

# FAIRFAX COUNTY, VIRGINIA

## FY 2015 Advertised Budget Plan

(Includes Multi-Year Budget: FY 2015 - FY 2016)



# Fairfax County, Virginia

## Fiscal Year 2015 Advertised Budget Plan (Includes Multi-Year Budget: FY 2015 - FY 2016)

### Overview



1742

Prepared by the  
Fairfax County Department of Management and Budget  
12000 Government Center Parkway  
Suite 561  
Fairfax, Virginia 22035

<http://www.fairfaxcounty.gov/dmb/>

The County of Fairfax is committed to a policy of nondiscrimination in all County programs, services and activities and will provide reasonable accommodations upon request. To request special accommodations, call 703-324-2391, TTY 711. Special accommodations/alternative information formats will be provided upon request. Please allow five working days in advance of events in order to make the necessary arrangements.



1742



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Fairfax County  
Virginia**

For the Fiscal Year Beginning

**July 1, 2013**

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to Fairfax County, Virginia for its annual budget for the fiscal year beginning July 1, 2013.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

# BUDGET CALENDAR

For preparation of the FY 2015 Budget

## July 1, 2013

Distribution of the FY 2015 budget development guide. Fiscal Year 2014 begins.



## September - October 2013

Agencies forward completed budget submissions to the Department of Management and Budget (DMB) for review.



## February 6, 2014

School Board adopts its advertised FY 2015 Budget.



## February 25, 2014

County Executive's presentation of the FY 2015 Advertised Budget Plan.



## March 4, 2014

Board authorization for publishing FY 2015 tax and budget advertisement.



## July 1, 2014

Fiscal Year 2015 begins.



## June 30, 2014

Distribution of the FY 2015 Adopted Budget Plan. Fiscal Year 2014 ends.



## April 29, 2014

Adoption of the FY 2015 budget plan, Tax Levy and Appropriation Ordinance by the Board of Supervisors.



## April 22, 2014

Board action on *FY 2014 Third Quarter Review*. Board mark-up of the FY 2015 proposed budget.



## April 8, 9, and 10, 2014

Public hearings on proposed FY 2015 budget, *FY 2014 Third Quarter Review* and FY 2015-2019 Capital Improvement Program (with Future Years to 2024) (CIP).



Fairfax County is committed to complying with the Americans with Disabilities Act (ADA). Special accommodations will be made upon request. Please call 703-324-2391 (Virginia Relay: 711).

# Board Goals & Priorities

*Adopted by the Board in December 2009. Reaffirmed by the Board in February 2012.*

By **engaging** our residents and businesses in the process of addressing these challenging times, **protecting investment** in our most critical priorities, and by **maintaining strong responsible fiscal stewardship**, **we must ensure**:

✓ **A quality educational system**

Education is Fairfax County's highest priority. We will continue the investment needed to protect and enhance this primary community asset. Our children are our greatest resource. Because of our excellent schools, businesses are eager to locate here and our children are able to find good jobs. A well-educated constituency is best able to put back into their community.

✓ **Safe streets and neighborhoods**

Fairfax County is the safest community of our size in the U.S. We will continue to invest in public safety to respond to emergency situations, as well as efforts to prevent and intervene in destructive behaviors, such as gang activity and substance abuse.

✓ **A clean, sustainable environment**

Fairfax County will continue to protect our drinking water, air quality, stream valleys and tree canopy through responsible environmental regulations and practices. We will continue to take a lead in initiatives to address energy efficiency and sustainability and to preserve and protect open space for our residents to enjoy.

✓ **Liveable, caring and affordable communities**

As Fairfax County continues to grow we will do so in ways that address **environmental** and **mobility** challenges. We will encourage housing that is affordable to our children, seniors and members of our workforce. We will provide compassionate and efficient services to members of our community who are in need. We will continue to protect and support our stable lower density neighborhoods. We will encourage and support participation in community organizations and other activities that address community needs and opportunities.

✓ **A vibrant economy**

Fairfax County has a well-earned reputation as a business-friendly community. We will vigorously pursue **economic development** and **revitalization** opportunities. We will support the business community and encourage this healthy partnership. We will continue to be sensitive and responsive to the needs of our corporate neighbors in the areas of **workforce development** and **availability, affordable housing, regulation and taxation**.

✓ **Efficient transportation network**

Fairfax County makes it a priority to connect People and Places. We will continue to plan for and invest in transportation improvements to include comprehensive bicycle and pedestrian initiatives, bus and paratransit, road and intersection improvements and expansion of Metrorail and VRE.

