(874,502)	-
Net cash provided by (used in) operating activities	23,940,240	1,787,041	(2,963,673)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	479,774	-	3,965,525
Net cash provided by noncapital financing activities	479,774	-	3,965,525
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sale of capital assets	507,428	-	-
Purchase of capital assets	(15,492,325)	-	-
Principal payments on obligations under leases	-	-	(1,038,659)
Interest payments on obligations under leases	-	-	(27,438)
Net cash used in capital and related financing activities	(14,984,897)	-	(1,066,097)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	-	87,919	-
Net cash provided by investing activities	-	87,919	-
Net increase (decrease) in cash and cash equivalents	9,435,117	1,874,960	(64,245)
Cash and cash equivalents, July 1, 2021	64,852,231	104,513,018	1,598,097
Cash and cash equivalents, June 30, 2022	\$ 74,287,348	106,387,978	1,533,852
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ 8,949,232	(7,661,547)	(3,957,069)
Adjustments to reconcile operating income (loss) by operating activities:			
Depreciation and amortization	12,892,816	-	1,064,584
Change in assets and liabilities:			
Decrease (Increase) in accounts receivable	(1,412)	-	859
Decrease (Increase) in intergovernmental receivables	1,170	-	(19,438)
Increase in interfund receivables	-	-	-
Increase in inventories of supplies	(719,614)	-	-
Increase (Decrease) in accounts payable and accrued liabilities	2,606,138	9,487,457	(67,666)
Increase (Decrease) in accrued salaries and benefits	211,910	(38,869)	15,057
Total adjustments to operating income	14,991,008	9,448,588	993,396
Net cash provided by (used in) operating activities	\$ 23,940,240	1,787,041	(2,963,673)
Noncash capital and financing activities:			
Initiation of an obligation under lease	\$ -	-	4,197,156
Gain on disposal of capital assets	479,680	-	-

EXHIBIT G-2

Technology Infrastructure Services	Health Benefits	Total Internal Service Funds	
CASH FLOWS FROM OPERATING ACTIVITIES			
43,896,395	168,836,343	335,198,136	Receipts from interfund services provided
(36,293,043)	(3,582,650)	(84,240,926)	Payments to suppliers and contractors
(7,454,192)	-	(32,816,113)	Payments to employees
-	(174,981,425)	(197,751,803)	Claims and benefits paid
-	-	(7,204,258)	Payments for interfund services used
149,160	(9,727,732)	13,185,036	Net cash provided by (used in) operating activities
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
11,572,140	-	16,017,439	Transfers from other funds
11,572,140	-	16,017,439	Net cash provided by noncapital financing activities
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
-	-	507,428	Proceeds from sale of capital assets
(1,679,354)	(5,880)	(17,177,559)	Purchase of capital assets
(1,882,346)	-	(2,921,005)	Principal payments on obligations under leases
(8,563)	-	(36,001)	Interest payments on obligations under leases
(3,570,263)	(5,880)	(19,627,137)	Net cash used in capital and related financing activities
CASH FLOWS FROM INVESTING ACTIVITIES			
-	65,863	153,782	Interest received
-	65,863	153,782	Net cash provided by investing activities
8,151,037	(9,667,749)	9,729,120	Net increase (decrease) in cash and cash equivalents
14,876,529	86,115,708	271,955,583	Cash and cash equivalents, July 1, 2021
23,027,566	76,447,959	281,684,703	Cash and cash equivalents, June 30, 2022
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
(5,245,500)	(11,667,779)	(19,582,663)	Operating income (loss)
			Adjustments to reconcile operating income (loss) by operating activities:
4,811,193	18,157	18,786,750	Depreciation and amortization
			Change in assets and liabilities:
2,808	-	2,255	Decrease (Increase) in accounts receivable
-	-	(18,268)	Decrease (Increase) in intergovernmental receivables
-	(378,941)	(378,941)	Increase in interfund receivables
-	-	(719,614)	Increase in inventories of supplies
430,188	2,296,246	14,752,363	Increase (Decrease) in accounts payable and accrued liabilities
150,471	4,585	343,154	Increase (Decrease) in accrued salaries and benefits
5,394,660	1,940,047	32,767,699	Total adjustments to operating income
149,160	(9,727,732)	13,185,036	Net cash provided by (used in) operating activities
Noncash capital and financing activities:			
3,747,234	-	7,944,390	Initiation of an obligation under lease
-	-	479,680	Gain on disposal of capital assets

The **Fiduciary Funds** are used to account for assets held by the County in a trustee or custodial capacity and include the pension trust funds and custodial funds. Pension trust funds account for assets held by the County under terms of a formal trust agreement. Custodial funds are maintained to account for funds received and disbursed by the County on behalf of various organizations.

Pension Trust Funds are used to account for employee retirement systems that provide pension benefits for various classes of County employees. The County maintains three employee retirement funds: the Uniformed Retirement Fund, the Employees' Retirement Fund, and the Police Officers Retirement Fund.

OPEB Trust Fund is used to account for the costs of other post-employment benefits, including health care, life insurance, and other non-pension benefits offered to retirees. The establishment of a trust fund allows the County to capture long-term investment returns, make progress towards reducing the unfunded actuarial liability, and pre-fund the cost of post employment health care and other non-pension benefits.

Sanitary Reimbursement Fund is a custodial fund used to account for the collection of contributions from beneficiary developers toward the construction of major sewer lines and the reimbursement of these funds to the primary developers.

Special Welfare Fund is a custodial fund used to account for regular assistance payments to recipients in the Aid to Dependent Children Program. These funds include money from the State, individuals, organizations, and churches.

State Taxes Fund State Taxes Fund is a custodial fund used to account for the collection of sheriff's fees and local taxes and their subsequent remittances to the Commonwealth of Virginia or other local governmental entities.

Route 28 Fund is a custodial fund used to account for the collection of assessments on certain industrial and commercial properties for transportation improvements to Route 28 and the subsequent remittances of these funds to the Commonwealth of Virginia.

Lake Barcroft Fund is a custodial fund used to account for the collection of special assessments from certain property owners for the maintenance of Lake Barcroft and the subsequent remittances of these funds to the Commonwealth of Virginia.

Friends of Library Fund is a custodial fund used to account for the collection and reimbursement of Friends of Library's portion of book sale proceeds.

Toll Road Violations Fund is a custodial fund used to account for the collection of toll road violation fees and the Hot Lane violation fees, and the subsequent remittances to Metropolitan Washington Airports Authority and Transurban, respectively.

Police Evidence Fund is a custodial fund used to account for the collection and distribution of seized assets.

COUNTY OF FAIRFAX, VIRGINIA
Trust Funds
Combining Statement of Fiduciary Net Position
June 30, 2022

	Uniformed Retirement	Employees' Retirement	Police Officers Retirement
ASSETS			
Equity in pooled cash and temporary investments	\$ 2,538,413	8,182,134	2,028,253
Cash collateral for securities lending	11,217,906	176,934,112	5,771,185
Contributions receivable	2,582,910	7,135,058	2,123,160
Accrued interest and dividends receivable	3,218,660	7,323,965	2,295,269
Receivable from sale of pension investments	1,077,710	204,546,506	18,591,771
Buildings and improvements	5,254	24,519	5,254
Vehicles and Equipment	4,026	18,788	4,026
Investments:			
U.S. Government securities	59,157,520	213,346,287	63,091,159
Asset-backed securities	76,268,427	96,445,096	35,162,571
Corporate and other bonds	90,176,710	243,713,426	44,775,604
Common and preferred stock	429,147,750	795,328,369	166,048,158
Short-term investments	185,481,464	268,286,503	38,652,667
Investment in pooled funds	1,088,387,742	3,219,714,444	1,424,537,518
Total assets	1,949,264,492	5,240,999,207	1,803,086,595
DEFERRED OUTFLOWS OF RESOURCES			
Total deferred outflows of resources	-	-	-
LIABILITIES			
Accounts payable and accrued liabilities	5,613,065	14,343,772	6,403,387
Payable for purchase of pension investments	7,813,484	192,212,753	4,090,549
Liabilities for collateral received under securities lending agreements	11,217,906	176,934,112	5,771,185
Compensated absences, short term	21,299	88,887	20,660
Long-term liabilities:			
Compensated absences, long-term	62,053	300,092	62,692
Total liabilities	24,727,807	383,879,616	16,348,473
DEFERRED INFLOW OF RESOURCES			
Total deferred inflows of resources	-	-	-
NET POSITION			
Net position restricted for OPEB benefits	-	-	-
Net position restricted for pension benefits	1,924,536,685	4,857,119,591	1,786,738,122
Total Net position	\$ 1,924,536,685	4,857,119,591	1,786,738,122

EXHIBIT H

Total Pension Trust Funds	OPEB Trust Fund	Total Trust Funds	
12,748,800	6,140,439	18,889,239	ASSETS
193,923,203	-	193,923,203	Equity in pooled cash and temporary investments
11,841,128	373,155	12,214,283	Cash collateral for securities lending
12,837,894	17,175	12,855,069	Contributions receivable
224,215,987	-	224,215,987	Accrued interest and dividends receivable
35,027	-	35,027	Receivable from sale of pension investments
26,840	-	26,840	Buildings and improvements
			Equipment
			Investments:
335,594,966	-	335,594,966	U.S. Government securities
207,876,094	-	207,876,094	Asset-backed securities
378,665,740	-	378,665,740	Corporate and other bonds
1,390,524,277	-	1,390,524,277	Common and preferred stock
492,420,634	-	492,420,634	Short-term investments
5,732,639,704	375,843,887	6,108,483,591	Investment in pooled funds
8,993,350,294	382,374,656	9,375,724,950	Total assets
-	-	-	DEFERRED OUTFLOWS OF RESOURCES
			Total deferred outflows of resources
26,360,224	488	26,360,712	LIABILITIES
204,116,786	-	204,116,786	Accounts payable and accrued liabilities
193,923,203	-	193,923,203	Payable for purchase of pension investments
130,846	-	130,846	Liabilities for collateral received under securities lending agreements
424,837	-	424,837	Compensated absences, short term
424,955,896	488	424,956,384	Long-term liabilities:
			Compensated absences, long-term
			Total liabilities
-	-	-	DEFERRED INFLOW OF RESOURCES
			Total deferred inflows of resources
-	382,374,168	382,374,168	NET POSITION
8,568,394,398	-	8,568,394,398	Net position restricted for OPEB benefits
8,568,394,398	382,374,168	8,950,768,566	Net position restricted for pension benefits
			Total Net position

COUNTY OF FAIRFAX, VIRGINIA

Trust Funds

Combining Statement of Changes in Fiduciary Net Position

For the fiscal year ended June 30, 2022

	Uniformed Retirement	Employees' Retirement	Police Officers Retirement
ADDITIONS			
Contributions:			
Employer	\$ 65,793,238	229,114,059	52,066,100
Plan members	12,071,388	40,269,006	10,241,464
Other	-	-	-
Total contributions	77,864,626	269,383,065	62,307,564
Investment income:			
From investment activities:			
Net appreciation (depreciation) in fair value of investments	(198,846,171)	(183,454,556)	29,551,009
Interest	10,437,753	36,919,535	9,611,450
Dividends	16,626,404	21,391,773	3,969,221
Total income (loss) from investment activities	(171,782,014)	(125,143,248)	43,131,680
Less investment activities expenses:			
Management fees	20,185,481	58,928,683	26,802,092
Other	1,260,892	1,827,984	845,553
Total investment activities expenses	21,446,373	60,756,667	27,647,645
Net income (loss) from investment activities	(193,228,387)	(185,899,915)	15,484,035
From securities lending activities:			
Securities lending income	233,135	2,359,793	79,174
Less securities lending expenses:			
Management fees	75,995	671,830	27,734
Total securities lending activities expenses	75,995	671,830	27,734
Net income from securities lending activities	157,140	1,687,963	51,440
Net investment income (loss)	(193,071,247)	(184,211,952)	15,535,475
Total additions	(115,206,621)	85,171,113	77,843,039
DEDUCTIONS			
Benefits payments	123,914,717	366,112,271	98,193,106
Refunds of contributions	702,593	5,694,611	437,846
Administrative expenses	664,939	2,477,066	663,508
Total deductions	125,282,249	374,283,948	99,294,460
Net decrease in fiduciary net position	(240,488,870)	(289,112,835)	(21,451,421)
Net position, July 1, 2021	2,165,025,555	5,146,232,426	1,808,189,543
Net position, June 30, 2022	\$ 1,924,536,685	4,857,119,591	1,786,738,122

EXHIBIT H-1

Total Pension Trust Funds	OPEB Trust Fund	Total Trust Funds	
346,973,397	16,991,294	363,964,691	ADDITIONS
62,581,858	-	62,581,858	Contributions:
-	2,013,058	2,013,058	Employer
409,555,255	19,004,352	428,559,607	Plan members
			Other
			Total contributions
			Investment income:
			From investment activities:
(352,749,718)	(37,920,204)	(390,669,922)	Net appreciation (depreciation) in fair value of investments
56,968,738	4,403	56,973,141	Interest
41,987,398	-	41,987,398	Dividends
(253,793,582)	(37,915,801)	(291,709,383)	Total income (loss) from investment activities
			Less investment activities expenses:
105,916,256	332,091	106,248,347	Management fees
3,934,429	500	3,934,929	Other
109,850,685	332,591	110,183,276	Total investment activities expenses
(363,644,267)	(38,248,392)	(401,892,659)	Net income (loss) from investment activities
			From securities lending activities:
2,672,102	-	2,672,102	Securities lending income
			Less securities lending expenses:
775,559	-	775,559	Management fees
775,559	-	775,559	Total securities lending activities expenses
1,896,543	-	1,896,543	Net income from securities lending activities
(361,747,724)	(38,248,392)	(399,996,116)	Net investment income (loss)
47,807,531	(19,244,040)	28,563,491	Total additions
			DEDUCTIONS
588,220,094	22,145,996	610,366,090	Benefits payments
6,835,050	-	6,835,050	Refunds of contributions
3,805,513	132,164	3,937,677	Administrative expenses
598,860,657	22,278,160	621,138,817	Total deductions
(551,053,126)	(41,522,200)	(592,575,326)	Net decrease in fiduciary net position
9,119,447,524	423,896,368	9,543,343,892	Net position, July 1, 2021
8,568,394,398	382,374,168	8,950,768,566	Net position, June 30, 2022

COUNTY OF FAIRFAX, VIRGINIA
Custodial Funds
Combining Statement of Fiduciary Net Position
June 30, 2022

	Sanitary Reimbursement	Special Welfare	State Taxes	Route 28
ASSETS				
Equity in pooled cash and temporary investments	\$ 1,727,771	708,187	278,743	190
Accounts receivable	-	-	-	34,428
Due from intergovernmental units	-	-	-	-
Total assets	1,727,771	708,187	278,743	34,618
DEFERRED OUTFLOWS OF RESOURCES				
Total deferred outflows of resources	-	-	-	-
LIABILITIES				
Accounts payable and accrued liabilities	-	-	-	48
Due to intergovernmental units	-	-	170,221	34,610
Performance and other deposits	790,526	-	-	-
Total liabilities	790,526	-	170,221	34,658
DEFERRED INFLOWS OF RESOURCES				
Total deferred inflows of resources	-	-	-	-
NET POSITION				
Net position restricted for individuals, organizations, and other governments	\$ 937,245	708,187	108,522	(40)

EXHIBIT H-2

Lake Barcroft	Friends of Library	Toll Road Violations Penalties	Police Evidence Fund	Total Custodial Funds	
					ASSETS
-	6,506	-	293,162	3,014,559	Equity in pooled cash and temporary investments
845	-	-	-	35,273	Accounts receivable
-	-	196	-	196	Due from intergovernmental units
845	6,506	196	293,162	3,050,028	Total assets
					DEFERRED OUTFLOWS OF RESOURCES
-	-	-	-	-	Total deferred outflows of resources
					LIABILITIES
-	-	-	-	48	Accounts payable and accrued liabilities
845	-	-	-	205,676	Due to intergovernmental units
-	-	-	-	790,526	Performance and other deposits
845	-	-	-	996,250	Total liabilities
					DEFERRED INFLOWS OF RESOURCES
-	-	-	-	-	Total deferred inflows of resources
					NET POSITION
-	6,506	196	293,162	2,053,778	Net position restricted for individuals, organizations, and other governments

COUNTY OF FAIRFAX, VIRGINIA
Custodial Funds
Combining Statement of Changes in Fiduciary Net Position
For the fiscal year ended June 30, 2022

	Sanitary Reimbursement	Special Welfare	State Taxes	Route 28
ADDITIONS				
Investment income:				
From investment activities:				
Interest	\$ 1,636	606	-	472
Total income from investment activities	1,636	606	-	472
Less investment activities expenses:				
Management fees	278	97	-	141
Total investment activities expenses	278	97	-	141
Net income from investment activities	1,358	509	-	331
Collections:				
Taxes and fees for other governments	-	-	12,143,936	10,976,804
Intergovernmental for individuals	-	555,372	-	-
Penalty for other governments and organizations	-	-	-	-
Other for organizations and individuals	-	30,614	-	-
Total collections	-	585,986	12,143,936	10,976,804
Total additions	1,358	586,495	12,143,936	10,977,135
DEDUCTIONS				
Administrative expenses	-	-	83,439	-
Payments:				
Taxes and fees to other governments	-	-	11,951,975	10,978,100
Intergovernmental collections to individuals	-	479,419	-	-
Penalties to other governments and organizations	-	-	-	-
Other collections to organizations and individuals	-	8,375	-	-
Total payments	-	487,794	11,951,975	10,978,100
Total deductions	-	487,794	12,035,414	10,978,100
Net increase (decrease) in fiduciary net position	1,358	98,701	108,522	(965)
Net position, July 1, 2021	935,887	609,486	-	925
Net position, June 30, 2022	\$ 937,245	708,187	108,522	(40)

EXHIBIT H-3

Lake Barcroft	Friends of Library	Toll Road Violations Penalties	Police Evidence Fund	Total Custodial Funds	
					ADDITIONS
					Investment income:
					From investment activities:
-	-	-	-	2,714	Interest
-	-	-	-	2,714	Total income from investment activities
					Less investment activities expenses:
-	-	-	-	516	Management fees
-	-	-	-	516	Total investment activities expenses
-	-	-	-	2,198	Net income from investment activities
					Collections:
1,304,611	-	-	-	24,425,351	Taxes and fees for other governments
-	-	-	-	555,372	Intergovernmental for individuals
-	-	1,000,799	-	1,000,799	Penalty for other governments and organizations
-	77,124	-	374,836	482,574	Other for organizations and individuals
1,304,611	77,124	1,000,799	374,836	26,464,096	Total collections
1,304,611	77,124	1,000,799	374,836	26,466,294	Total additions
					DEDUCTIONS
-	-	-	-	83,439	Administrative expenses
					Payments:
1,304,611	-	-	-	24,234,686	Taxes and fees to other governments
-	-	-	-	479,419	Intergovernmental collections to individuals
-	-	1,001,441	-	1,001,441	Penalties to other governments and organizations
-	74,866	-	471,503	554,744	Other collections to organizations and individuals
1,304,611	74,866	1,001,441	471,503	26,270,290	Total payments
1,304,611	74,866	1,001,441	471,503	26,353,729	Total deductions
-	2,258	(642)	(96,667)	112,565	Net increase (decrease) in fiduciary net position
-	4,248	838	389,829	1,941,213	Net position, July 1, 2021
-	6,506	196	293,162	2,053,778	Net position, June 30, 2022

Fairfax County Public Schools (Public Schools) is responsible for elementary and secondary education within the County. The School Board is elected by County voters. Public Schools is fiscally dependent on the County in that its operations are funded primarily by payments from the County's General Fund and the County issues general obligation debt to fund Public Schools capital projects.

General Fund is used to account for expenditures to operate, maintain, and support Public Schools' programs. Its primary sources of revenues are Federal and State aid and payments from the County's General Fund.

Capital Projects Fund is used to account for the renovation, expansion, and new construction of school facilities as authorized by voter referendum and for other capital expenditures. Projects are funded primarily by proceeds from the sale of County general obligation bonds.

Food and Nutrition Services Fund is a special revenue fund used to account for the provision of student breakfasts, snacks, and lunches. Primary sources of revenues are Federal and State aid and receipts from food sales.

Grants and Self-Supporting Programs Fund is a special revenue fund used to account for federal, state, non-profit, and private industry grants that support the Instructional Services, Student Services, Special Education, and Information Technology programs.

Adult and Community Education Fund is a special revenue fund used to account for programs pertaining to basic skills education, high school completion, English as a second language, apprenticeship and occupation skills instruction, family literacy, driver education, SAT preparation, and business contracts.

Health Benefits Trust Fund is an internal service fund used to account for the provision of a comprehensive health insurance benefits program to Public Schools' employees.

Insurance Fund is an internal service fund that is used to account for the Public Schools' casualty liability obligations, including the provision of workers' compensation benefits in the form of medical and disability payments to Public Schools' employees who sustain occupational injuries.

Pension Trust Fund is used to account for the Educational Employees' Supplementary Retirement System, which provides pension benefits for Public Schools' employees.

OPEB Trust Fund is used to account for a single-employer other postemployment defined benefit plan.

COUNTY OF FAIRFAX, VIRGINIA
Fairfax County Public Schools
Balance Sheet - Governmental Funds
June 30, 2022

			Nonmajor Governmental Special Revenue	
	General Fund	Capital Projects Fund	Food and Nutrition Services	Grants and Self-Supporting Programs
ASSETS				
Equity in pooled cash and temporary investments	\$ 336,839,452	13,872,584	35,222,472	25,298,232
Cash with fiscal agents	90,558	-	-	-
Receivables:				
Accounts	573,630	-	132,173	5,860
Accrued interest	-	-	10,452	-
Lease	1,905,668	-	-	-
Due from intergovernmental units	103,482,476	-	17,379,256	29,005,193
Due from Primary Government	133,980	-	115,562	18,917
Interfund receivables	400,000	-	-	-
Inventories of supplies	-	-	2,057,604	-
Prepaid and other assets	54,167	-	-	-
Restricted assets - investments	-	121,365,892	-	-
Total assets	443,479,931	135,238,476	54,917,519	54,328,202
DEFERRED OUTFLOWS OF RESOURCES				
Total deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	\$ 443,479,931	135,238,476	54,917,519	54,328,202
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 24,514,499	20,636,176	2,011,282	7,391,243
Accrued salaries and benefits	97,427,028	12,946	1,648,661	104,409
Contract retainages	-	14,712,990	-	-
Interfund payables	-	-	-	-
Due to intergovernmental units	1,309,583	-	-	-
Unearned revenues	244,367	-	2,609,880	2,487,311
Performance and other deposits	-	22,265,979	-	-
Total liabilities	123,495,477	57,628,091	6,269,823	9,982,963
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - lease	1,886,109	-	-	-
Total deferred inflows of resources	1,886,109	-	-	-
Total liabilities and deferred inflows of resources	125,381,586	57,628,091	6,269,823	9,982,963
FUND BALANCES				
Nonspendable	54,167	-	2,057,604	-
Restricted	-	77,610,385	46,590,092	44,345,239
Committed	31,874,771	-	-	-
Assigned	281,533,666	-	-	-
Unassigned	4,635,741	-	-	-
Total fund balances	318,098,345	77,610,385	48,647,696	44,345,239
Total liabilities, deferred inflows of resources, and fund balances	\$ 443,479,931	135,238,476	54,917,519	54,328,202
Reconciliation of the Balance Sheet to the Statement of Net Position				
Fund balances - Total governmental funds				\$ 488,314,335
Amounts reported for governmental activities in the Statement of Net Position are different because:				
Capital assets used in governmental fund activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$5,271,796,289 and accumulated depreciation/amortization is \$2,571,559,689.				2,700,236,600
OPEB liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds. The deferred outflow related to OPEB is \$137,740,194, and the net OPEB liability is \$380,070,500. The deferred inflow related to OPEB liability is \$133,182,650.				(375,512,956)
Intangible assets used in governmental fund activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$70,574,402 and accumulated amortization is \$19,655,755.				50,918,647
Internal service funds are used by management to provide certain goods and services to governmental funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.				101,441,551
Compensated absences and accrued interests on long-term debt related to governmental fund activities are not due and payable in the current periods, and therefore, are not reported in the funds.				(39,746,570)
Leases and notes payable are not due and payable in the current periods and, therefore, are not reported in the funds.				(128,607,453)
Revisions of debt agreement resulting in an increase of debt obligations are reported as deferred inflows in the Statement of Net Position.				3,514,808
Pension liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds. The deferred outflow related to pensions is \$832,323,133, and the net pension liability is \$2,163,904,859. The deferred inflow related to pension liability is \$1,580,814,039.				(2,912,395,765)
Net position of governmental activities				\$ (111,836,803)

EXHIBIT I

<u>Funds</u>		
<u>Funds</u>		
Adult and Community Education	Total Governmental Funds	
78,306	411,311,046	ASSETS
-	90,558	Equity in pooled cash and temporary investments
43,374	755,037	Cash with fiscal agents
292	10,744	Receivables:
-	1,905,668	Accounts
749,638	150,616,563	Accrued interest
-	268,459	Lease
-	400,000	Due from intergovernmental units
-	2,057,604	Due from Primary Government
53,075	107,242	Interfund receivables
-	121,365,892	Inventories of supplies
924,685	688,888,813	Prepaid and other assets
		Restricted assets - investments
		Total assets
		DEFERRED OUTFLOWS OF RESOURCES
-	-	Total deferred outflows of resources
924,685	688,888,813	Total assets and deferred outflows of resources
		LIABILITIES AND FUND BALANCES
		Liabilities:
62,741	54,615,941	Accounts payable and accrued liabilities
462,781	99,655,825	Accrued salaries and benefits
-	14,712,990	Contract retainages
400,000	400,000	Interfund payables
-	1,309,583	Due to intergovernmental units
386,493	5,728,051	Unearned revenues
-	22,265,979	Performance and other deposits
1,312,015	198,688,369	Total liabilities
		DEFERRED INFLOWS OF RESOURCES
-	1,886,109	Deferred inflows of resources - lease
-	1,886,109	Total deferred inflows of resources
1,312,015	200,574,478	Total liabilities and deferred inflows of resources
		FUND BALANCES
53,075	2,164,846	Nonspendable
-	168,545,716	Restricted
-	31,874,771	Committed
-	281,533,666	Assigned
(440,405)	4,195,336	Unassigned
(387,330)	488,314,335	Total fund balances
924,685	688,888,813	Total liabilities, deferred inflows of resources, and fund balances

COUNTY OF FAIRFAX, VIRGINIA

Fairfax County Public Schools

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

For the fiscal year ended June 30, 2022

		Nonmajor	
	General Fund	Capital Projects Fund	Food and Nutrition Services
REVENUES			
Intergovernmental	\$ 3,137,228,065	195,547,227	122,154,433
Charges for services	11,522,819	-	3,856,626
Revenue from the use of money and property	3,371,561	-	20,013
Recovered costs	48,934,163	3,973,617	-
Other	39,598,976	3,518,475	1,407
Total revenues	3,240,655,584	203,039,319	126,032,479
EXPENDITURES			
Current:			
Education	3,098,953,753	18,789,360	85,694,305
Capital outlay	60,193,186	190,246,223	3,205,723
Debt service:			
Principal retirement	30,777,855	-	325,737
Interest and other charges	3,049,167	-	50,313
Total expenditures	3,192,973,961	209,035,583	89,276,078
Excess (deficiency) of revenues over (under) expenditures	47,681,623	(5,996,264)	36,756,401
OTHER FINANCING SOURCES (USES)			
Transfers in	-	16,004,197	1,800,000
Transfers out	(41,948,458)	-	-
Leases	53,310,931	-	3,205,723
Total other financing sources, net	11,362,473	16,004,197	5,005,723
Net change in fund balances	59,044,096	10,007,933	41,762,124
Fund balances, July 1, 2021	259,054,249	67,602,452	6,227,388
Increase in reserve for inventories	-	-	658,184
Fund balances, June 30, 2022	\$ 318,098,345	77,610,385	48,647,696

EXHIBIT I-1

Governmental Special Revenue	Funds Funds		
Grants and Self-Supporting Programs	Adult and Community Education	Total Governmental Funds	
79,271,222	2,190,248	3,536,391,195	REVENUES
2,070,093	2,927,992	20,377,530	Intergovernmental
15,892	3,825	3,411,291	Charges for services
-	-	52,907,780	Revenue from the use of money and property
930,821	6,107	44,055,786	Recovered costs
82,288,028	5,128,172	3,657,143,582	Other
			Total revenues
			EXPENDITURES
92,034,920	6,490,084	3,301,962,422	Current:
29,498	10,660	253,685,290	Education
			Capital outlay
2,679	2,569	31,108,840	Debt service:
572	682	3,100,734	Principal retirement
92,067,669	6,503,995	3,589,857,286	Interest and other charges
			Total expenditures
(9,779,641)	(1,375,823)	67,286,296	Excess (deficiency) of revenues over (under) expenditures
			OTHER FINANCING SOURCES (USES)
22,608,552	1,535,709	41,948,458	Transfers in
-	-	(41,948,458)	Transfers out
9,183	10,660	56,536,497	Leases
22,617,735	1,546,369	56,536,497	Total other financing sources, net
12,838,094	170,546	123,822,793	Net change in fund balances
31,507,145	(557,876)	363,833,358	Fund balances, July 1, 2021
-	-	658,184	Increase in reserve for inventories of supplies
44,345,239	(387,330)	488,314,335	Fund balances, June 30, 2022

continued

COUNTY OF FAIRFAX, VIRGINIA
Fairfax County Public Schools
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the fiscal year ended June 30, 2022

EXHIBIT I-1
concluded

Net change in fund balances - Total governmental funds \$ 123,822,793

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which capital outlays exceed depreciation/amortization expense in the current period:

Capital outlay	\$ 253,685,290	
Less depreciation/amortization expense	<u>(183,550,551)</u>	70,134,739

Donations of capital assets increase net position in the Statement of Activities, but do not appear in the governmental funds because they are not financial resources. 82,691

Losses on the disposition of capital assets are reported in the Statement of Activities. However, in the governmental funds, only the proceeds from sales are reported. The difference is the net depreciated value of the disposed capital assets. (1,580,804)

Lease obligations are reported as expenditure in governmental funds when they are due. In the government-wide statements, the effects of deferred inflows relating to lease obligations are amortized over the life of each lease and expensed. 2,828,996

Principal payments on leases and installment purchases are reported as expenditures in governmental funds. However, the principal payments reduce the liabilities in the Statement of Net Position and do not result in an expense in the Statement of Activities. 31,108,840

Under the modified accrual basis of accounting used in the governmental funds, expenditures for compensated absences are not recognized until they mature. In the Statement of Activities, however, they are reported as expenses and liabilities as they accrue. (130,130)

Internal service funds are used by management to provide certain goods and services to governmental funds. The change in net position of these funds is reported within governmental activities in the Statement of Activities. (25,004,155)

Interest on leases and installment purchases is reported as expenditures in the governmental funds when it is due. However, in the Statement of Activities, interest is expensed as it accrues. This amount represents the net change in accrued interest on long-term debt. 106,221

Other financing sources recorded at the inception of leases increase the fund balance of governmental funds. In the government-wide statements, new debt increases non-current liabilities in the Statement of Net Position and does not affect the Statement of Activities. This amount represents principal amounts of new leases. (56,536,497)

Inventory changes impact net position in government-wide statements, but are recorded as expenditures in governmental fund statements when purchased. 658,184

Contributions for pension benefits are reported as expenditure in governmental funds when they are due. In the government-wide statements, the effects of net pensions liability, deferred outflows and inflows relating to pension accounting are expensed. 358,672,615

Contributions for OPEB benefits are reported as expenditure in governmental funds when they are due. In the government-wide statements, the effects of net OPEB liability, deferred outflows and inflows relating to OPEB accounting are expensed. 31,013,517

Change in net position of governmental activities \$ 535,177,010

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT I-2

Fairfax County Public Schools

Budgetary Comparison Schedule - General Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget
				Positive
				(Negative)
REVENUES				
Intergovernmental	\$ 1,100,981,174	1,120,390,717	963,691,899	(156,698,818)
Charges for services	10,917,142	10,917,142	11,522,819	605,677
Revenue from the use of money and property	3,686,259	3,686,259	3,371,561	(314,698)
Recovered costs	50,243,746	50,243,746	48,934,163	(1,309,583)
Other	9,323,373	9,323,373	7,229,665	(2,093,708)
Total revenues	1,175,151,694	1,194,561,237	1,034,750,107	(159,811,130)
EXPENDITURES				
Education	3,344,241,733	3,524,522,938	3,104,411,190	420,111,748
Total expenditures	3,344,241,733	3,524,522,938	3,104,411,190	420,111,748
Excess (deficiency) of revenues over (under) expenditures	(2,169,090,039)	(2,329,961,701)	(2,069,661,083)	260,300,618
OTHER FINANCING SOURCES (USES)				
Transfers in	2,173,536,166	2,173,536,166	2,173,536,166	-
Transfers out	(34,376,412)	(57,888,225)	(44,957,051)	12,931,174
Total other financing sources, net	2,139,159,754	2,115,647,941	2,128,579,115	12,931,174
Net change in fund balance	\$ (29,930,285)	(214,313,760)	58,918,032	273,231,792

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT I-3A

Fairfax County Public Schools

Budgetary Comparison Schedule - Food and Nutrition Services Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget
				Positive
				(Negative)
REVENUES				
Intergovernmental	\$ 45,061,788	45,061,788	122,154,433	77,092,645
Charges for services	41,141,127	41,141,127	3,856,626	(37,284,501)
Revenue from the use of money and property	155,359	155,359	20,013	(135,346)
Other	15,000	15,000	1,407	(13,593)
Total revenues	86,373,274	86,373,274	126,032,479	39,659,205
EXPENDITURES				
Education	86,373,274	94,400,663	86,070,355	8,330,308
Total expenditures	86,373,274	94,400,663	86,070,355	8,330,308
Excess (deficiency) of revenues over (under) expenditures	-	(8,027,389)	39,962,124	47,989,513
OTHER FINANCING SOURCES				
Transfers in	-	1,800,000	1,800,000	-
Total other financing sources	-	1,800,000	1,800,000	-
Net change in fund balance	\$ -	(6,227,389)	41,762,124	47,989,513

COUNTY OF FAIRFAX, VIRGINIA

Fairfax County Public Schools

Budgetary Comparison Schedule - Grants and Self-Supporting Programs Fund (Budget Basis)

For the fiscal year ended June 30, 2022

EXHIBIT I-3B

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget
				Positive
				(Negative)
REVENUES				
Intergovernmental	\$ 51,384,111	128,611,902	77,091,736	(51,520,166)
Charges for services	2,407,100	2,407,100	2,070,093	(337,007)
Revenue from the use of money and property	20,000	20,000	15,892	(4,108)
Other	380,107	1,385,928	930,821	(455,107)
Total revenues	54,191,318	132,424,930	80,108,542	(52,316,388)
EXPENDITURES				
Education	80,521,457	201,192,754	92,058,486	109,134,268
Total expenditures	80,521,457	201,192,754	92,058,486	109,134,268
Excess (deficiency) of revenues over (under) expenditures	(26,330,139)	(68,767,824)	(11,949,944)	56,817,880
OTHER FINANCING SOURCES				
Transfers in from other governmental funds	20,481,059	35,081,193	22,608,552	(12,472,641)
Transfers in from Primary Government	1,886,781	2,179,486	2,179,486	-
Total other financing sources	22,367,840	37,260,679	24,788,038	(12,472,641)
Net change in fund balance	\$ (3,962,299)	(31,507,145)	12,838,094	44,345,239

COUNTY OF FAIRFAX, VIRGINIA

Fairfax County Public Schools

Budgetary Comparison Schedule - Adult and Community Education Fund (Budget Basis)

For the fiscal year ended June 30, 2022

EXHIBIT I-3C

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget
				Positive
				(Negative)
REVENUES				
Intergovernmental	\$ 2,083,821	2,251,534	2,190,248	(61,286)
Charges for services	4,033,603	4,033,605	2,927,992	(1,105,613)
Revenue from the use of money and property	37,736	37,736	3,825	(33,911)
Other	65,035	65,035	6,107	(58,928)
Total revenues	6,220,195	6,387,910	5,128,172	(1,259,738)
EXPENDITURES				
Education	7,195,195	7,365,743	6,493,335	872,408
Total expenditures	7,195,195	7,365,743	6,493,335	872,408
Deficiency of revenues under expenditures	(975,000)	(977,833)	(1,365,163)	(387,330)
OTHER FINANCING SOURCES				
Transfers in	975,000	1,535,709	1,535,709	-
Total other financing sources	975,000	1,535,709	1,535,709	-
Net change in fund balance	\$ -	557,876	170,546	(387,330)

COUNTY OF FAIRFAX, VIRGINIA
Fairfax County Public Schools
Combining Statement of Net Position - Internal Service Funds
June 30, 2022