✓ **Recreational and cultural opportunities**

A desirable community is one where there is a lot going on that residents can enjoy. Fairfax County will continue to provide for athletic, artistic, intellectual and recreational activities, in our communities, parks, libraries and schools.

✓ **Taxes that are affordable**

The property tax is Fairfax County's primary source of revenue to provide services. We will ensure that taxes are affordable for our residents and businesses, and we will seek ways to diversify County revenues in order to make our tax base more equitable. We will ensure that County programs and services are efficient, effective and well run.

# Fairfax County Vision Elements

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

## **Maintaining Safe and Caring Communities -**

The needs of a diverse and growing community are met through innovative public and private services, community partnerships and volunteer opportunities. As a result, residents feel safe and secure, capable of accessing the range of services and opportunities they need, and are willing and able to give back to their community.

## **Building Livable Spaces -**

Together, we encourage distinctive “built environments” that create a sense of place, reflect the character, history, and natural environment of the community, and take a variety of forms – from identifiable neighborhoods, to main streets, to town centers. As a result, people throughout the community feel they have unique and desirable places to live, work, shop, play, and connect with others.

## **Connecting People and Places -**

Transportation, technology, and information effectively and efficiently connect people and ideas. As a result, people feel a part of their community and have the ability to access places and resources in a timely, safe, and convenient manner.

## **Maintaining Healthy Economies -**

Investments in the work force, jobs, and community infrastructure and institutions support a diverse and thriving economy. As a result, individuals are able to meet their needs and have the opportunity to grow and develop their talent and income according to their potential.

## **Practicing Environmental Stewardship -**

Local government, industry, and residents seek ways to use all resources wisely and to protect and enhance the County’s natural environment and open space. As a result, residents feel good about their quality of life and embrace environmental stewardship as a personal and shared responsibility.

## **Creating a Culture of Engagement -**

Individuals enhance community life by participating in and supporting civic groups, discussion groups, public-private partnerships, and other activities that seek to understand and address community needs and opportunities. As a result, residents feel that they can make a difference and work in partnership with others to understand and address pressing public issues.

## **Exercising Corporate Stewardship -**

Fairfax County government is accessible, responsible, and accountable. As a result, actions are responsive, providing superior customer service and reflecting sound management of County resources and assets.

*Note: The Board of Supervisors adopted its own goals and priorities in December 2009 (see previous page). In addition, in 2004 County staff developed long-term vision elements for strategic planning purpose.*

# FOR ADDITIONAL INFORMATION

**Information** regarding the contents of this or other budget volumes can be provided by calling the Fairfax County Department of Management and Budget at 703-324-2391 from 8:00 a.m. to 4:30 p.m.