EXHIBIT I-4

	Health Benefits Trust	Insurance	Total Internal Service Funds
ASSETS			
Current assets:			
Equity in pooled cash and temporary investments	\$ 125,916,753	56,716,224	182,632,977
Cash in escrow	-	322,504	322,504
Accounts receivable	15,112,982	-	15,112,982
Total assets	141,029,735	57,038,728	198,068,463
DEFERRED OUTFLOW OF RESOURCES			
Total deferred outflows of resources	-	-	-
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 9,474,431	428,665	9,903,096
Compensated absences payable	155,244	52,131	207,375
Insurance and benefit claims payable	25,336,500	9,599,713	34,936,213
Unearned revenue	11,759,003	-	11,759,003
Total current liabilities	46,725,178	10,080,509	56,805,687
Long-term liabilities:			
Compensated absences payable	66,533	22,342	88,875
Insurance and benefit claims payable	1,333,500	38,398,850	39,732,350
Total long-term liabilities	1,400,033	38,421,192	39,821,225
Total liabilities	48,125,211	48,501,701	96,626,912
DEFERRED INFLOWS OF RESOURCES			
Total deferred inflows of resources	-	-	-
NET POSITION			
Unrestricted	92,904,524	8,537,027	101,441,551
Net position	\$ 92,904,524	8,537,027	101,441,551

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT I-5

Fairfax County Public Schools

Combining Statement of Revenues, Expenses, and Changes in Net Position - Internal Service Funds

For the fiscal year ended June 30, 2022

	Health Benefits Trust	Insurance	Total Internal Service Funds
OPERATING REVENUES:			
Charges for services	\$ 449,968,773	20,763,621	470,732,394
Total operating revenues	449,968,773	20,763,621	470,732,394
OPERATING EXPENSES:			
Personnel services	3,231,576	1,287,847	4,519,423
Claims and benefit payments	465,923,837	10,912,238	476,836,075
Professional consultant and contractual services	11,792,341	2,286,909	14,079,250
Other	36,112	380,983	417,095
Total operating expenses	480,983,866	14,867,977	495,851,843
Operating income / (loss)	(31,015,093)	5,895,644	(25,119,449)
NONOPERATING REVENUES:			
Interest revenue	115,294	-	115,294
Total nonoperating revenues	115,294	-	115,294
Change in net position	(30,899,799)	5,895,644	(25,004,155)
Net position, July 1, 2021	123,804,323	2,641,383	126,445,706
Net position, June 30, 2022	\$ 92,904,524	8,537,027	101,441,551

COUNTY OF FAIRFAX, VIRGINIA
Fairfax County Public Schools
Combining Statement of Cash Flows - Internal Service Funds
For the fiscal year ended June 30, 2022

EXHIBIT I-6

	Health Benefits Trust	Insurance	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from interfund services provided	\$ 448,451,366	20,763,621	469,214,987
Payments to employees	(3,231,576)	(1,287,848)	(4,519,424)
Claims and benefits paid	(461,128,929)	(13,165,786)	(474,294,715)
Payments for professional services	(13,591,706)	(2,178,617)	(15,770,323)
Payments for other operating expenses	(36,112)	(380,982)	(417,094)
Net cash provided by (used in) operating activities	(29,536,957)	3,750,388	(25,786,569)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	115,294	-	115,294
Net cash provided by investing activities	115,294	-	115,294
Net increase (decrease) in cash and cash equivalents	(29,421,663)	3,750,388	(25,671,275)
Cash and cash equivalents, July 1, 2021	155,338,416	53,288,340	208,626,756
Cash and cash equivalents, June 30, 2022	125,916,753	57,038,728	182,955,481
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	(31,015,093)	5,895,644	(25,119,449)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Change in assets and liabilities:			
Increase in accounts receivable	(476,921)	-	(476,921)
Increase (decrease) in accounts payable and accrued liabilities	(1,799,365)	108,292	(1,691,073)
Increase (decrease) in actuarial claims payable	4,790,000	(2,238,172)	2,551,828
Increase (decrease) in compensated absences	4,908	(15,376)	(10,468)
Decrease in unearned revenues	(1,040,486)	-	(1,040,486)
Total adjustments to operating loss	1,478,136	(2,145,256)	(667,120)
Net cash provided by (used in) operating activities	\$ (29,536,957)	3,750,388	(25,786,569)

COUNTY OF FAIRFAX, VIRGINIA
Fairfax County Public Schools
Fiduciary Funds
Statement of Fiduciary Net Position - Trust Funds
June 30, 2022

EXHIBIT I-7

	Pension Trust Fund - Educational Employees' Supplementary Retirement System	OPEB Trust Fund	Total Pension and OPEB Trust Funds
ASSETS			
Cash and cash equivalents	\$ 1,336,057	-	1,336,057
Cash with fiscal agents	2,536,933	-	2,536,933
Cash collateral for securities lending	100,361,317	-	100,361,317
Short-term investments	55,357,186	-	55,357,186
Accounts receivable	14,534	37,200	51,734
Accrued interest and dividends receivable	3,783,713	-	3,783,713
Receivable from sale of pension investments	6,778,208	3,863,719	10,641,927
Investments:			
Commingled funds	1,024,161,292	-	1,024,161,292
U.S. government obligations	140,353,981	-	140,353,981
Asset and mortgage-backed securities	147,774,908	-	147,774,908
Corporate and international bonds	277,105,357	-	277,105,357
Convertible and preferred securities	5,650,314	-	5,650,314
Stocks	288,897,994	-	288,897,994
Municipal bonds	538,258	-	538,258
Real estate	222,855,620	-	222,855,620
Multi asset class solutions	192,343,465	-	192,343,465
Hedge funds	263,871,419	-	263,871,419
Private equity	309,762,531	-	309,762,531
Private debt	50,349,798	-	50,349,798
Infrastructure	29,519,738	-	29,519,738
Investment in pooled funds	-	189,698,157	189,698,157
Equipment, net of depreciation	6,456	-	6,456
Right-to-use lease asset, net of amortization	329,567	-	329,567
Total assets	3,123,688,646	193,599,076	3,317,287,722
DEFERRED OUTFLOWS OF RESOURCES			
Total deferred outflows of resources	-	-	-
LIABILITIES			
Accounts payable and accrued liabilities	\$ 2,159,020	37,200	2,196,220
Payable for purchase of pension investments	22,923,839	-	22,923,839
Liabilities for collateral received under securities lending agreements	100,361,317	-	100,361,317
Lease liability	334,590	-	334,590
Total liabilities	125,778,766	37,200	125,815,966
DEFERRED INFLOWS OF RESOURCES			
Total deferred inflows of resources	-	-	-
NET POSITION			
Held in trust for pension/OPEB benefits	\$ 2,997,909,880	193,561,876	3,191,471,756

COUNTY OF FAIRFAX, VIRGINIA
Fairfax County Public Schools
Statement of Changes in Fiduciary Net Position - Trust Funds
For the fiscal year ended June 30, 2022

EXHIBIT I-8

	Pension Trust Fund - Educational Employees' Supplementary Retirement System	OPEB Trust Fund	Total Pension and OPEB Trust Funds
ADDITIONS			
Contributions:			
Employer	\$ 111,119,456	15,412,471	126,531,927
Plan members	50,017,839	-	50,017,839
Total contributions	161,137,295	15,412,471	176,549,766
Investment income:			
From investment activities:			
Net depreciation in fair value of investments	(253,636,057)	(19,692,016)	(273,328,073)
Interest and dividends	30,133,983	155	30,134,138
Total gain from investment activities	(223,502,074)	(19,691,861)	(243,193,935)
Less investment activities expenses:			
Management fees	7,318,612	120,389	7,439,001
Other	1,798,829	500	1,799,329
Total investment activities expenses	9,117,441	120,889	9,238,330
Net loss from investment activities	(232,619,515)	(19,812,750)	(252,432,265)
From securities lending activities:			
Securities lending income	619,108	-	619,108
Less securities lending expenses:			
Management fees	(237,214)	-	(237,214)
Total securities lending activities expenses	(237,214)	-	(237,214)
Net income from securities lending activities	381,894	-	381,894
Net investment loss	(232,237,621)	(19,812,750)	(252,050,371)
Total additions	(71,100,326)	(4,400,279)	(75,500,605)
DEDUCTIONS			
Benefits payments	194,239,563	10,412,471	204,652,034
Refunds of contributions	4,415,933	-	4,415,933
Administrative expenses	4,155,162	-	4,155,162
Depreciation expense	326,219	-	326,219
Total deductions	203,136,877	10,412,471	213,549,348
Change in net position	(274,237,203)	(14,812,750)	(289,049,953)
Net position, July 1, 2021, as previously reported	3,272,151,084	208,374,626	3,480,525,710
Prior period adjustment*	(4,001)	-	(4,001)
Net position, July 1, 2021, as restated	3,272,147,083	208,374,626	3,480,521,709
Net position, June 30, 2022	\$ 2,997,909,880	193,561,876	3,191,471,756

*Prior period adjustment due to Implementation of GASB 87. For details, see FCPS financial statements issued separately.



The **Fairfax County Redevelopment and Housing Authority** (FCRHA) is responsible for low income housing and community development programs within the County. FCRHA was approved by a voter referendum in November 1965 and was activated by the County Board of Supervisors in February 1966. FCRHA is a political subdivision of and reports to the Commonwealth of Virginia. The County Board of Supervisors appoints the FCRHA Board of Commissioners and the County provides certain managerial and other related assistance to FCRHA.

Primary Government represents FCRHA's use of an enterprise fund to report its activities. FCRHA activities are funded by federal grants from the U.S. Department of Housing and Urban Development, rents, and other user charges resulting from operations of subsidized housing, development and financing fees, investment income, and loan proceeds. These funds provide rental housing, housing for the elderly/group homes, loans for home ownership and home improvement, tenant assistance, community development, and administration of these programs.

Component Units are real estate limited partnerships of FCRHA. FCRHA is the managing general partner and has certain rights which enable it to impose its will on the limited partnerships. FCRHA is legally obligated to fund operating deficits, making FCRHA financially accountable for the partnerships.

COUNTY OF FAIRFAX, VIRGINIA
Fairfax County Redevelopment and Housing Authority
Statement of Net Position
June 30, 2022

EXHIBIT J

	Housing Authority	Component Units	Total Entity
ASSETS			
Current assets:			
Equity in pooled cash and temporary investments	\$ 20,175,651	-	20,175,651
Cash in bank	38,426,712	7,178,954	45,605,666
Investments	8,494,000	-	8,494,000
Receivables (net of allowances):			
Accounts	5,361,551	289,519	5,651,070
Accrued interest	37,226	-	37,226
Notes	262,820	-	262,820
Lease	347,045	-	347,045
Prepaid and other assets	480,700	205,815	686,515
Restricted assets:			
Cash reserves	22,315,675	-	22,315,675
Performance and other deposits	4,578,784	363,024	4,941,808
Investments	482,318	-	482,318
Total current assets	100,962,482	8,037,312	108,999,794
Long-term assets:			
Restricted assets:			
Cash reserves	26,035,650	4,793,007	30,828,657
Total restricted assets	26,035,650	4,793,007	30,828,657
Capital assets:			
Non-depreciable/non-amortizable:			
Land	36,148,532	6,989,815	43,138,347
Construction in progress	4,528,611	-	4,528,611
Depreciable/amortizable:			
Vehicles and equipment	1,360,990	5,662,594	7,023,584
Buildings and improvements	192,258,069	48,929,634	241,187,703
Right-to-use lease assets	244,775	-	244,775
Accumulated depreciation/amortization	(139,686,779)	(14,816,126)	(154,502,905)
Total capital assets, net	94,854,198	46,765,917	141,620,115
Other long-term assets:			
Notes receivable	27,749,387	-	27,749,387
Net OPEB Asset	698,638	-	698,638
Lease receivable	20,465,051	-	20,465,051
Prepaid and other assets	2,871,173	97,902	2,969,075
Total other long-term assets	51,784,249	97,902	51,882,151
Total long-term assets	172,674,097	51,656,826	224,330,923
Total assets	273,636,579	59,694,138	333,330,717
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows for pensions	7,365,861	-	7,365,861
Deferred outflows for OPEB	1,802,491	-	1,802,491
Total deferred outflows of resources	9,168,352	-	9,168,352
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 4,581,450	425,457	5,006,907
Accrued salaries and benefits	832,668	-	832,668
Due to FCRHA	-	571,272	571,272
Unearned revenues	1,063,198	121,777	1,184,975
Performance and other deposits	2,043,765	242,556	2,286,321
Loans, notes and bonds payable, net of deferred financing fees	1,585,780	467,620	2,053,400
Compensated absences payable	359,128	11,838	370,966
Lease liability	5,461	-	5,461
Total current liabilities	10,471,450	1,840,520	12,311,970
Long-term liabilities:			
Loans, notes and bonds payable, net of deferred financing fees	31,817,570	48,065,016	79,882,586
Compensated absences payable	301,747	-	301,747
Lease liability	244,247	-	244,247
Net pension liability	19,420,648	-	19,420,648
Other accrued long-term interest	5,836,541	7,754,577	13,591,118
Total long-term liabilities	57,620,753	55,819,593	113,440,346
Total liabilities	68,092,203	57,660,113	125,752,316
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows for pension	9,840,805	-	9,840,805
Deferred inflows for OPEB	3,005,416	-	3,005,416
Deferred inflows related to lease	20,570,253	-	20,570,253
Total deferred inflows of resources	33,416,474	-	33,416,474
NET POSITION			
Net investment in capital assets	78,446,470	(1,766,719)	76,679,751
Restricted	37,653,743	4,913,475	42,567,218
Unrestricted	65,196,041	(1,112,731)	64,083,310
Net Position	\$ 181,296,254	2,034,025	183,330,279

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT J-1

Fairfax County Redevelopment and Housing Authority
Statement of Revenues, Expenses, and Changes in Net Position
For the fiscal year ended June 30, 2022

	Housing Authority	Component Units	Total Entity
OPERATING REVENUES:			
Dwelling rentals	\$ 32,888,135	3,922,318	36,810,453
Other	5,079,043	535,090	5,614,133
Total operating revenues	37,967,178	4,457,408	42,424,586
OPERATING EXPENSES:			
Personnel services	13,622,692	818,271	14,440,963
Materials and supplies	7,948,302	1,167,459	9,115,761
Repairs and maintenance	7,704,513	813,728	8,518,241
Housing assistance payments	60,985,178	-	60,985,178
Depreciation and amortization	4,682,454	2,063,326	6,745,780
Contractual services	123,215	76,706	199,921
Utilities	5,403,948	601,544	6,005,492
Total operating expenses	100,470,302	5,541,034	106,011,336
Operating loss	(62,503,124)	(1,083,626)	(63,586,750)
NONOPERATING REVENUES (EXPENSES):			
Intergovernmental revenue	80,846,002	2,294,130	83,140,132
Owner Distribution	(1,508,417)	-	(1,508,417)
Interest revenue	754,937	4,870	759,807
Interest expense	(1,083,746)	(2,569,549)	(3,653,295)
Other nonoperating revenue	-	2,382,030	2,382,030
Gain on sale	11,238	-	11,238
Contribution from County	3,850,740	-	3,850,740
Contribution to County	(10,618,329)	-	(10,618,329)
Total nonoperating revenues, net	72,252,425	2,111,481	74,363,906
Change in net position	9,749,301	1,027,855	10,777,156
Net Position, July 1, 2021	171,546,953	1,006,170	172,553,123
Net Position, June 30, 2022	\$ 181,296,254	2,034,025	183,330,279

COUNTY OF FAIRFAX, VIRGINIA
Fairfax County Redevelopment and Housing Authority
Statement of Cash Flows
For the fiscal year ended June 30, 2022

EXHIBIT J-2

	Housing Authority	Component Units	Total Entity
CASH FLOWS FROM OPERATING ACTIVITIES			
Rental receipts	\$ 33,088,187	3,681,081	36,769,268
Other operating cash receipts	5,079,043	535,090	5,614,133
Payments to employees for services	(15,020,632)	(843,842)	(15,864,474)
Payments made for housing assistance	(60,985,178)	-	(60,985,178)
Payments to suppliers for goods and services	(20,045,932)	(8,038,810)	(28,084,742)
Net cash used in operating activities	(57,884,512)	(4,666,481)	(62,550,993)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Owner Distribution	(1,508,417)	-	(1,508,417)
Contribution from FCRHA	-	2,382,030	2,382,030
Intergovernmental revenue received	80,772,719	2,294,130	83,066,849
Contribution to County	(6,885,886)	-	(6,885,886)
Net cash provided by noncapital financing activities	72,378,416	4,676,160	77,054,576
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(6,863,883)	(144,739)	(7,008,622)
Proceeds from sale of capital assets	2,249,599	-	2,249,599
Interest payments	(1,271,970)	72,585	(1,199,385)
Lease income	(104,417)	-	(104,417)
Debt principal payments	(1,430,028)	(24,150,357)	(25,580,385)
Net cash used in capital and related financing activities	(7,420,699)	(24,222,511)	(31,643,210)
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipt of loan and advance repayments	377,778	-	377,778
Maturity of investments	730,421	-	730,421
Acquisition of investments	(6,289,000)	-	(6,289,000)
Interest received	754,937	4,870	759,807
Net cash provided by (used in) investing activities	(4,425,864)	4,870	(4,420,994)
Net increase (decrease) in cash and cash equivalents	2,647,341	(24,207,962)	(21,560,621)
Cash and cash equivalents, July 1, 2021, as restated	108,885,131	36,542,947	145,428,078
Cash and cash equivalents, June 30, 2022	\$ 111,532,472	12,334,985	123,867,457
Reconciliation of operating loss to net cash used in operating activities:			
Operating loss	\$ (62,503,124)	(1,083,626)	(63,586,750)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation and amortization	4,682,454	2,063,326	6,745,780
Provision for doubtful accounts	753,429	-	753,429
Change in assets and liabilities:			
Accounts receivable	(17,480)	(178,379)	(195,859)
Prepaid items and other assets	(1,328,972)	(115,160)	(1,444,132)
Net Pension Liability and related outflows/inflows	(592,879)	-	(592,879)
Increase in accounts payable and accrued liabilities	1,179,500	(1,396,239)	(216,739)
Net OPEB liability and related outflows/inflows	(431,333)	-	(431,333)
Performance and other deposits	181,642	(22,260)	159,382
Due to FCRHA	-	(3,871,285)	(3,871,285)
Unearned revenues	192,251	(62,858)	129,393
Total adjustments to operating income	4,618,612	(3,582,855)	1,035,757
Net cash used in operating activities	\$ (57,884,512)	(4,666,481)	(62,550,993)
Noncash investing, capital, and financing activities:			
Contributions from County, net	\$ 1,084,973	-	1,084,973
Loss on sale of assets	11,238	-	11,238
Amortization of debt issuance costs	8,269	13,602	21,871

The **Fairfax County Park Authority** (Park Authority) was created by the Board of Supervisors of the County on December 6, 1950, to maintain and operate the public parks and recreational facilities located in the County. The Board appoints the Park Authority's Board members, and a substantial portion of the cost of the Park Authority's operations is funded by the County.

General Fund (Financed from County General Fund) is used to account for the operations of the park facilities that are funded by the County.

Park Revenue Fund is a special revenue fund used to account for the operations of the park facilities that are funded from park operating revenues.

Financed from County Construction Fund is a capital projects fund used to account for specific maintenance projects for park facilities that are funded by the County's Construction Fund.

Financed from County Environmental and Energy Program Fund is a capital projects fund that supports projects that advance the County's Environmental Vision and Operational Energy Strategy.

Park Construction Bond Fund is a capital projects fund used to account for all construction projects and capital improvements of the Park Authority financed by County general obligation bonds.

Park Capital Improvement Fund is a capital projects fund used to account for all Park Authority construction projects and capital improvements financed through interest earned and transfers from the Park Revenue and Operating Fund.

Park Foundation - Component Unit is a nonprofit charitable organization which provides a variety of philanthropic opportunities.

COUNTY OF FAIRFAX, VIRGINIA
Fairfax County Park Authority
Balance Sheet
June 30, 2022

	Major Governmental Capital		
	General Fund (Financed from County General Fund)	Special Revenue Fund - Park Revenue	Financed from County Construction Fund
ASSETS			
Equity in pooled cash and temporary investments	\$ -	19,561,534	-
Receivables:			
Accounts	1,800	122,465	-
Due from primary government	3,136,159	1,801	1,591,233
Due from intergovernmental units	-	-	-
Prepaid and other asset	10,000	185,092	22,144
Restricted assets:			
Equity in pooled cash and temporary investments	-	-	-
Total assets	3,147,959	19,870,892	1,613,377
DEFERRED OUTFLOWS OF RESOURCES			
Total deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	\$ 3,147,959	19,870,892	1,613,377
LIABILITIES			
Accounts payable and accrued liabilities	\$ 695,714	2,634,046	1,613,377
Accrued salaries and benefits	2,165,936	2,485,850	-
Due to intergovernmental units	4,560	-	-
Due to primary government	170,778	3,370	-
Contract retainages	1,305	-	-
Unearned revenues	109,666	13,805,048	-
Performance and other deposits	-	52,555	-
Total liabilities	3,147,959	18,980,869	1,613,377
DEFERRED INFLOWS OF RESOURCES			
Total deferred inflows of resources	-	-	-
Total liabilities and deferred inflows of resources	3,147,959	18,980,869	1,613,377
FUND BALANCES			
Nonspendable:			
Prepaid	11,800	-	22,144
Inventory	-	185,092	-
E.C.Lawrence Trust	-	-	-
Restricted for:			
With donar restrictions	-	-	-
With donar restrictions-purpose	-	-	-
With donar restrictions-perpetuity	-	-	-
Capital projects	-	-	-
Repair and replacement	-	-	-
Committed to:			
Other capital projects	-	-	-
Unassigned	(11,800)	704,931	(22,144)
Total fund balances	-	890,023	-
Total liabilities, deferred inflows of resources, and fund balances	\$ 3,147,959	19,870,892	1,613,377
Reconciliation of the Balance Sheet to the Statement of Net Position			
Fund balances - Total governmental funds		\$	36,527,818
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets is \$1,004,521,063 and the accumulated depreciation is \$313,335,971.			
			691,185,092
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:			
Lease liability payable	\$ (2,455,504)		
Note payable	(87,939)		
Compensated absences payable	(5,772,752)		
Accrued interest payable	(3,461)		
Loan from Primary Government	(9,380,000)		(17,699,656)
Pension and other postemployment benefit liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds. The deferred outflows related to pensions are \$13,576,759, and the net pension liability is \$37,075,616. The deferred inflows related to pension are \$20,350,940. The deferred outflows related to OPEB are \$5,236,564 and the net OPEB asset is \$1,776,056. The deferred inflows related to OPEB are \$7,768,376.			
			(44,605,553)
Net position of governmental activities		\$	665,407,701

EXHIBIT K

Funds					
Projects Funds					
Financed from County Environmental and Energy Program Fund	Park Construction Bond (Financed from County Construction Fund)	Park Capital Improvement	Park Foundation - Component Unit	Total Governmental Funds	
-	-	30,645,106	689,115	50,895,755	ASSETS
-	-	9,387	202,962	336,614	Equity in pooled cash and temporary investments
-	-	-	-	4,729,193	Receivables:
-	123,318	-	-	123,318	Accounts
18,869	-	41,200	-	277,305	Due from primary government
-	-	-	-	-	Due from intergovernmental units
-	-	-	-	-	Prepaid and other asset
-	4,923,434	2,207,926	339,018	7,470,378	Restricted assets:
18,869	5,046,752	32,903,619	1,231,095	63,832,563	Equity in pooled cash and temporary investments
-	-	-	-	-	Total assets
-	-	-	-	-	DEFERRED OUTFLOWS OF RESOURCES
-	-	-	-	-	Total deferred outflows of resources
18,869	5,046,752	32,903,619	1,231,095	63,832,563	Total assets and deferred outflows of resources
18,411	1,314,858	362,864	-	6,639,270	LIABILITIES
-	-	-	-	4,651,786	Accounts payable and accrued liabilities
-	-	-	-	4,560	Accrued salaries and benefits
458	-	-	-	174,606	Due to intergovernmental units
-	778,404	-	-	779,709	Due to primary government
-	-	378,486	-	14,293,200	Contract retainages
-	-	709,059	-	761,614	Unearned revenues
18,869	2,093,262	1,450,409	-	27,304,745	Performance and other deposits
-	-	-	-	-	Total liabilities
-	-	-	-	-	DEFERRED INFLOWS OF RESOURCES
-	-	-	-	-	Total deferred inflows of resources
18,869	2,093,262	1,450,409	-	27,304,745	Total liabilities and deferred inflows of resources
18,869	-	41,200	-	94,013	FUND BALANCES
-	-	-	-	185,092	Nonspendable:
-	-	1,507,926	-	1,507,926	Prepaid
-	-	-	253,757	253,757	Inventory
-	-	-	877,338	877,338	E.C.Lawrence Trust
-	-	-	100,000	100,000	Restricted for:
-	2,953,490	22,733,641	-	25,687,131	With donar restrictions
-	-	700,000	-	700,000	With donar restrictions-purpose
-	-	-	-	-	With donar restrictions-perpetuity
-	-	-	-	-	Capital projects
-	-	-	-	-	Repair and replacement
-	-	6,470,443	-	6,470,443	Committed to:
(18,869)	-	-	-	652,118	Other capital projects
-	2,953,490	31,453,210	1,231,095	36,527,818	Unassigned
18,869	5,046,752	32,903,619	1,231,095	63,832,563	Total fund balances
-	-	-	-	-	Total liabilities, deferred inflows of resources, and fund balances

COUNTY OF FAIRFAX, VIRGINIA

Fairfax County Park Authority

Statement of Revenues, Expenditures, and Changes in Fund Balances

For the fiscal year ended June 30, 2022

		Major Governmental		
		Special Revenue Funds	Capital	
	General Fund (Financed from County General Fund)	Special Revenue Fund - Park Revenue	Financed from County Federal-State Grant Fund	Financed from County Construction Fund
REVENUES				
Intergovernmental	\$ 37,694,929	1,857,837	139,300	12,593,056
Charges for services	245,583	44,428,072	-	-
Developers' contributions	-	-	-	-
Revenue from the use of money and property	5,400	2,607,768	-	-
Gifts, donations, and contributions	-	-	-	-
Other	-	402,222	-	-
Total revenues	37,945,912	49,295,899	139,300	12,593,056
EXPENDITURES				
Current:				
Parks, recreation, and cultural	37,693,604	41,682,639	139,300	7,403,696
Intergovernmental	-	820,000	-	-
Capital outlay	252,308	3,052,443	-	5,189,360
Debt service:				
Principal retirement	-	219,400	-	-
Interest and other charges	-	80,344	-	-
Lease:				
Principal	-	25,974	-	-
Interest	-	15,925	-	-
Total expenditures	37,945,912	45,896,725	139,300	12,593,056
Excess (deficiency) of revenues over (under) expenditures	-	3,399,174	-	-
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,616,295	-	-
Transfers out	-	-	-	-
Golf cart lease financing	-	2,569,418	-	-
Total other financing sources (uses), net	-	4,185,713	-	-
Net change in fund balances	-	7,584,887	-	-
*Fund balances, July 1, 2021	-	(6,733,443)	-	-
Increase in reserve for inventories	-	38,579	-	-
Fund balances, June 30, 2022	\$ -	890,023	-	-

*Beginning fund balance restated due to the inclusion of the Park Foundation.

EXHIBIT K-1

Funds					
Projects Funds					
Financed from County Environmental and Energy Program Fund	Financed from County Park Construction Bond	Park Capital Improvement	Park Foundation - Component Unit	Total Governmental Funds	
723,968	15,140,318	-	408,638	68,558,046	REVENUES
-	-	-	-	44,673,655	Intergovernmental
-	-	4,900,849	-	4,900,849	Charges for services
-	-	1,048,168	-	3,661,336	Developers' contributions
-	-	826,791	1,097,430	1,924,221	Revenue from the use of money and property
-	-	-	-	402,222	Gifts, donations and contributions
723,968	15,140,318	6,775,808	1,506,068	124,120,329	Other
					Total revenues
					EXPENDITURES
425,087	457,571	1,703,590	502,144	90,007,631	Current:
-	-	-	834,404	1,654,404	Parks, recreation, and cultural
298,881	26,007,964	2,315,905	-	37,116,861	Intergovernmental
-	-	-	-	219,400	Capital outlay
-	-	-	-	80,344	Debt service:
-	-	-	-	25,974	Principal retirement
-	-	-	-	15,925	Interest and other charges
723,968	26,465,535	4,019,495	1,336,548	129,120,539	Lease:
					Principal
					Interest
					Total expenditures
-	(11,325,217)	2,756,313	169,520	(5,000,210)	Excess (deficiency) of revenues over (under) expenditures
					OTHER FINANCING SOURCES (USES)
-	-	-	-	1,616,295	Transfers in
-	-	(1,616,295)	-	(1,616,295)	Transfers out
-	-	-	-	2,569,418	Golf cart lease financing
-	-	(1,616,295)	-	2,569,418	Total other financing sources (uses), net
-	(11,325,217)	1,140,018	169,520	(2,430,792)	Net change in fund balances
-	14,278,707	30,313,192	1,061,575	38,920,031	*Fund balances, July 1, 2021
-	-	-	-	38,579	Increase in reserve for inventories
-	2,953,490	31,453,210	1,231,095	36,527,818	Fund balances, June 30, 2022

continued

COUNTY OF FAIRFAX, VIRGINIA

Fairfax County Park Authority

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities

For the fiscal year ended June 30, 2022

EXHIBIT K-1

concluded

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities

Net change in fund balances - Total governmental funds	\$	(2,430,792)
--	----	-------------

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period.

Capital outlays	\$	37,116,861	
Depreciation expense		<u>(19,800,425)</u>	17,316,436

Donations of capital assets increase net position in the Statement of Activities, but do not appear in the governmental funds because they are not financial resources.		779,233
---	--	---------

In the Statement of Activities, the gain or loss on the disposition of capital assets is reported. However, in the governmental funds only the proceeds from sales are reported, which increases fund balance. Thus, the difference is the depreciated cost of the capital assets dispositions.		(241,290)
---	--	-----------

Certain costs reported in prior year construction in progress balances were determined not to be capital		98,910
--	--	--------

Decrease in fund balance reserve		(38,579)
----------------------------------	--	----------

Interest on long-term debt is reported as an expenditure in the governmental funds when it is due. In the Statement of Activities, however, interest expense is affected as this interest accrues and as bond-related items are amortized. This difference in interest reported is as follows:

Accrued interest on notes payable and leases		(3,461)
--	--	---------

Repayment of the principal amount of long-term debt is reported as an expenditure or as an other financing use when debt is refunded in governmental funds and thus, reduces fund balance. However, the principal payment reduces the liabilities in the Statement of Net Position and do not result in the Statement of Activities.

Principal payments of bonds, notes, and leases		245,374
--	--	---------

The issuance of long-term debt is reported as other financing sources in the governmental funds and thus, increases fund balance. In the government-wide statements, however, issuing debt increases long-term liabilities in the Statement of Net Position and does not affect the statement of activities.

The following were issued:

Notes Payable and leases		(2,569,418)
--------------------------	--	-------------

Under the modified accrual basis of accounting used in the governmental funds, expenditures for the following are not recognized until they mature. In the Statement of Activities, however, they are reported as expenses and liabilities as they accrue. The timing differences are as follows:

Compensated absences		1,885
----------------------	--	-------

Pension liability does not require the use of current financial resources and, therefore, is not reported in governmental funds:

Pension expense		3,464,331	
Other postemployment benefit expense		1,052,570	

Change in net position of governmental activities	\$	<u>17,675,199</u>
---	----	-------------------

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT K-2A

Fairfax County Park Authority

Budgetary Comparison Schedule - General Fund (Financed from County General Fund) (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 27,558,201	28,446,355	27,902,087	(544,268)
Charges for services	238,000	411,000	246,696	(164,304)
Revenue from the use of money and property	-	-	4,287	4,287
Total revenues	27,796,201	28,857,355	28,153,070	(704,285)
EXPENDITURES				
Current:				
Parks, recreation, and cultural	27,796,201	28,857,355	28,153,070	704,285
Total expenditures	27,796,201	28,857,355	28,153,070	704,285
Net change in fund balance	\$ -	-	-	-

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT K-2B

Fairfax County Park Authority

Budgetary Comparison Schedule - Park Revenue Fund (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 38,190,599	42,251,482	44,428,072	2,176,590
Revenue from the use of money and property	2,710,213	2,710,213	2,607,768	(102,445)
Other	537,122	537,122	402,222	(134,900)
Total revenues	41,437,934	45,498,817	47,438,062	1,939,245
EXPENDITURES				
Parks, recreation, and cultural	41,413,427	46,213,638	43,753,207	2,460,431
Total expenditures	41,413,427	46,213,638	43,753,207	2,460,431
Excess of revenues over expenditures	24,507	(714,821)	3,684,855	4,399,676
OTHER FINANCING USES				
Transfers in from primary government	-	3,900,032	3,900,032	-
Total other financing uses	-	3,900,032	3,900,032	-
Net change in fund balance	\$ 24,507	3,185,211	7,584,887	4,399,676

The **Fairfax County Economic Development Authority (EDA)** provides direct assistance to firms which intend to establish their operations within the County. The EDA's mission is to attract businesses to Fairfax County and to work with the existing businesses to retain them as they expand and create new jobs. The EDA is an independent authority, legally authorized by an enactment of the Virginia General Assembly and formally created by resolution of the County Board of Supervisors, which appoints the seven members of EDA's Commission and also appropriates funds annually for operating expenditures incurred in carrying out EDA's mission.

Governmental Funds is used to account for the operations of the EDA financed from the County Fund, all of which are funded through the County. It also includes cash incentives awarded to businesses relocating or expanding business operations in Fairfax County, and funded by the Commonwealth's Development Opportunity Fund (COF) grant program.

COUNTY OF FAIRFAX, VIRGINIA
Fairfax County Economic Development Authority
Balance Sheet
June 30, 2022

EXHIBIT L

	Governmental Funds
ASSETS	
Restricted cash and cash equivalents	\$ 2,681,000
Due from primary government	640,946
Total assets	<u>3,321,946</u>
DEFERRED OUTFLOWS OF RESOURCES	
Total deferred outflows of resources	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 3,321,946</u>
LIABILITIES	
Accounts payable and accrued liabilities	\$ 187,024
Accrued salaries and benefits	435,810
Unearned revenue	2,699,112
Total liabilities	<u>3,321,946</u>
DEFERRED INFLOWS OF RESOURCES	
Total deferred inflows of resources	<u>-</u>
Total liabilities and deferred inflows of resources	<u>3,321,946</u>
FUND BALANCE	
Unassigned	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 3,321,946</u>
Reconciliation of the Balance Sheet to the Statement of Net Position	
Fund balance - Governmental Funds	\$ -
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The cost of the assets is \$3,640,001 and the accumulated depreciation and amortization is \$1,914,322.	1,725,679
Long-term liabilities, including compensated absences payable of \$552,843 and lease liability and accrued interest of \$1,643,527, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(2,196,370)
Pension liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. The deferred outflows related to pensions are \$2,495,561 and the net pension liability is \$4,985,198. The deferred inflow related to pensions is \$3,040,445.	(5,530,082)
OPEB liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. The deferred outflows related to OPEB are \$277,853 and the net OPEB asset is \$109,426. The deferred inflow related to OPEB is \$639,048.	<u>(251,769)</u>
Net position of governmental activities	<u>\$ (6,252,542)</u>

COUNTY OF FAIRFAX, VIRGINIA
Fairfax County Economic Development Authority
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the fiscal year ended June 30, 2022

EXHIBIT L-1

	Governmental Funds
REVENUES	
Revenue from use of money and property	\$ 51,814
Intergovernmental	11,862,033
Total revenues	<u>11,913,847</u>
EXPENDITURES	
Current:	
Community development	11,111,491
Capital outlay	2,443,901
Debt service:	
Principal retirement	800,444
Interest and other charges	1,912
Total expenditures	<u>14,357,748</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,443,901)</u>
OTHER FINANCING SOURCES	
Leases	2,443,901
Total other financing sources, net	<u>2,443,901</u>
Net change in fund balance	-
Fund balance, July 1, 2021	-
Fund balance, June 30, 2022	<u>\$ -</u>

**Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balance to the Statement of Activities**

Net change in fund balance - governmental funds \$ -

Amounts reported for governmental activities in the Statement of Activities are different because:

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Depreciation and amortization expense	\$ (863,875)	
Increase in liability for compensated absences	(80)	
Lease payments	800,444	
Accrued interest	(70)	
Pension expense	432,854	
Other postemployment benefit expense	<u>63,094</u>	<u>432,367</u>
Change in net position of governmental activities		<u>\$ 432,367</u>

COUNTY OF FAIRFAX, VIRGINIA

EXHIBIT L-2

Fairfax County Economic Development Authority

Budgetary Comparison Schedule - General Fund (Financed from County General Fund) (Budget Basis)

For the fiscal year ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance from
	Original	Final	(Budget Basis)	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 8,882,016	9,070,016	9,029,922	(40,094)
Total revenues	8,882,016	9,070,016	9,029,922	(40,094)
EXPENDITURES				
Community development	8,882,016	9,070,016	9,029,922	40,094
Total expenditures	8,882,016	9,070,016	9,029,922	40,094
Net change in fund balance	\$ -	-	-	-



Statistical Section

The Statistical Section provides financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, including the accompanying notes, and required supplementary information to understand and assess the County's economic condition. Information is presented in the following five categories:

- 1.0 Financial trends information
- 2.0 Revenue capacity information
- 3.0 Debt capacity information
- 4.0 Demographic and economic information
- 5.0 Operating information



1.0 - Financial trends information is intended to assist users in understanding and assessing how the County's financial position has changed over time. There are four tables presented in this section.