**Internet Access:** The Fairfax County budget is also available for viewing on the Internet at:



<http://www.fairfaxcounty.gov/budget>

**Reference** copies of all budget volumes are available at all branches of the Fairfax County Public Library:

**City of Fairfax Regional**

10360 North Street  
Fairfax, VA 22030-2514  
703-293-6227

**Reston Regional**

11925 Bowman Towne Drive  
Reston, VA 20190-3311  
703-689-2700

**Centreville Regional**

14200 St. Germain Drive  
Centreville, VA 20121-2299  
703-830-2223

**Great Falls**

9830 Georgetown Pike  
Great Falls, VA 22066--2634  
703-757-8560

**John Marshall**

6209 Rose Hill Drive  
Alexandria, VA 22310-6299  
703-971-0010

**Dolley Madison**

1244 Oak Ridge Avenue  
McLean, VA 22101-2818  
703-356-0770

**Thomas Jefferson**

7415 Arlington Boulevard  
Falls Church, VA 22042-7409  
703-573-1060

**Burke Centre**

5935 Freds Oak Road  
Burke, VA 22015-2599  
703-249-1520

**George Mason Regional**

7001 Little River Turnpike  
Annandale, VA 22003-5975  
703-256-3800

**Sherwood Regional**

2501 Sherwood Hall Lane  
Alexandria, VA 22306-2799  
703-765-3645

**Tysons-Pimmit Regional**

7584 Leesburg Pike  
Falls Church, VA 22043-2099  
703-790-8088

**Herndon Fortnightly**

768 Center Street  
Herndon, VA 20170-4640  
703-437-8855

**Lorton**

9520 Richmond Highway  
Lorton, VA 22079-2124  
703-339-7385

**Richard Byrd**

7250 Commerce Street  
Springfield, VA 22150-3499  
703-451-8055

**Kingstowne**

6500 Landsdowne Centre  
Alexandria, VA 22315-5011  
703-339-4610

**Oakton**

10304 Lynnhaven Place  
Oakton, VA 22124-1785  
703-242-4020

**Pohick Regional**

6450 Sydenstricker Road  
Burke, VA 22015-4274  
703-644-7333

**Chantilly Regional**

4000 Stringfellow Road  
Chantilly, VA 20151-2628  
703-502-3883

**Martha Washington**

6614 Fort Hunt Rd.  
Alexandria, VA 22307-1799  
703-768-6700

**Kings Park**

9000 Burke Lake Road  
Burke, VA 22015-1683  
703-978-5600

**Patrick Henry**

101 Maple Avenue East  
Vienna, VA 22180-5794  
703-938-0405

**Woodrow Wilson (temporary location)**

6066 Leesburg Pike, Main Level  
Falls Church, VA 22041  
703-820-8774

**Access Services**

2000 Government Center  
Parkway, Suite 123  
Fairfax, VA 22035-0001  
703-324-8380  
TTY 703-324-8365

Department of Management and Budget  
12000 Government Center Parkway, Suite 561  
Fairfax, VA 22035-0074  
(703) 324-2391

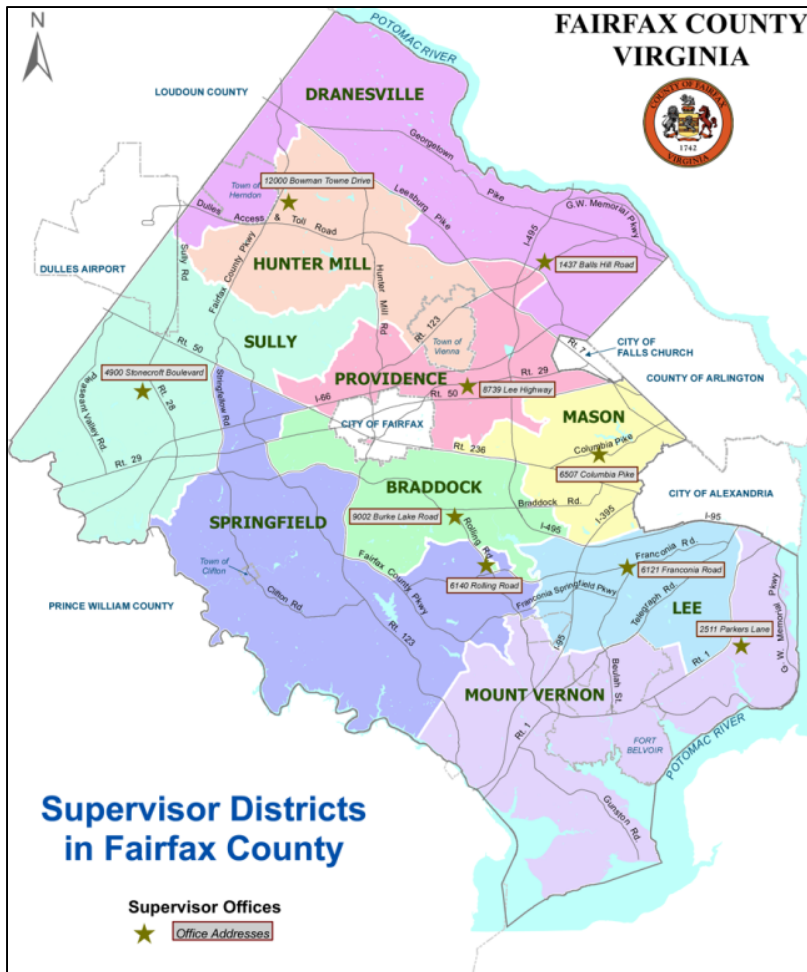


# County Organization

## *Fairfax County Government*

In Virginia, cities and counties are distinct units of government and do not overlap. Fairfax County completely surrounds the City of Fairfax and is adjacent to the City of Falls Church and the City of Alexandria. Property within these cities is not subject to taxation by Fairfax County, and the County generally is not required to provide governmental services to their residents. However, pursuant to agreements with these cities, the County does provide certain services to their residents.