COUNTY OF FAIRFAX, VA
TABLE 1.1 - Net Position by Component
Last Ten Fiscal Years

	Fiscal Year				
	2022	2021	2020	2019	2018
<i>Governmental activities:</i>					
Net investment in capital assets	\$ 2,411,445,112	2,347,835,603	2,265,813,475	2,213,668,557	2,070,863,206
Restricted	442,814,210	355,681,686	382,010,214	475,424,529	456,321,016
Unrestricted (deficit) ⁽¹⁾	(2,896,772,667)	(3,143,115,712)	(3,108,132,334)	(3,038,583,029)	(3,045,029,065)
Net position, governmental activities	\$ (42,513,345)	(439,598,423)	(460,308,645)	(349,489,943)	(517,844,843)
<i>Business-type activities:</i>					
Net investment in capital assets	\$ 1,181,439,831	1,207,780,108	1,112,420,058	1,065,086,054	1,038,360,082
Restricted	48,522,726	17,941,505	20,281,937	19,398,343	18,178,132
Unrestricted	148,116,348	98,648,390	133,460,268	119,690,633	99,372,962
Net position, business-type activities	\$ 1,378,078,905	1,324,370,003	1,266,162,263	1,204,175,030	1,155,911,176
<i>Total Primary government:</i>					
Net investment in capital assets	\$ 3,592,884,943	3,555,615,711	3,378,233,533	3,278,754,611	3,109,223,288
Restricted	491,336,936	373,623,191	402,292,151	494,822,872	474,499,148
Unrestricted (deficit)	(2,748,656,319)	(3,044,467,322)	(2,974,672,066)	(2,918,892,396)	(2,945,656,103)
Net position, Primary Government	\$ 1,335,565,560	884,771,580	805,853,618	854,685,087	638,066,333

Source: Fairfax County Department of Finance

Notes:

- (1) The County issues debt for the construction of Public Schools and Park Authority facilities. The County reports this debt; whereas, the Public Schools and Park Authority report the related capital assets and unspent bond proceeds. As a result, the debt reduces unrestricted net position for the primary government. The amount of this debt related to investments in capital assets and unspent bond proceeds for these component units that is outstanding for each fiscal year is as follows:

Fiscal Year				
2022	2021	2020	2019	2018
\$ 2,051,038,452	1,782,043,298	1,741,833,436	1,715,069,054	1,726,348,892

- (2) Fiscal Year 2014 net position restated in Fiscal Year 2015 due to the implementation of GASB statement 68.

- (3) Fiscal Year 2017 net position restated in Fiscal Year 2018 due to the implementation of GASB statement 75.

Fiscal Year					
2017 ⁽³⁾	2016	2015	2014 ⁽²⁾	2013	
					<i>Governmental activities:</i>
2,001,991,926	1,913,173,352	1,875,208,103	1,861,776,623	1,736,906,426	Net investment in capital assets
388,129,831	355,513,953	318,966,582	286,196,280	214,950,085	Restricted
(2,881,760,586)	(2,732,479,263)	(2,802,308,892)	(2,960,996,275)	(1,657,422,986)	Unrestricted (deficit) ⁽¹⁾
(491,638,829)	(463,791,958)	(608,134,207)	(813,023,372)	294,433,525	Net position, governmental activities
					<i>Business-type activities:</i>
1,003,960,254	940,641,576	892,414,328	843,276,715	778,825,722	Net investment in capital assets
14,185,711	73,853,503	66,038,662	43,116,468	44,113,954	Restricted
90,123,639	38,417,623	66,651,531	100,358,086	147,119,567	Unrestricted
1,108,269,604	1,052,912,702	1,025,104,521	986,751,269	970,059,243	Net position, business-type activities
					<i>Total Primary government:</i>
3,005,952,180	2,853,814,928	2,767,622,431	2,705,053,338	2,515,732,148	Net investment in capital assets
402,315,542	429,367,456	385,005,244	329,312,748	259,064,039	Restricted
(2,791,636,947)	(2,694,061,640)	(2,735,657,361)	(2,860,638,189)	(1,510,303,419)	Unrestricted
616,630,775	589,120,744	416,970,314	173,727,897	1,264,492,768	Net position, Primary Government

Fiscal Year				
2017	2016	2015	2014	2013
1,715,069,179	1,674,949,073	1,616,079,489	1,625,585,624	1,596,333,283

COUNTY OF FAIRFAX, VA
TABLE 1.2 - Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year				
	2022	2021	2020	2019	2018
Expenses					
<i>Governmental activities:</i>					
General government administration	\$ 192,501,537	258,112,138	258,330,991	200,274,042	190,974,147
Judicial administration	61,798,750	71,191,932	76,694,008	65,346,777	64,060,042
Public safety	801,632,044	882,293,607	879,159,005	780,408,993	783,282,501
Public works	223,892,691	282,251,099	274,427,262	251,705,576	255,772,468
Health and welfare	775,306,233	797,755,569	721,920,761	660,919,624	641,619,815
Community development	443,003,734	569,687,675	550,075,342	442,747,859	553,891,606
Parks, recreation, and cultural	195,329,785	133,178,188	143,686,850	133,504,969	132,413,348
Education - for Public Schools	2,368,929,073	2,339,297,904	2,332,366,853	2,251,573,120	2,139,229,138
Interest on long-term debt	96,141,979	99,955,370	103,197,911	114,012,753	113,312,939
Total expenses, governmental activities	5,158,535,826	5,433,723,482	5,339,858,983	4,900,493,713	4,874,556,004
<i>Business-type activities:</i>					
Public works - Sewer	\$ 196,623,266	195,221,272	193,400,681	188,706,778	188,232,208
Total expenses, business-type activities	196,623,266	195,221,272	193,400,681	188,706,778	188,232,208
Total expenses, Primary Government	5,355,159,092	5,628,944,754	5,533,259,664	5,089,200,491	5,062,788,212
Program Revenues					
<i>Governmental activities:</i>					
<i>Charges for services:</i>					
Public safety	\$ 78,013,235	73,317,201	69,427,621	73,816,732	74,116,426
Public works	184,156,413	176,467,547	173,483,022	170,109,205	158,834,077
Health and welfare	62,217,830	42,688,380	74,148,243	86,877,525	77,063,723
Other activities	333,787,294	332,441,013	360,181,203	375,485,955	345,815,823
Operating grants and contributions	522,275,034	504,962,481	346,819,376	274,272,173	273,051,191
Capital grants and contributions	38,793,723	64,416,721	40,729,751	45,889,290	49,319,980
Total program revenues, governmental activities	1,219,243,529	1,194,293,343	1,064,789,216	1,026,450,880	978,201,220
<i>Business-type activities:</i>					
<i>Charges for services:</i>					
Public works - Sewer	\$ 247,569,058	251,162,619	240,034,485	232,435,065	225,733,347
Capital grants and contributions	2,283,276	1,475,624	2,595,202	859,618	7,614,925
Total program revenues, business-type activities	249,852,334	252,638,243	242,629,687	233,294,683	233,348,272
Total program revenues, Primary Government	1,469,095,863	1,446,931,586	1,307,418,903	1,259,745,563	1,211,549,492
Net (Expense) Revenue					
Governmental activities	(3,939,292,297)	(4,239,430,139)	(4,275,069,767)	(3,874,042,833)	(3,896,354,784)
Business-type activities	53,229,068	57,416,971	49,229,006	44,587,905	45,116,064
Total Primary Government	\$ (3,886,063,229)	(4,182,013,168)	(4,225,840,761)	(3,829,454,928)	(3,851,238,720)

Fiscal Year					
2017	2016	2015	2014	2013	
					Expenses
					<i>Governmental activities:</i>
199,163,586	188,767,791	183,647,484	201,180,941	201,445,282	General government administration
62,157,826	58,125,849	55,830,358	54,913,419	46,336,343	Judicial administration
743,811,404	702,043,058	670,432,665	695,690,761	658,186,021	Public safety
220,029,595	204,873,695	204,114,861	195,014,404	185,250,816	Public works
621,738,349	589,307,995	557,312,024	551,586,755	542,052,102	Health and welfare
449,963,548	373,621,317	352,960,858	352,759,047	387,551,012	Community development
124,438,465	112,957,367	112,338,852	107,762,594	112,057,718	Parks, recreation, and cultural
2,085,926,217	1,998,723,980	1,936,673,334	1,883,055,936	1,843,611,090	Education - for Public Schools
108,077,416	94,644,722	101,276,354	109,563,020	117,251,705	Interest on long-term debt
4,615,306,406	4,323,065,774	4,174,586,790	4,151,526,877	4,093,742,089	Total expenses, governmental activities
					<i>Business-type activities:</i>
177,630,559	183,076,813	174,932,128	174,845,675	169,212,487	Public works - Sewer
177,630,559	183,076,813	174,932,128	174,845,675	169,212,487	Total expenses, business-type activities
4,792,936,965	4,506,142,587	4,349,518,918	4,326,372,552	4,262,954,576	Total expenses, Primary Government
					Program Revenues
					<i>Governmental activities:</i>
					Charges for services:
70,562,165	70,934,542	71,729,966	58,202,390	58,883,550	Public safety
129,171,598	139,528,323	141,711,640	131,355,271	117,037,898	Public works
80,070,825	69,250,901	70,951,265	69,351,107	64,938,672	Health and welfare
335,242,533	301,673,838	309,689,155	334,124,545	287,013,174	Other activities
264,019,862	250,208,494	243,282,980	222,115,446	239,536,892	Operating grants and contributions
22,209,405	29,020,526	34,407,375	22,578,476	22,312,264	Capital grants and contributions
901,276,388	860,616,624	871,772,381	837,727,235	789,722,450	Total program revenues, governmental activities
					<i>Business-type activities:</i>
					Charges for services:
220,959,308	205,115,248	209,227,867	212,175,672	194,030,949	Public works - Sewer
12,513,674	4,598,439	3,277,159	4,074,576	7,062,744	Capital grants and contributions
233,472,982	209,713,687	212,505,026	216,250,248	201,093,693	Total program revenues, business-type activities
1,134,749,370	1,070,330,311	1,084,277,407	1,053,977,483	990,816,143	Total program revenues, Primary Government
					Net (Expense) Revenue
(3,714,030,018)	(3,462,449,150)	(3,302,814,409)	(3,313,799,642)	(3,304,019,639)	Governmental activities
55,842,423	26,636,874	37,572,898	41,404,573	31,881,206	Business-type activities
(3,658,187,595)	(3,435,812,276)	(3,265,241,511)	(3,272,395,069)	(3,272,138,433)	Total Primary Government

COUNTY OF FAIRFAX, VA
TABLE 1.2 - Changes in Net Position (concluded)
Last Ten Fiscal Years

	Fiscal Year				
	2022	2021	2020	2019	2018
General Revenues and Other Changes in Net Position					
<i>Governmental activities:</i>					
Taxes:					
Real property	\$ 3,053,617,253	3,008,700,940	2,897,823,200	2,796,625,634	2,652,298,780
Personal property	475,145,763	432,944,446	443,280,543	421,706,327	412,251,446
Business licenses	190,004,446	180,132,797	180,120,661	170,065,024	167,766,061
Local sales and use	294,262,843	263,801,220	249,560,545	252,284,959	252,019,165
Consumers utility	106,582,505	104,787,720	110,508,254	107,307,687	104,785,290
Recordation	36,659,136	42,977,172	31,251,909	23,536,391	24,623,858
Occupancy, tobacco, and other	30,164,116	20,532,652	28,604,036	35,898,475	35,969,332
Unrestricted grants and contributions	211,422,169	211,422,769	211,426,887	211,431,885	211,426,419
Revenue from the use of money	(61,502,432)	(5,159,355)	11,675,030	23,541,351	9,008,419
Special item	-	-	-	-	-
Total general revenues and other changes in net position, governmental activities	4,336,355,799	4,260,140,361	4,164,251,065	4,042,397,733	3,870,148,770
<i>Business-type activities:</i>					
Revenue from the use of money	\$ 479,834	790,769	2,859,826	3,675,949	2,525,508
Special item	-	-	9,898,401 ⁽²⁾	-	-
Total general revenues and other changes in net position, business-type activities	479,834	790,769	12,758,227	3,675,949	2,525,508
Total general revenues and other changes in net position, Primary Government	4,336,835,633	4,260,931,130	4,177,009,292	4,046,073,682	3,872,674,278
Change in Net Position					
Governmental activities	397,063,502	20,710,222	(110,818,702)	168,354,900	(26,206,014)
Business-type activities	53,708,902	58,207,740	61,987,233	48,263,854	47,641,572
Total Primary Government	\$ 450,772,404	78,917,962	(48,831,469)	216,618,754	21,435,558

Source: Fairfax County Department of Finance

Notes:

⁽¹⁾ In September 2010, Inova Health Systems transferred approximately 15 acres of land to the County. In exchange for this land, Inova will provide the County with an approximate 5 acre parcel, a \$15 million cash payment, and a 10 year lease of 40,000 square feet within the new Mid County Center building. The special items in the governmental activities, represent the installments on the \$15 million cash payment.

⁽²⁾ In July 2019, the Sewer System completed a sale of 0.5 MGD purchase capacity with the City of Manassas, reducing the Sewer System's capacity entitlement in UOSA to 22.1 MGD or 41%. Per the agreement, the City of Manassas paid \$8,220,297 in cash and has assumed the future debt service payments of \$5,932,557 owed to UOSA with respect to the purchased capacity. As a result, a special item - Gain from sale of purchase capacity - of \$9,898,401 was recognized.

Fiscal Year					
2017	2016	2015	2014	2013	
					General Revenues and Other Changes in Net Position
					<i>Governmental activities:</i>
					Taxes:
2,601,473,140	2,437,535,377	2,356,421,557	2,215,898,422	2,123,759,406	Real property
403,229,884	380,123,202	368,390,092	362,772,805	353,275,799	Personal property
160,711,944	158,380,380	154,681,661	158,619,113	158,768,484	Business licenses
246,876,636	249,278,074	247,734,220	261,193,846	265,029,666	Local sales and use
104,327,491	102,181,691	100,484,941	74,633,997	73,450,331	Consumers utility
25,401,332	23,808,125	23,898,873	19,968,520	28,281,179	Recordation
36,206,695	34,115,345	33,775,982	31,296,981	32,694,178	Occupancy, tobacco, and other
211,464,000	211,423,471	211,423,648	230,920,811	209,291,717	Unrestricted grants and contributions
6,653,142	9,945,734	10,892,600	8,577,857	9,836,372	Revenue from the use of money
-	-	-	-	4,200,000 ⁽¹⁾	Special item
3,796,344,264	3,606,791,399	3,507,703,574	3,363,882,352	3,258,587,132	Total general revenues and other changes in net position, governmental activities
					<i>Business-type activities:</i>
1,022,586	1,171,307	780,354	484,332	1,409,377	Revenue from the use of money
-	-	-	-	-	Special item
1,022,586	1,171,307	780,354	484,332	1,409,377	Total general revenues and other changes in net position, business-type activities
3,797,366,850	3,607,962,706	3,508,483,928	3,364,366,684	3,259,996,509	Total general revenues and other changes in net position, Primary Government
					Change in Net Position
82,314,246	144,342,249	204,889,165	50,082,710	(45,432,507)	Governmental activities
56,865,009	27,808,181	38,353,252	41,888,905	33,290,583	Business-type activities
139,179,255	172,150,430	243,242,417	91,971,615	(12,141,924)	Total Primary Government

COUNTY OF FAIRFAX, VA
TABLE 1.3 - Fund Balances, Governmental Funds
Last Ten Fiscal Years

	Fiscal Year				
	2022	2021	2020	2019	2018
<i>General Fund:</i>					
Nonspendable	\$ 1,755,384	1,702,289	1,796,346	3,204,829	1,996,914
Committed	532,150,215	500,612,871	479,328,679	450,390,936	381,006,291
Assigned	47,493,932	36,762,530	41,102,387	27,852,920	29,257,275
Unassigned	154,902,645	145,469,633	85,591,972	53,361,158	66,563,791
Total general fund	<u>\$ 736,302,176</u>	<u>684,547,323</u>	<u>607,819,384</u>	<u>534,809,843</u>	<u>478,824,271</u>
<i>All Other Governmental Funds:</i>					
Nonspendable	\$ 471,507	332,994	271,039	316,588	292,733
Restricted	937,295,555	763,480,427	755,102,339	887,566,576	869,259,392
Committed	344,034,709	259,808,373	231,835,504	247,760,895	237,969,839
Unassigned	-	(16,718,127)	-	-	-
Total all other governmental funds	<u>\$ 1,281,801,771</u>	<u>1,006,903,667</u>	<u>987,208,882</u>	<u>1,135,644,059</u>	<u>1,107,521,964</u>

Source: Fairfax County Department of Finance

Fiscal Year					
2017	2016	2015	2014	2013	
					<i>General Fund:</i>
2,122,029	514,559	880,201	614,966	727,441	Nonspendable
318,449,966	271,363,898	237,696,440	220,628,054	216,879,261	Committed
29,810,689	31,420,067	33,264,339	29,406,539	34,841,916	Assigned
71,072,769	38,093,937	54,080,837	52,154,540	76,819,631	Unassigned
421,455,453	341,392,461	325,921,817	302,804,099	329,268,249	Total general fund
					<i>All Other Governmental Funds:</i>
502,104	369,676	385,364	457,598	748,799	Nonspendable
875,478,273	822,378,966	806,622,981	779,237,002	565,814,956	Restricted
217,556,600	179,787,832	161,136,329	151,287,756	162,348,750	Committed
-	(20,854)	-	-	(13,108,305)	Unassigned
1,093,536,977	1,002,515,620	968,144,674	930,982,356	715,804,200	Total all other governmental funds

COUNTY OF FAIRFAX, VA
TABLE 1.4 - Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	Fiscal Year				
	2022	2021	2020	2019	2018
Revenues					
Taxes	\$ 4,185,778,288	4,048,525,783	3,940,896,963	3,809,188,577	3,649,017,783
Permits, privilege fees, and regulatory licenses	79,480,379	76,665,984	76,492,974	79,009,171	77,285,673
Intergovernmental	866,765,465	843,948,812	655,986,487	589,878,410	591,245,422
Charges for services	390,008,383	361,333,426	401,274,199	409,528,868	381,639,549
Fines and forfeitures	8,356,053	6,379,279	12,375,980	15,301,279	15,349,405
Revenue from the use of money and property	35,431,232	38,624,526	88,199,662	100,602,318	64,497,904
Recovered costs	15,695,088	17,700,423	14,104,830	15,771,173	18,643,367
Contributions and other	13,867,917	27,213,405	11,712,204	18,498,183	8,795,789
Total revenues	5,595,382,805	5,420,391,638	5,201,043,299	5,037,777,979	4,806,474,892
Expenditures					
Current:					
General government administration	187,885,157	211,763,383	199,349,480	169,486,397	156,249,168
Judicial administration	68,378,721	62,253,981	63,247,888	61,590,923	58,752,207
Public safety	824,640,344	802,618,717	799,071,319	775,354,938	747,806,458
Public works	194,738,517	207,017,475	200,931,845	197,579,765	197,520,108
Health and welfare	778,800,261	754,667,957	685,228,743	659,194,791	629,650,541
Community development	339,312,326	342,620,638	369,540,318	293,591,266	288,415,827
Parks, recreation, and cultural	61,816,244	52,281,283	55,921,968	57,199,029	55,055,417
Intergovernmental: ⁽¹⁾					
Community development	86,741,816	176,821,619	138,534,100	170,104,337	216,205,206
Parks, recreation, and cultural	68,704,328	66,283,648	74,448,119	69,637,352	68,701,097
Education	2,368,929,073	2,339,297,904	2,332,366,853	2,251,573,120	2,139,229,138
Capital outlay	365,420,368	199,624,409	207,717,122	166,061,186	185,888,125
Debt service:					
Principal retirement	290,153,315	318,572,023	538,875,357	287,193,768	257,426,810
Interest and other charges	123,093,738	128,931,225	140,850,323	137,922,641	141,690,140
Total expenditures	5,758,614,208	5,662,754,262	5,806,083,435	5,296,489,513	5,142,590,242
Deficiency of revenues under expenditures	(163,231,403)	(242,362,624)	(605,040,136)	(258,711,534)	(336,115,350)
Other Financing Sources (Uses)					
Transfers in	812,629,350	734,745,924	675,792,885	673,647,732	696,481,666
Transfers out	(828,646,789)	(750,239,673)	(689,273,514)	(685,341,165)	(703,429,940)
Bonds issued	300,730,444	290,739,140	344,836,070	248,084,893	283,089,727
Refunding bonds issued	249,465,161	355,392,049	198,259,059	75,964,692	37,408,232
Payments to escrow agent	(163,535,669)	(293,126,253)	-	(44,553,144)	(37,063,950)
Capital leases, installment purchases, and other	119,241,863	1,274,161	-	75,016,193	130,983,420
Total other financing sources, net	489,884,360	338,785,348	529,614,500	342,819,201	407,469,155
Special Item					
Net change in fund balances	\$ 326,652,957	96,422,724	(75,425,636)	84,107,667	71,353,805
Debt service as a percentage of noncapital expenditures	7.7%	8.2%	12.1%	8.3%	8.1%

Source: Fairfax County Department of Finance

Note:

(1) Intergovernmental expenditures represent payments to component units, including Public Schools, the Park Authority, and the Economic Development Authority, and certain other government authorities.

Fiscal Year					
2017	2016	2015	2014	2013	
					Revenues
3,576,143,127	3,384,696,039	3,289,084,031	3,119,946,744	3,036,288,822	Taxes
78,789,135	74,165,960	71,026,501	63,886,989	62,411,104	Permits, privilege fees, and regulatory licenses
588,060,996	565,562,122	559,309,630	609,843,183	554,886,927	Intergovernmental
373,123,236	367,293,019	387,763,613	351,597,808	337,660,061	Charges for services
16,172,236	14,675,893	16,437,938	16,817,313	16,842,952	Fines and forfeitures
45,195,094	39,360,901	31,080,667	31,544,136	34,239,413	Revenue from the use of money and property
14,851,978	15,369,266	20,109,855	16,141,935	14,076,599	Recovered costs
2,822,015	8,571,664	12,221,739	3,408,767	2,337,036	Contributions and other
4,695,157,817	4,469,694,864	4,387,033,974	4,213,186,875	4,058,742,914	Total revenues
					Expenditures
					Current:
160,694,938	165,144,963	163,023,642	164,384,546	172,947,861	General government administration
57,242,859	55,337,889	53,183,629	50,760,212	45,751,873	Judicial administration
737,122,371	711,044,003	699,203,895	690,063,408	639,655,183	Public safety
212,209,456	188,198,288	199,205,144	202,904,525	198,203,970	Public works
614,513,160	598,715,227	568,675,553	553,250,576	542,814,370	Health and welfare
243,788,329	226,958,426	230,287,575	193,976,264	192,000,269	Community development
52,985,491	52,721,664	50,642,925	51,709,656	54,270,433	Parks, recreation, and cultural
190,913,914	134,236,475	111,031,149	146,812,410	178,024,166	Intergovernmental: ⁽¹⁾
63,077,723	56,967,246	57,848,921	52,381,153	52,494,525	Community development
2,085,926,217	1,998,723,980	1,936,673,334	1,878,460,936	1,843,611,090	Parks, recreation, and cultural
176,169,811	179,067,050	160,667,922	224,900,077	173,558,840	Education
225,198,620	386,099,648	280,109,469	204,975,519	234,615,416	Capital outlay
134,359,311	156,503,054	137,140,834	132,973,357	127,353,770	Debt service:
4,954,202,200	4,909,717,913	4,647,693,992	4,547,552,639	4,455,301,766	Principal retirement
					Interest and other charges
					Total expenditures
(259,044,383)	(440,023,049)	(260,660,018)	(334,365,764)	(396,558,852)	Deficiency of revenues under expenditures
					Other Financing Sources (Uses)
610,776,813	587,755,580	555,297,170	581,375,596	525,335,599	Transfers in
(618,264,035)	(594,655,237)	(581,266,174)	(587,133,301)	(536,354,136)	Transfers out
339,653,241	450,743,979	257,188,745	480,886,115	298,776,517	Bonds issued
-	297,981,112	311,478,707	108,080,978	171,151,301	Refunding bonds issued
-	(338,948,636)	(270,710,041)	(107,703,910)	(145,945,515)	Payments to escrow agent
97,962,713	86,987,841	48,951,647	47,574,292	-	Capital leases, installment purchases, and other
430,128,732	489,864,639	320,940,054	523,079,770	312,963,766	Total other financing sources, net
-	-	-	-	4,200,000	Special Item
171,084,349	49,841,590	60,280,036	188,714,006	(79,395,086)	Net change in fund balances
7.5%	11.5%	9.3%	7.8%	8.5%	Debt service as a percentage of noncapital expenditures

2.0 - Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the County's ability to generate its own-source revenues. There are four tables presented in this section.

COUNTY OF FAIRFAX, VA

**TABLE 2.1 - Assessed Value and Actual Value of Taxable Real Property ⁽¹⁾
Last Ten Fiscal Years**

Fiscal Year	Residential (000s)	Commercial (000s)	Public Service Corporations (000s)	Total Taxable Assessed Value (000s)	Tax-Exempt (000s)	Total Direct Tax Rate ⁽²⁾
2022	\$ 203,305,684	69,112,808	1,205,759	273,624,251	20,230,937	1.140
2021	193,599,518	71,194,127	1,146,136	265,939,781	19,624,810	1.150
2020	187,371,027	67,820,928	1,088,148	256,280,103	18,948,829	1.150
2019	181,857,973	64,476,359	977,297	247,311,629	18,276,651	1.150
2018	177,009,973	60,781,189	969,415	238,760,577	17,878,071	1.130
2017	175,187,489	58,185,653	899,206	234,272,348	17,485,097	1.130
2016	171,409,697	55,199,289	892,919	227,501,905	16,791,394	1.090
2015	164,977,246	54,044,028	863,583	219,884,857	16,421,055	1.090
2014	154,104,662	52,968,482	876,142	207,949,286	15,866,827	1.085
2013	148,296,431	51,966,913	875,704	201,139,048	15,564,645	1.075

Source: Fairfax County Department of Tax Administration

Notes:

(1) Assessed value is the estimated actual value of taxable property and is shown for each period for which taxes are levied. Residential and Commercial properties are assessed as of January 1 and the properties of Public Service Corporations are assessed in October each year at the estimated fair market value of all land and improvements, with the resulting taxes being payable in the subsequent fiscal year.

(2) Rates are per \$100 of assessed value, determined as of January 1 of the prior calendar year.

COUNTY OF FAIRFAX, VA

**TABLE 2.2 - Direct and Overlapping Real Property Tax Rates ⁽¹⁾
Last Ten Fiscal Years**

Fiscal Year	County Direct Rate ⁽²⁾	Overlapping Rates ⁽³⁾	
		Town of Herndon	Town of Vienna
2022	\$ 1.140	0.265	0.2250
2021	1.150	0.265	0.2250
2020	1.150	0.265	0.2250
2019	1.150	0.265	0.2250
2018	1.130	0.265	0.2250
2017	1.130	0.265	0.2250
2016	1.090	0.265	0.2250
2015	1.090	0.265	0.2288
2014	1.085	0.265	0.2288
2013	1.075	0.265	0.2421

Sources: Fairfax County Department of Tax Administration; Town of Herndon; Town of Vienna

Notes:

- (1) Rates are per \$100 of assessed value, determined as of January 1 of the prior calendar year.
- (2) Virginia law limits the annual tax increase to 2% unless public hearings are held. The County Board of Supervisors holds public hearings annually in conjunction with the budget process.
- (3) These overlapping rates only apply to property owners within these Towns, which lie entirely within the County.

COUNTY OF FAIRFAX, VA
TABLE 2.3 - Principal Real Property Taxpayers
Current Year and Nine Years Ago

Fiscal Year 2022			
Rank	Taxpayer	Taxable Assessed Value ⁽¹⁾	Pct. of Total Taxable Assessed Value ⁽²⁾
1	Tyson's Corner Property Holdings LLC	\$ 1,643,208,210	0.60 %
2	Capital One Bank	905,341,310	0.33
3	Inova Health Care Services	525,459,990	0.19
4	Reston Town Center Property LLC	424,800,900	0.16
5	Washington Gas Light Co	421,158,679	0.15
6	PS Business Parks LP	414,630,420	0.15
7	Camden Summit Partnership LP	394,330,920	0.14
8	Federal Home Loan Mortgage Corporation	387,191,890	0.14
9	PR Springfield Town Center LLC	375,926,030	0.14
10	Coresite Real Estate 12100	375,293,440	0.14
Totals		\$ 5,867,341,789	2.14 %

Source: Fairfax County Department of Tax Administration

Notes:

⁽¹⁾ Assessed values are as of January 1 of the prior calendar year.

⁽²⁾ Total taxable assessed value for fiscal year 2022 is \$272,418,491,610.

Total taxable assessed value for fiscal year 2013 is \$200,263,343,910. These assessments exclude Public Service Corporations.

COUNTY OF FAIRFAX, VA
TABLE 2.4 - Real Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year Original Levy ⁽¹⁾	Collected within the Fiscal Year of the Levy		Adjustments to Original Levy in Subsequent Years ⁽²⁾	Total Adjusted Levy
		Amount	Pct. of Original Levy		
2022	\$ 3,082,470,114	3,073,452,749	99.71 %	-	3,082,470,114
2021	3,022,677,499	3,012,104,497	99.65	(1,969,648)	3,020,707,851
2020	2,911,713,956	2,903,982,237	99.73	(1,920,413)	2,909,793,543
2019	2,810,924,242	2,803,550,146	99.74	(2,063,816)	2,808,860,426
2018	2,665,889,198	2,657,434,969	99.68	(1,572,770)	2,664,316,428
2017	2,614,861,824	2,607,565,912	99.72	(1,741,620)	2,613,120,204
2016	2,450,462,549	2,443,167,137	99.70	(1,518,985)	2,448,943,564
2015	2,367,484,875	2,360,588,850	99.71	(1,611,634)	2,365,873,241
2014	2,226,943,153	2,220,155,139	99.70	(1,498,067)	2,225,445,086
2013	2,132,072,324	2,124,865,909	99.66	(1,803,587)	2,130,268,737

Source: Fairfax County Department of Tax Administration

Notes:

⁽¹⁾ Taxes are levied on assessed property values as of January 1 of prior calendar year, i.e. FY2022, taxes are levied for calendar year 2021.

⁽²⁾ Adjustments to the original levy include exonerations, tax relief, and supplemental assessments.

Fiscal Year 2013			
Rank	Taxpayer	Taxable Assessed Value ⁽¹⁾	Pct. of Total Taxable Assessed Value ⁽²⁾
1	Tysons Corner Property Holdings LLC	\$ 1,001,280,920	0.50 %
2	CESC Skyline LLC	606,125,490	0.30
3	Fairfax Company of Virginia LLC	359,841,800	0.18
4	Federal Home Loan Mortgage Corp	358,605,010	0.18
5	Camden Summit Partnership LP	316,385,210	0.16
6	Brandywine Acquisition Partners LP	288,015,080	0.14
7	PS Business Park LP	282,879,220	0.14
8	SRI Seven Fair Lakes LLC	263,834,360	0.13
9	Washington Gas Light Co	260,250,331	0.13
10	Reston Town Center Property LLC	248,822,080	0.12
Totals		\$ 3,986,039,501	1.98 %

Collections in Subsequent Years	Total Collections to Date	
	Amount	Pct. of Adjusted Levy ⁽³⁾
-	3,073,452,749	99.71 %
6,207,793	3,018,312,290	99.92
4,905,048	2,908,887,285	99.97
4,965,460	2,808,515,606	99.99
6,639,640	2,664,074,609	99.99
5,468,956	2,613,034,868	100.00
5,693,171	2,448,860,308	100.00
5,251,001	2,365,839,851	100.00
5,255,023	2,225,410,162	100.00
5,369,582	2,130,235,491	100.00

⁽³⁾ This table includes real estate taxes only and does not include penalty and interest. There is a difference in the collection rate reported here and the rate reported in the County's Budget Overview document resulting from a difference in accounting basis. Taxes receivable reflects only the actual levy and collections and does not include the accrual of taxes.

3.0 - Debt capacity information is intended to assist users in understanding and assessing the County's debt burden and its ability to issue additional debt. There are five tables presented in this section.

COUNTY OF FAIRFAX, VA

**TABLE 3.1 - Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities						
	General Obligation Bonds (000s)	Revenue Bonds		Direct Placements and Borrowings		Notes ⁽²⁾ (000s)	Leases ⁽⁵⁾ (000s)
		Revenue- Backed Bonds (000s)	Lease Revenue Bonds ⁽¹⁾ (000s)	Direct Placements ⁽²⁾ (000s)	Direct Borrowings ⁽²⁾ (000s)		
2022	\$ 2,623,847	405,482	225,966	110,485	459,780	2,258	108,925
2021	2,573,717	362,750	357,837	-	-	450,383	2,993
2020	2,503,048	392,665	384,497	-	-	439,073	7,526
2019	2,480,827	429,761	409,108	-	-	430,071	13,134
2018	2,474,659	444,433	443,757	-	-	352,861	18,535
2017	2,450,071	458,552	445,445	-	-	236,239	21,504
2016	2,404,587	391,517	470,579	-	-	145,996	25,938
2015	2,367,801	406,207	495,338	-	-	75,736	23,218
2014	2,311,626	413,632	520,906	-	-	53,883	24,323
2013	2,226,884	420,949	348,712	-	-	32,713	3,478

Source: Fairfax County Department of Finance

Notes:

⁽¹⁾ Lease revenue bonds have been issued by County component units, using receipt of lease payments as the revenue source. All outstanding lease revenue bonds have been identified as conduit debt of the county and the associated lease payments are made using general government resources.

⁽²⁾ Beginning in fiscal year 2022, a loan from the United States Department of Transportation for a Transportation Infrastructure Finance and Innovation Act (TIFIA) Program was reclassified from Notes Payable to Direct Borrowings due to implementation of GASB 88 (Certain disclosures related to debt, including direct borrowings and placements). The outstanding bonds for direct placements in fiscal year 2022 are the Economic Development Authority Series 2021D Revenue Refunding Bonds.

⁽³⁾ See Table 4.1 for personal income data. The percentage is calculated using personal income data for the prior calendar year.

⁽⁴⁾ See Table 4.1 for population data. The ratio is calculated using population data for the prior calendar year.

⁽⁵⁾ Due to the implementation of GASB statement 87 in the beginning of fiscal year 2022, debt previously known as capital leases are defined as leases. See Note N for more information on the implementation.

HUD Section 108 Loan (000s)	Business-type Activities ⁽¹⁾	Total Primary Government (000s)	Pct. of Personal Income ⁽³⁾	Debt Per Capita ⁽⁴⁾
	Revenue Bonds (000s)			
3,095	823,813	4,763,651	4.503 %	4,071
3,554	835,345	4,586,579	4.544	3,914
4,013	610,541	4,341,363	4.513	3,720
7,385	620,111	4,390,397	4.859	3,808
8,088	649,572	4,391,905	5.058	3,843
8,783	676,804	4,297,398	5.037	3,778
9,471	600,266	4,048,354	4.960	3,559
10,152	619,150	3,997,602	4.936	3,535
10,826	644,967	3,980,163	4.915	3,519
11,493	666,477	3,710,706	5.168	3,558

COUNTY OF FAIRFAX, VA
TABLE 3.2 - Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

General Bonded Debt Outstanding						
Fiscal Year	General Obligation Bonds (000s)	Lease Revenue Bonds ⁽¹⁾ (000s)	Direct Placements ⁽²⁾ (000s)	Total (000s)	Pct. of Actual Taxable Value of Real Property ⁽³⁾	Debt Per Capita ⁽⁴⁾
2022	\$ 2,623,847	225,966	110,485	2,960,298	1.08 %	2,530
2021	2,573,717	357,837	-	2,931,554	1.10	2,502
2020	2,503,048	384,497	-	2,887,545	1.13	2,474
2019	2,480,827	409,108	-	2,889,935	1.17	2,507
2018	2,474,659	443,757	-	2,918,416	1.22	2,554
2017	2,450,071	445,445	-	2,895,516	1.24	2,543
2016	2,404,587	470,579	-	2,875,166	1.26	2,517
2015	2,367,801	495,338	-	2,863,139	1.30	2,517
2014	2,311,626	520,906	-	2,832,532	1.36	2,505
2013	2,226,884	348,712	-	2,575,596	1.28	2,303

Source: Fairfax County Department of Finance

Notes:

⁽¹⁾ Lease revenue bonds have been issued by County component units, using receipt of lease payments as the revenue source. All outstanding lease revenue bonds have been identified as conduit debt of the County and the associated lease payments are made using general government resources.

⁽²⁾ Beginning in fiscal year 2022, a loan from the United States Department of Transportation for a Transportation Infrastructure Finance and Innovation Act (TIFIA) Program was reclassified from Notes Payable to Direct Borrowings due to implementation of GASB 88 (Certain disclosures related to debt, including direct borrowings and placements). The outstanding bonds for direct placements in fiscal year 2022 are the Economic Development Authority Series 2021D Revenue Refunding Bonds.

⁽³⁾ See Table 4.1 for personal income data. The percentage is calculated using personal income data for the prior calendar year.

⁽⁴⁾ See Table 4.1 for population data. The ratio is calculated using population data for the prior calendar year.