In Fairfax County, there are three incorporated towns - Clifton, Herndon and Vienna - which are overlapping units of government within the County. With certain limitations prescribed by the Code of Virginia, the ordinances and regulations of the County are generally effective in them. Property in these towns is subject to County taxation and the County provides certain services to their residents. These towns may incur general obligation bonded indebtedness without the prior approval of the County.



The Fairfax County government is organized under the Urban County Executive form of government as defined under the Code of Virginia. The governing body of the County is the Board of Supervisors, which makes policies for the administration of the County.

## County Organization

The Board of Supervisors consists of ten members: the Chairman, elected at large, and one member from each of nine supervisory districts, elected for four year terms by the voters of the district in which the member resides.

The Board of Supervisors appoints a County Executive to act as the administrative head of the County. The County Executive serves at the pleasure of the Board of Supervisors, carries out the policies established by the Board of Supervisors, directs business and administrative procedures, and recommends officers and personnel to be appointed by the Board of Supervisors.

### The Fairfax County Board of Supervisors

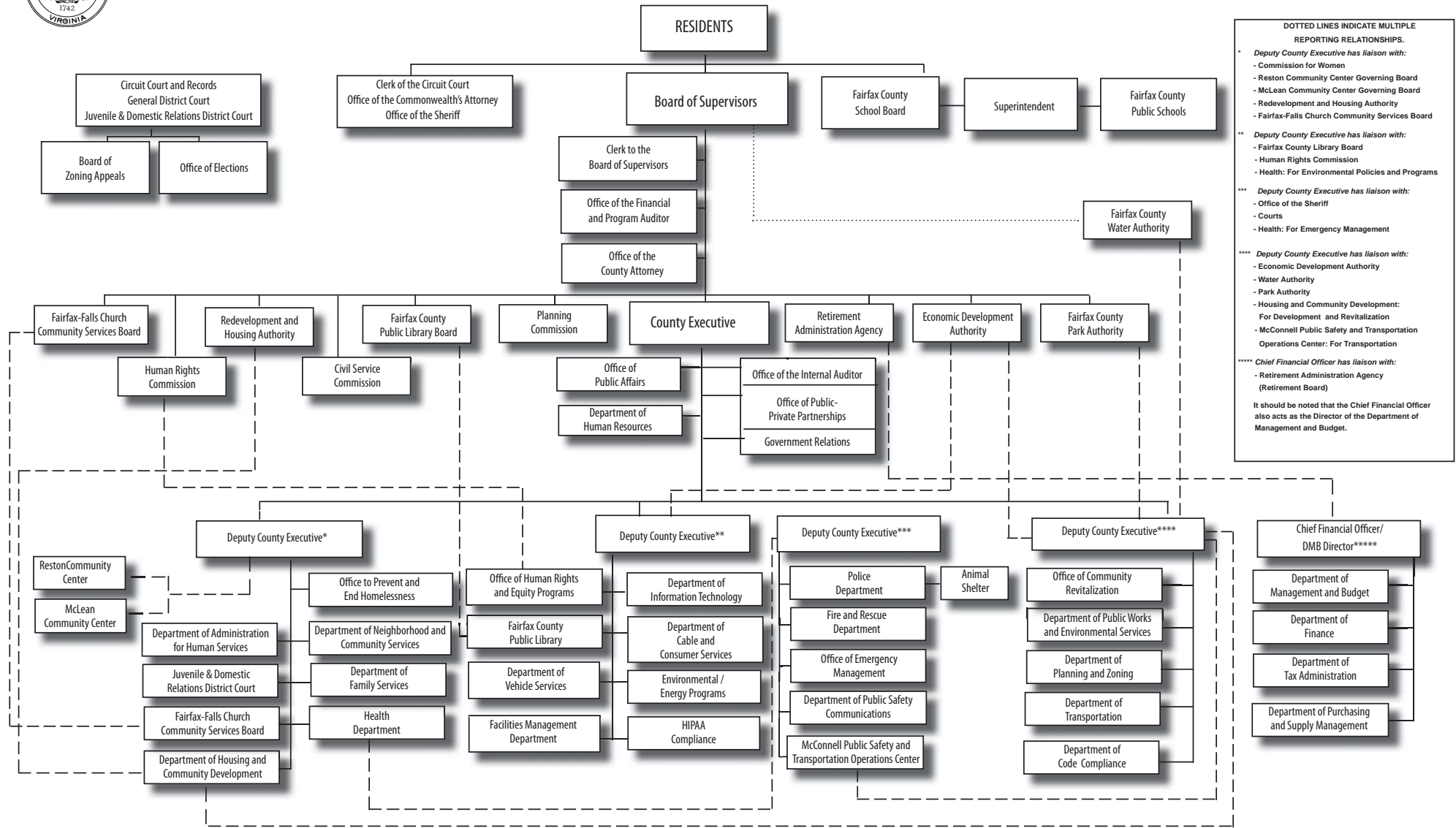


*From left to right: Catherine M. Hudgins (Hunter Mill District); Michael R. Frey (Sully District); John C. Cook (Braddock District); Gerald W. Hyland (Mount Vernon District); Sharon Bulova (Chairman, At-Large); Penelope A. Gross (Mason District, Vice Chairman); John W. Foust (Dranesville District); Jeffrey C. McKay (Lee District); Pat Herrity (Springfield District); and Linda Q. Smyth (Providence District).*

An organizational chart of Fairfax County government is provided on the next page.



# ORGANIZATION OF FAIRFAX COUNTY GOVERNMENT



**DOTTED LINES INDICATE MULTIPLE REPORTING RELATIONSHIPS.**

- \* *Deputy County Executive has liaison with:*
  - Commission for Women
  - Reston Community Center Governing Board
  - McLean Community Center Governing Board
  - Redevelopment and Housing Authority
  - Fairfax-Falls Church Community Services Board
- \*\* *Deputy County Executive has liaison with:*
  - Fairfax County Library Board
  - Human Rights Commission
  - Health: For Environmental Policies and Programs
- \*\*\* *Deputy County Executive has liaison with:*
  - Office of the Sheriff
  - Courts
  - Health: For Emergency Management
- \*\*\*\* *Deputy County Executive has liaison with:*