COUNTY OF FAIRFAX, VA
TABLE 3.3 - Direct and Overlapping Governmental Activities Debt
 As of June 30, 2022

	Debt Outstanding (000s)	Percentage Applicable ⁽²⁾	Share of Overlapping Debt (000s) ⁽¹⁾
<i>Overlapping debt:</i>			
Town of Herndon			
General obligation bonds	\$ 10,126	100.0 %	\$ 10,206
Total overlapping debt, Town of Herndon			10,206
Town of Vienna			
General obligation bonds	61,691	100.0	61,691
Total overlapping debt, Town of Vienna			61,691
Total overlapping debt			71,897
<i>County direct debt:</i> ⁽³⁾			
General obligation bonds			2,623,847
Revenue-Backed bonds			405,482
Lease Revenue bonds			225,966
Direct Placements ⁽⁴⁾			110,485
Direct Borrowings ⁽⁴⁾			459,780
Notes			2,258
Capital leases			108,925
HUD Section 108 loans			3,095
Total direct debt			3,939,838
Total direct and overlapping debt			\$ 4,011,735

Sources: Fairfax County Department of Finance; Town of Herndon; Town of Vienna

Notes:

- (1) Amounts for bonds are reported net of premiums and/or discounts.
- (2) The percentage of overlapping debt applicable is determined using taxable assessed property values. The Towns of Herndon and Vienna are situated entirely within the geographic boundaries of the County, and their residents and businesses bear the governmental activities debt burdens of both the County and their respective Towns.
- (3) The County's direct debt is also presented in Table 3.1.
- (4) Beginning in fiscal year 2022, a loan from the United States Department of Transportation for a Transportation Infrastructure Finance and Innovation Act (TIFIA) Program was reclassified from Notes Payable to Direct Borrowings due to implementation of GASB 88 (Certain disclosures related to debt, including direct borrowings and placements). The outstanding bonds for direct placements in fiscal year 2022 are the Economic Development Authority Series 2021D Revenue Refunding Bonds.

COUNTY OF FAIRFAX, VA
TABLE 3.4 - Self-Imposed Debt Margin Information
Last Ten Fiscal Years

The Commonwealth of Virginia does not impose a legal limit on the amount of long-term indebtedness that the County can at any time incur or have outstanding. The Board of Supervisors, however, has imposed limits which provide that the County's (a) long-term general bonded debt should not exceed three percent of the total assessed value of taxable real and personal property in the County and (b) the annual debt service should not exceed ten percent of the annual general fund expenditures and transfers out, excluding capital leases and installment purchases in the year initiated. Relevant information pertaining to these self-imposed debt margins is provided below.

		Fiscal Year (000s)				
		2022	2021	2020	2019	2018
(a) Debt limit ⁽²⁾	\$	8,789,510	8,518,781	8,244,479	7,955,879	7,687,822
Total debt applicable to limit ⁽³⁾		2,960,298	2,931,554	2,887,545	2,889,935	2,918,416
Self-imposed debt margin	\$	5,829,212	5,587,227	5,356,934	5,065,944	4,769,406
Total debt applicable to limit as						
a percentage of debt limit		33.68%	34.41%	35.02%	36.32%	37.96%
Total debt applicable to limit as						
a percentage of assessed value		1.01%	1.03%	1.05%	1.09%	1.14%
<i>Debt Margin Calculation for Fiscal Year 2022:</i>						
Assessed value ⁽²⁾	\$	292,983,675				
Debt limit (3% of assessed value)		8,789,510				
Debt applicable to limit: ⁽³⁾						
General obligation bonds ⁽¹⁾		2,623,847				
Lease Revenue bonds ⁽¹⁾		225,966				
Direct Placements ^{(1) (5)}		110,485				
Total debt applicable to limit		2,960,298				
Self-imposed debt margin	\$	5,829,212				
		Fiscal Year (000s)				
		2022	2021	2020	2019	2018
(b) Debt service limit	\$	475,027	454,590	444,986	430,048	411,255
Total debt service requirements applicable to limit ⁽⁴⁾		331,034	325,402	332,257	345,310	337,077
Self-imposed debt service margin	\$	143,993	129,188	112,729	84,738	74,178
Total debt service requirements applicable						
to limit as a percentage of the debt service limit		69.69%	71.58%	74.67%	80.30%	81.96%
Total debt service requirements applicable to limit as						
a percentage of annual General Fund expenditures and transfers out		6.97%	7.16%	7.47%	8.03%	8.20%

Source: Fairfax County Department of Finance

Notes:

⁽¹⁾ Amounts for bonds are reported net of premiums and/or discounts.

⁽²⁾ See Table 2.1 for assessed taxable value of real property data. The amounts used to determine debt limits include values for each period for which levied and include both real and personal property.

⁽³⁾ See Table 3.2 for debt applicable to limit amounts.

⁽⁴⁾ Debt service requirements exclude "bond issuance costs and other" expenditures recorded in the debt service funds and payments to refunded escrow agent (current refundings) of \$17.15 million in 2022, \$121.38 million in 2020, \$30.74 million in FY2019, \$154.54 million in FY 2016, and \$39.58 million in FY2015.

⁽⁵⁾ Beginning in fiscal year 2022, a loan from the United States Department of Transportation for a Transportation Infrastructure Finance and Innovation Act (TIFIA) Program was reclassified from Notes Payable to Direct Borrowings due to implementation of GASB 88 (Certain disclosures related to debt, including direct borrowings and placements). The outstanding bonds for direct placements in fiscal year 2022 are the Economic Development Authority Series 2021D Revenue Refunding Bonds.

Fiscal Year (000s)					
2017	2016	2015	2014	2013	
7,551,723	7,331,913	7,092,110	6,731,089	6,513,757	Debt limit ⁽²⁾
2,895,516	2,875,166	2,863,139	2,832,532	2,575,596	Total debt applicable to limit ⁽³⁾
4,656,207	4,456,747	4,228,971	3,898,557	3,938,161	Self-imposed debt margin
38.34%	39.21%	40.37%	42.08%	39.54%	Total debt applicable to limit as a percentage of debt limit
1.15%	1.18%	1.19%	1.26%	1.19%	Total debt applicable to limit as a percentage of assessed value

Fiscal Year (000s)					
2017	2016	2015	2014	2013	
400,584	386,066	372,962	363,784	353,329	Debt service limit
313,389	323,859	313,969	295,451	289,714	Total debt service requirements applicable to limit ⁽⁴⁾
87,195	62,207	58,993	68,333	63,615	Self-imposed debt service margin
78.23%	83.89%	84.18%	81.22%	82.00%	Total debt service requirements applicable to limit as a percentage of the debt service limit
7.82%	8.39%	8.42%	8.12%	8.20%	Total debt service requirements applicable to limit as a percentage of annual General Fund expenditures and transfers

COUNTY OF FAIRFAX, VA

**TABLE 3.5 - Pledged Revenue Coverage for the Integrated Sewer System
Last Ten Fiscal Years**

Fiscal Year	Gross ⁽¹⁾		Operating ⁽²⁾	Net Available	Debt Service ⁽³⁾			Coverage
	Revenues				Principal	Interest	Total	
	(000s)		(000s)	(000s)	(000s)	(000s)	(000s)	
2022	\$ 248,049		103,546	144,503	29,137	23,659	52,796	2.74 %
2021	251,953		109,195	142,758	29,088	20,886	49,974	2.86
2020	242,894		107,460	135,434	27,475	22,214	49,689	2.73
2019	236,111		101,359	134,752	26,898	23,131	50,029	2.69
2018	228,259		100,996	127,263	21,192	22,152	43,344	2.94
2017	221,982		94,166	127,816	23,953	19,178	43,131	2.96
2016	206,287		92,453	113,834	23,070	24,046	47,116	2.42
2015	210,057		92,312	117,745	22,429	24,335	46,764	2.52
2014	212,782		91,111	121,671	20,872	27,125	47,997	2.53
2013	195,628		86,441	109,187	17,217	27,091	44,308	2.46

Source: Fairfax County Department of Finance

Notes:

- (1) Gross revenues include all revenues, except the amortization of deferred gain on bond refundings and gains on disposals of capital assets.
- (2) Operating expenses do not include depreciation and amortization.
- (3) See Note J in the Notes to the Financial Statements for detailed information regarding the sewer revenue bonds issued by the Integrated Sewer System and Note K for the System's share of the revenue bonds issued by the Upper Occoquan Service Authority.

4.0 - Demographic and economic information is intended to assist users in understanding the socioeconomic environment within which a government operates and to provide information that facilitates comparisons of financial statement information over time and among governments. There are two tables presented in this section.

COUNTY OF FAIRFAX, VA

**TABLE 4.1 - Demographic and Economic Statistics
Last Ten Calendar Years**

Calendar Year	Population ⁽¹⁾	Personal Income ⁽²⁾ (000s)	Per Capita Personal Income ⁽²⁾	Median Age ⁽³⁾ (yrs)	Pct. of People ≥ 25 Years Old with a Bachelor's Degree ⁽³⁾	Public School Enrollment ⁽⁴⁾	Unemployment Rate ⁽⁵⁾
2021	1,170,033	\$ 105,777,709	\$ 88,971	38.1	62.1 %	179,748	3.5 %
2020	1,171,848	100,944,159	86,141	38.4	61.6	188,355	5.6
2019	1,166,965	96,205,762	82,441	38.4	61.1	187,474	2.3
2018	1,152,873	90,357,574	78,376	37.9	60.7	188,403	2.4
2017	1,142,888	86,834,344	75,978	38.1	60.3	187,484	3.0
2016	1,138,652	85,311,224	74,923	38.0	59.9	185,979	3.2
2015	1,142,234	85,675,546	75,007	37.7	59.2	185,914	3.1
2014	1,137,538	81,620,627	71,752	37.6	58.6	183,895	3.5
2013	1,130,924	80,982,075	71,607	37.3	58.2	181,259	3.7
2012	1,118,602	77,012,392	68,847	37.6	59.3	177,918	4.4

Notes:

(1) Population data is obtained from Fairfax County Department of Management and Budget.

(2) Personal income data is obtained from the Bureau of Economic Analysis, U.S. Department of Commerce and includes the Cities of Fairfax and Falls Church. Data for only Fairfax County is not available; however, it is believed that the inclusion of these Cities does not significantly affect the County's data. Fairfax County data for 2021 is estimated using percent change in per capita personal income from 2020.

(3) Median age and educational attainment information are obtained from the Fairfax County Economic Development Authority.

(4) Public school enrollment is obtained from Fairfax County Public Schools.

(5) Unemployment rates was obtained from the Fairfax County Department of Management and Budget.

COUNTY OF FAIRFAX, VA
TABLE 4.2 - Principal Employers
Current Year and Nine Years Ago

Employer	Fiscal Year 2022 ⁽¹⁾			Fiscal Year 2013 ⁽¹⁾			
	Number of Employees	Rank	Pct. of Total County Employment ⁽³⁾	Number of Employees ⁽²⁾	Rank	Pct. of Total County Employment ⁽³⁾	
Federal Government	25,964	1	4.15 %	24,421	1	4.14	%
Fairfax County Public Schools	25,570	2	4.09	24,232	2	4.11	
Fairfax County Government	11,984	3	1.92	12,302	3	2.08	
Inova Health System	10,000-12,000	4	1.76	7,000-10,000	5	1.44	
George Mason University	5,000-9,999	5	1.20				
Booz-Allen Hamilton	5,000-9,999	6	1.20	7,000-10,000	4	1.44	
Amazon	5,000-9,999	7	1.20				
Capital One	5,000-9,999	8	1.20				
Science Applications International Corporation ⁽⁴⁾	5,000-9,999	9	1.20	4,000-6,999	9	0.93	
Federal Home Loan Mortgage	5,000-9,999	10	1.20	4,000-6,999	6	0.93	
Lockheed Martin Corporation				4,000-6,999	7	0.93	
Northrup Grumman				4,000-6,999	8	0.93	
Adminstaff				1,000-3,999	10	0.42	
Computer Science Corporation				1,000-3,999		0.42	
Gannett				1,000-3,999		0.42	
Navy Federal Credit Union				1,000-3,999		0.42	
			<u>19.12</u> %			<u>18.61</u> %	

Notes:

- (1) Employment information for fiscal year 2022, excluding data for Fairfax County Government and Fairfax County Public Schools, is from the 4th quarter of calendar year 2021 Virginia Employment Commission (VEC) and Fairfax County's Economic Development Authority (Jan 22). Employment information for fiscal year 2013 is as was presented in the FY 2013 Fairfax County ACFR.
- (2) Employment estimates for separate facilities of the same firm have been combined to create company totals. Employment ranges for the private sector are given to ensure confidentiality.
- (3) Percentages are based on the midpoint of the employment range. Average total County employment for fiscal year 2022 is estimated at 625,452 based on VEC. Average total County employment for fiscal year 2013 was estimated at 590,282.
- (4) Science Applications International Corporation employment reported prior to the September 2013 split into two independent companies (SAIC and Leidos).



5.0 - Operating information is intended to provide contextual information about a government's operations and resources to assist readers in using financial statement information to understand and assess a government's economic condition. There are three tables presented in this section.

COUNTY OF FAIRFAX, VA

**TABLE 5.1 - Full Time Equivalent County Government Employees by Function
Last Ten Fiscal Years**

Function/Program	Full-Time Equivalent Employees as of June 30				
	2022	2021	2020	2019*	2018*
<u>Primary Government:</u>					
General government administration	1,196.0	1,206.0	1,237.0	1,227.0	1,201.0
Judicial administration	408.0	383.0	378.0	360.0	362.0
Public safety	4,255.0	4,349.0	4,429.0	4,437.0	4,367.0
Public works	1,069.0	1,074.0	1,063.0	1,043.0	1,066.0
Health and welfare	3,668.0	3,729.0	3,510.0	3,550.0	3,526.0
Community development	517.0	516.0	531.0	514.0	543.0
Parks, recreation, and cultural	318.0	297.0	470.0	307.0	307.0
Total	11,431.0	11,554.0	11,618.0	11,438.0	11,372.0
<u>Component Units:</u>					
<i>Public Schools:</i>					
Education	25,570.0	25,389.0	25,041.0	24,936.0	24,715.0
<i>Redevelopment and Housing Authority:</i>					
Community development	141.0	160.0	189.0	172.0	187.0
<i>Park Authority:</i>					
Parks, recreation, and cultural	412.0	414.0	417.0	424.0	437.0

Sources: Fairfax County Department of Management and Budget;
Fairfax County Department of Human Resources; Fairfax County Public Schools

*In FY2019 an improvement was made to the method used to identify positions by function which better represents actual staffing levels. The table was restated for fiscal years 2018 and 2017 to also reflect this improvement.

Full-Time Equivalent Employees as of June 30					Function/Program
2017*	2016	2015	2014	2013	
					<u>Primary Government:</u>
1,190.0	2,259.0	2,258.0	2,251.0	2,254.0	General government administration
377.0	398.0	394.0	391.0	392.0	Judicial administration
4,385.0	4,398.0	4,390.0	4,318.0	4,330.0	Public safety
1,069.0	551.0	538.0	520.0	511.0	Public works
3,366.0	3,464.0	3,475.0	3,490.0	3,571.0	Health and welfare
524.0	529.0	516.0	513.0	481.0	Community development
470.0	736.0	755.0	757.0	763.0	Parks, recreation, and cultural
11,381.0	12,335.0	12,326.0	12,240.0	12,302.0	Total
					<u>Component Units:</u>
					<i>Public Schools:</i>
24,688.0	24,581.0	24,181.0	24,590.0	24,232.0	Education
					<i>Redevelopment and Housing Authority:</i>
196.0	226.0	233.0	233.0	230.0	Community development
					<i>Park Authority:</i>
447.0	582.0	595.0	600.0	598.0	Parks, recreation, and cultural

COUNTY OF FAIRFAX, VA
TABLE 5.2 - Operating Indicators by Function
Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2022	2021	2020	2019	2018
Primary Government:					
<i>General government administration:</i>					
Real property parcels assessed	364,262	363,157	349,958	360,579	360,954
Personal property vehicles assessed	959,763	954,075	993,452	994,469	994,746
Businesses licensed	46,104	47,392	48,561	49,071	49,071
Best qualified job applicants forwarded to departments	22,017	14,972	15,687	17,307	15,544
<i>Judicial administration:</i>					
Cases filed in General District Court	133,626	118,662	255,752	315,048	297,213
Booking transactions	22,003	19,445	28,042	34,599	36,435
General District Court probation program new adult enrollment	942	730	651	1,036	1,290
<i>Public safety:</i>					
<i>Police:</i>					
Recruits graduating					
Criminal Justice Academy ⁽³⁾	84	67	67	54	72
Total cases assigned ⁽⁴⁾	2,036	2,478	2,625	2,854	4,181
Total cases cleared ⁽⁴⁾	1,662	1,930	1,354	1,940	3,545
Parking tickets issued	36,123	24,874	43,276	52,783	52,111
<i>Sheriff:</i>					
Court cases heard annually	203,233	137,042	249,063	436,666	474,377
Average daily Adult Detention Center inmate population	639	588	689	964	994
<i>Fire and rescue:</i>					
Fire investigations conducted	232	205	291	287	264
Fire inspection activities conducted	25,210	37,445	23,936	20,206	16,659
EMS incidents	86,781	74,103	75,055	76,877	75,123
Animals impounded	3,122	2,856	3,858	4,467	4,416
<i>Public works:</i>					
Gross square feet of facilities maintained	11,930,365	11,842,769	11,764,583	11,764,583	11,105,648
Tons of County waste disposed	728,205	723,078	694,634	753,625	731,706
Total tons recycled	464,299	466,793	422,286	494,553	494,734
Total average daily wastewater flow treated (million gallons)	98.12	100.7	95.4	112.4	95.8
<i>Health and welfare:</i>					
Persons served through Community Services Board programs: ⁽¹⁾					
Mental Health Services	6,045	6,181	6,932	7,348	6,803
Substance Abuse Services	997	1,005	1,529	1,568	1,523
Developmental Services	2,474	2,330	2,479	2,348	2,231
Infant Toddler Connection	4,094	3,800	3,660	4,132	3,889
Emergency and Ancillary Services	18,150	17,874	17,707	18,770	17,749
Home and Congregate Meals for Older Adults ⁽⁵⁾	509,331	583,743	539,776	504,447	512,881
Food Stamp applications received (SNAP)	25,056	23,605	21,568	17,924	19,576
Medicaid/FAMIS Applications	36,169	45,166	48,516	43,719	32,544
Child immunization vaccines given at clinics	29,397	11,317	30,642	31,816	28,277

Fiscal Year					Function/Program
2017	2016	2015	2014	2013	
Primary Government:					
General government administration:					
360,617	360,495	359,265	359,099	358,555	Real property parcels assessed
986,610	980,114	979,836	979,424	970,361	Personal property vehicles assessed
49,408	49,309	49,063	48,202	47,454	Businesses licensed
16,806	17,177	17,374	15,577	21,828	Best qualified job applicants forwarded to departments
Judicial administration:					
302,665	310,879	316,727	313,055	310,883	Cases filed in General District Court
36,820	37,537	40,248	43,543	43,857	Booking transactions
1,091	1,127	1,168	1,252	1,286	General District Court probation program new adult enrollment
Public safety:					
Police:					
					Recruits graduating
72	104	72	49	31	Criminal Justice Academy ⁽³⁾
30	6,725	9,166	11,559	12,686	Total cases assigned ⁽⁴⁾
2,329	2,141	3,590	4,742	5,722	Total cases cleared ⁽⁴⁾
46,886	45,775	48,645	59,097	52,182	Parking tickets issued
Sheriff:					
499,583	451,837	420,081	510,857	490,492	Court cases heard annually
1,029	1,038	1,062	1,228	1,220	Average daily Adult Detention Center inmate population
Fire and rescue:					
335	350	386	283	329	Fire investigations conducted
19,981	20,520	20,943	21,920	18,024	Fire inspection activities conducted
75,019	72,037	69,486	66,550	67,243	EMS incidents
4,311	4,354	4,553	4,090	3,228	Animals impounded
Public works:					
10,838,046	10,799,658	10,652,102	8,590,360	8,688,860	Gross square feet of facilities maintained
735,287	727,734	709,936	700,170	724,606	Tons of County waste disposed
611,171	520,628	484,783	518,575	647,456	Total tons recycled
90.5	96.2	102.9	104.2	98	Total average daily wastewater flow treated (million gallons)
Health and welfare:					
Persons served through Community Services Board programs: ⁽¹⁾					
6,748	6,884	7,082	6,619	6,874	Intellectual Disability Services (IDS)
1,600	1,658	2,406	2,602	2,944	Alcohol and drug services
2,104	1,969	1,901	1,910	1,645	Intellectual disability
3,642	3,559	3,372	3,164	2,975	Infant Toddler Connection
16,587	15,154	14,245	13,442	13,248	Emergency and Ancillary Services
519,959	468,022	433,170	443,865	451,945	Home and Congregate Meals for Older Adults ⁽⁵⁾
21,260	18,469	18,466	17,416	18,725	Food Stamp applications (SNAP)
35,061	39,361	31,609	17,472	22,161	Medicaid/FAMIS applications
37,659	31,559	34,417	30,590	27,849	Child immunization vaccines given at clinics

(continued)

COUNTY OF FAIRFAX, VA
TABLE 5.2 - Operating Indicators by Function (concluded)
Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2022	2021	2020	2019	2018
<i>Community development:</i>					
Building inspections	189,858	180,492	181,749	168,008	159,090
Building permits issued	70,524	71,429	64,464	66,421	63,224
Zoning permits processed	18,880	21,001	16,011	17,275	19,459
Fairfax Connector bus passengers	5,191,499	4,566,013	6,783,112	8,334,616	8,312,983
<i>Parks, recreation, and cultural:</i>					
Senior Center attendance	131,134	41,294	269,535	380,355	361,908
Teen Center attendance	9,462	1,044	64,992	67,104	70,486
Community Center attendance	93,105	21,780	301,374	349,204	330,152
Library visits	2,446,265	1,197,867	3,143,196	4,578,666	4,532,886
Circulation of all library materials	10,580,433	10,091,979	8,916,842	10,968,477	11,175,980
<u>Component Units:</u>					
<i>Public Schools:</i>					
Combined SAT scores ⁽⁶⁾	1,185	1,201	1,211	1,218	1,213
Number of lunches served daily	108,349	17,273	81,137	80,473	80,374
Number of breakfasts served daily	47,165	16,271	29,099	29,506	26,591
Student enrollment	178,421	179,748	188,355	187,474	188,403
Special education enrollment	28,236	26,468	27,644	27,107	25,779
ESOL enrollment	34,944	33,325	36,325	35,541	27,572
<i>Redevelopment and Housing Authority:</i>					
Residents housed through subsidized rental programs:					
Federal Public Housing ⁽⁷⁾	-	-	-	-	-
Federal Housing Choice Vouchers ⁽⁷⁾	12,174	12,723	12,241	12,809	12,380
County Rental Program-multifamily and seniors	6,264	5,199	6,665	6,110	6,198
Homes sold in First-Time Homebuyer Program	71	47	43	31	27
<i>Park Authority:</i>					
REC Center attendance	1,071,018	563,593	1,307,811	1,646,581	1,756,187
Golf course rounds	325,349	347,965	231,054	226,602	235,287
Visits to natural, cultural, historic and interpretive sites ⁽²⁾	2,361,383	1,207,791	1,125,462	1,609,067	1,798,157
Class, camp, and program participation	192,049	89,085	241,627	270,003	170,206

Sources: Fairfax County Department of Management and Budget, Fairfax County Public Schools, Fairfax County Redevelopment and Housing Authority, Fairfax County Park Authority

Notes:

- (1) In FY2012, the Virginia Department of Behavioral Health and Developmental Services revised reporting requirements related to individuals served. Prior to FY2012, individuals who received emergency and ancillary services were primarily reported as being served in mental health, substance abuse or developmental services. Individuals served reflects duplicated count as individuals may be served in more than one program area.
- (2) Prior to FY2014, the visitor numbers included only counted attendance for program visitation and outreach.
- (3) The increase in recruits graduating in FY2015 is due to increased academy class size and number of classes.
- (4) The data reflects cases assigned for further investigation and assigned cases closed or cleared.
- (5) In FY17, stats for the Nutritional Supplements Program were included. This program is provided to clients who need additional sources of nutrition and/or who cannot tolerate regular solid food.
- (6) In March 2016, the College Board implemented a new grading scale from the previous 600 to 2400 to the new scale of 400 to 1600.
- (7) In FY 2018, Federal Public Housing units were converted to project-based voucher units under the federal Rental Assistance Demonstration (RAD). The number of units were included with Federal Housing Choice Voucher.

Fiscal Year					Function/Program
2017	2016	2015	2014	2013	
Community development:					
158,289	153,055	156,331	148,587	150,877	Building inspections
59,814	57,972	59,471	59,956	59,714	Building permits issued
19,990	21,513	19,223	19,163	17,982	Zoning permits processed
8,631,906	8,984,180	9,764,166	10,655,021	10,650,401	Fairfax Connector bus passengers
Parks, recreation, and cultural:					
361,270	302,637	296,883	277,342	284,392	Senior Center attendance
74,401	81,975	94,142	92,895	84,180	Teen Center attendance
327,950	330,782	308,143	269,279	264,144	Community Center attendance
4,633,327	4,727,927	4,814,043	4,990,860	5,221,226	Library visits
11,405,157	12,042,565	12,095,926	12,881,013	13,091,690	Circulation of all library materials
Component Units:					
Public Schools:					
1,187	1,672	1,669	1,668	1,663	Combined SAT scores ⁽⁶⁾
80,660	82,168	81,526	83,355	85,006	Number of lunches served daily
22,261	20,102	19,193	19,090	17,171	Number of breakfasts served daily
187,484	185,979	185,914	183,895	181,259	Student enrollment
25,697	25,740	25,490	25,358	25,114	Special education enrollment
27,896	31,120	31,104	31,204	28,090	ESOL enrollment
Redevelopment and Housing Authority:					
Residents housed through subsidized rental programs:					
2,651	2,762	2,637	2,701	2,789	Federal Public Housing ⁽⁷⁾
9,541	9,917	9,327	9,530	9,636	Federal Housing Choice Vouchers ⁽⁷⁾
5,789	6,034	6,223	6,202	6,224	County Rental Program-multifamily and seniors
10	18	15	27	42	Homes sold in First-Time Homebuyer Program
Park Authority:					
1,837,807	1,851,595	1,817,882	1,796,905	1,919,684	REC Center attendance
259,094	268,801	259,313	268,151	276,759	Golf course rounds
1,997,855	1,813,942	1,601,690	1,324,432	791,038	Visits to natural, cultural, historic and interpretive sites ⁽²⁾
176,561	175,701	179,575	178,861	180,336	Class, camp, and program participation

COUNTY OF FAIRFAX, VA
TABLE 5.3 - Capital Asset Statistics by Function
Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2022	2021	2020	2019	2018
<u>Primary Government:</u>					
<i>General government administration:</i>					
Government office buildings (square feet)	2,018,300	2,018,300	2,018,300	2,028,977	2,017,255
Vehicle maintenance facilities	3	3	3	3	3
<i>Judicial administration:</i>					
Correctional facilities (inmate capacity)	1,260	1,260	1,260	1,260	1,260
Courtrooms	44	44	44	44	44
<i>Public safety:</i>					
Police:					
Stations	8	8	8	8	8
Vehicles	1,498	1,493	1,495	1,476	1,467
Helicopters	2	2	2	2	2
Criminal justice academy (trainee capacity)	240	240	240	240	240
Fire and rescue:					
County-operated fire and rescue stations	32	32	31	30	30
Volunteer fire and rescue stations	7	7	7	8	8
Combination stations	2	2	2	2	2
Vehicles	503	506	505	505	505
Boats	1	1	1	1	2
Training facilities (trainee capacity)	186	186	186	186	186
Animal shelters (animal capacity)	153	153	153	153	153
<i>Public works:</i>					
Miles of sanitary sewer lines	3,300	3,250	3,243	3,249	3,247
Sewer pumping stations	63	63	63	63	63
Refuse collection, recycling, and disposal vehicles	227	250	223	229	229
Miles of stormwater drainage lines	1,535	1,516	1,561	1,679	1,668
Stormwater retention ponds	1,465	1,471	1,509	1,497	1,471
Landfills and transfer stations	3	3	3	3	3
<i>Health and welfare:</i>					
Health-related clinics	5	5	5	5	8
Shelters	6	6	6	6	6
Community Services Board Centers	7	7	7	7	7
<i>Community development:</i>					
Community centers	9	8	8	8	8
Bus shelters	445	438	473	463	421
Transit centers and park & ride lots	57	54	55	55	46
Fairfax Connector buses	344	334	325	313	309
<i>Parks, recreation, and cultural:</i>					
Libraries	23	23	23	23	23
Multi-Cultural centers	1	1	1	1	1
Trails and walkways (miles)	736	732	727	716	711

Fiscal Year					Function/Program
2017	2016	2015	2014	2013	
Primary Government:					
General government administration:					
1,739,631	2,706,311	3,191,961	3,763,174	3,621,104	Government office buildings (square feet)
3	3	3	3	3	Vehicle maintenance facilities
Judicial administration:					
1,260	1,371	1,260	1,157	1,220	Correctional facilities (inmate capacity)
44	44	44	44	44	Courtrooms
Public safety:					
Police:					
8	8	8	8	8	Stations
1,456	1,441	1,498	1,491	1,486	Vehicles
2	2	2	2	2	Helicopters
240	240	240	240	240	Criminal justice academy (trainee capacity)
Fire and rescue:					
30	30	30	29	29	County-operated fire and rescue stations
8	8	8	9	9	Volunteer fire and rescue stations
4	4	4	4	4	Combination stations
502	502	502	502	502	Vehicles
2	2	2	2	2	Boats
186	186	186	186	186	Training facilities (trainee capacity)
153	153	153	153	137	Animal shelters (animal capacity)
Public works:					
3,242	3,430	3,425	3,420	3,412	Miles of sanitary sewer lines
61	59	59	59	59	Sewer pumping stations
229	229	239	244	263	Refuse collection, recycling, and disposal vehicles
1,662	1,653	1,641	1,633	1,621	Miles of stormwater drainage lines
1,456	1,440	1,425	1,414	1,396	Stormwater retention ponds
3	3	3	3	3	Landfills and transfer stations
Health and welfare:					
8	8	8	8	8	Health-related clinics
6	6	6	6	6	Shelters
7	7	7	10	10	Community Services Board centers
Community development:					
8	8	7	7	7	Community centers
534	563	557	410	375	Bus shelters
46	43	47	36	36	Transit centers and park & ride lots
302	302	284	278	278	Fairfax Connector buses
Parks, recreation, and cultural:					
23	23	23	23	23	Libraries
1	1	1	1	1	Community centers
694	689	677	664	656	Trails and walkways (miles)

(Continued)

COUNTY OF FAIRFAX, VA
TABLE 5.3 - Capital Asset Statistics by Function (concluded)
Last Ten Fiscal Years

	Fiscal Year				
	2022	2021	2020	2019	2018
<u>Component Units:</u>					
<i>Public Schools:</i>					
Elementary schools	142	142	141	141	141
Middle schools	23	23	23	23	23
High/secondary schools	25	25	25	25	25
Special education centers	7	7	7	7	7
Alternative high schools	2	2	2	2	2
<i>Redevelopment and Housing Authority:</i>					
Housing units owned under programs:					
Federal Public Housing	1,065	1,065	1,065	1,065	1,065
County Rental Program	1,542	1,501	1,509	1,547	1,478
Senior Housing Program	476	476	476	476	476
Partnership Program	736	760	760	760	699
<i>Park Authority:</i>					
Acres of park land	23,636	23,632	23,595	23,550	23,513
Athletic fields	261	260	266	266	262
Trail miles	337	334	334	332	327
Play areas and tot lots	227	228	238	206	209
Tennis courts	252	252	258	257	254
Multi-use courts	135	133	128	124	131
Recreational centers	9	9	9	9	9
Golf courses	9	9	9	9	9
Historic sites ⁽¹⁾	131	121	83	68	68
Nature/visitor centers	7	7	7	7	7
Marinas	3	3	3	3	3

Sources: Fairfax County Department of Finance, Fairfax County Public Schools, Fairfax County Redevelopment and Housing Authority, Fairfax County Park Authority

Notes:

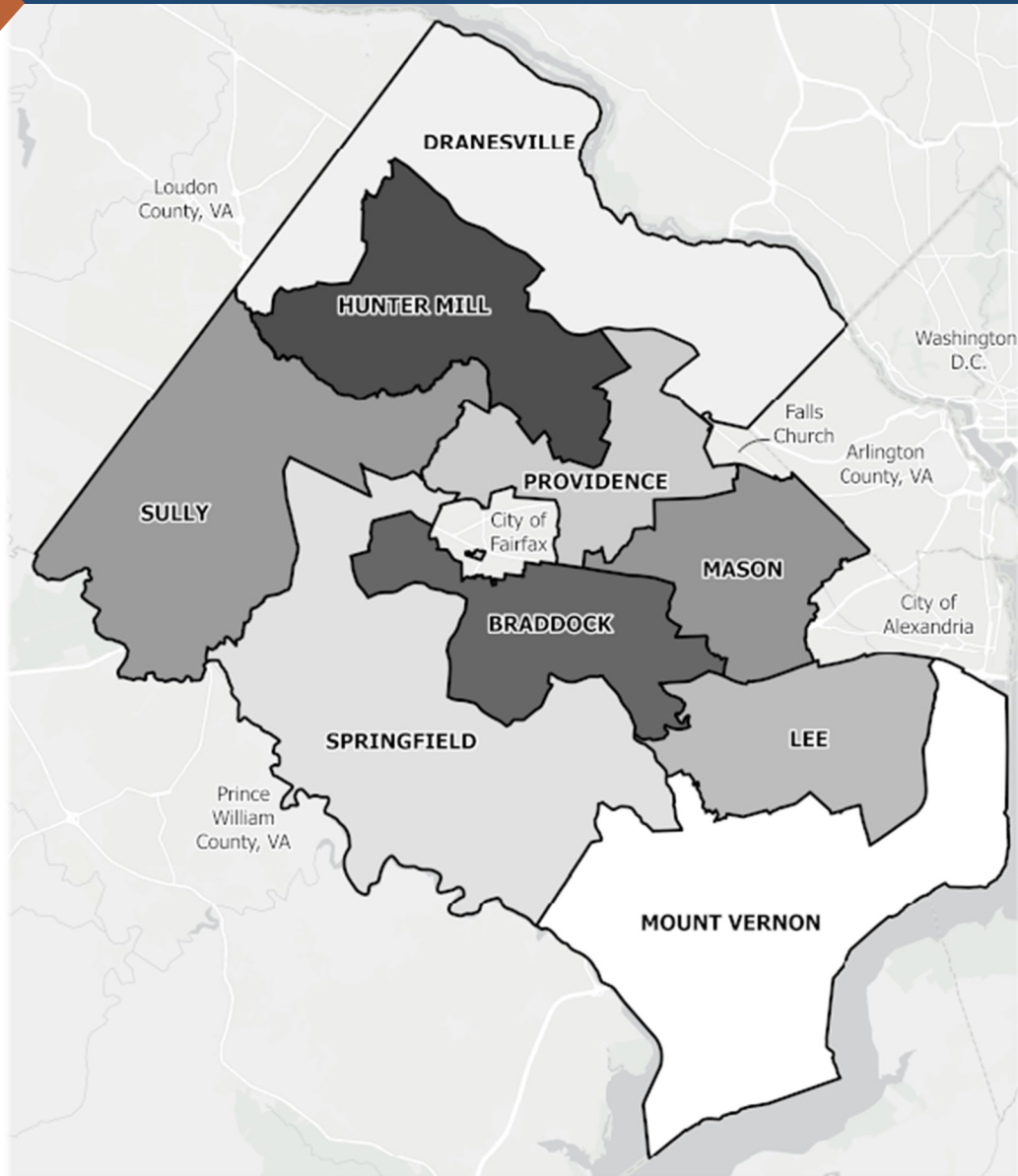
⁽¹⁾ The difference in Historic Sites is due to the number of curator houses added to sites.

Fiscal Year					Function/Program
2017	2016	2015	2014	2013	
<u>Component Units:</u>					
<i>Public Schools:</i>					
141	139	139	139	139	Elementary schools
23	23	23	23	23	Middle schools
25	25	25	25	25	High/secondary schools
7	7	7	7	7	Special education centers
2	2	2	2	2	Alternative high schools
<i>Redevelopment and Housing Authority:</i>					
Housing units owned under programs:					
1,065	1,065	1,065	1,065	1,065	Federal Public Housing
1,471	1,467	1,458	1,456	1,420	County Rental Program
476	476	494	494	494	Senior Housing Program
695	690	779	779	779	Partnership Program
<i>Park Authority:</i>					
23,418	23,372	23,346	23,310	23,265	Acres of park land
263	268	268	272	272	Athletic fields
326	324	324	324	320	Trail miles
210	212	210	209	205	Play areas and tot lots
254	254	254	252	252	Tennis courts
120	124	124	124	124	Multi-use courts
9	9	9	9	9	Recreational centers
9	9	9	9	9	Golf courses
68	68	68	68	68	Historic sites
7	7	7	7	7	Nature/visitor centers
3	3	3	3	3	Marinas



**The FY 2022 Annual Comprehensive Financial Report
was prepared by:**

**COUNTY OF FAIRFAX, VIRGINIA
DEPARTMENT OF FINANCE
12000 Government Center Parkway, Suite 214
Fairfax, Virginia 22035**



**Fairfax County is committed to a policy of nondiscrimination in all
County programs, services, and activities. Reasonable accommodations
will be provided upon request.**

**Special accommodations/alternative information formats
will be provided upon request.
Call 703-324-3120, TTY 711**