  - Economic Development Authority
  - Water Authority
  - Park Authority
  - Housing and Community Development: For Development and Revitalization
  - McConnell Public Safety and Transportation Operations Center: For Transportation
- \*\*\*\*\* *Chief Financial Officer has liaison with:*
  - Retirement Administration Agency (Retirement Board)

It should be noted that the Chief Financial Officer also acts as the Director of the Department of Management and Budget.

# County Organization

## BOARDS, AUTHORITIES AND COMMISSIONS

### Appeal Groups

Board of Building and Fire Prevention Code Appeals  
Board of Equalization of Real Estate Assessments  
Board of Zoning Appeals<sup>1</sup>  
Civil Service Commission  
Human Rights Commission

### Management Groups

Audit Committee (3 Board Members, 2 Citizens)  
Burgundy Village Community Center Operations Board  
Celebrate Fairfax, Inc. Board of Directors  
Economic Development Authority  
Electoral Board  
Fairfax County Convention & Visitors Corporation Board of Directors  
Fairfax County Employees' Retirement System Board of Trustees  
Fairfax County Park Authority  
Fairfax County Public Library Board of Trustees  
Fairfax County Water Authority  
Fairfax-Falls Church Community Services Board  
Industrial Development Authority  
McLean Community Center Governing Board  
Police Officers Retirement System Board of Trustees  
Redevelopment and Housing Authority  
Reston Community Center Governing Board  
Uniformed Retirement System Board of Trustees

### Regional Agencies to which Fairfax County Contributes

Health Systems Agency Board  
Metropolitan Washington Airports (MWA) Policy Committee  
Metropolitan Washington Council of Governments  
National Association of Counties  
Northern Virginia Community College Board  
Northern Virginia Regional Commission  
Northern Virginia Regional Park Authority  
Northern Virginia Transportation Commission  
Northern Virginia Transportation Coordinating Council  
Route 28 Highway Transportation District Advisory Board  
Upper Occoquan Sewage Authority (UOSA)  
Virginia Association of Counties  
Washington Metropolitan Area Transit Authority

<sup>1</sup> The members of this group are appointed by the 19th Judicial Circuit Court of Virginia.

# County Organization

## BOARDS, AUTHORITIES AND COMMISSIONS

### Advisory Groups

A. Heath Onthank Award Selection Committee  
Advisory Plans Examiner Board  
Advisory Social Services Board  
Affordable Dwelling Unit Advisory Board  
Agricultural and Forestal Districts Advisory Committee  
Airports Advisory Committee  
Alcohol Safety Action Program Local Policy Board  
Animal Services Advisory Commission  
Architectural Review Board  
Athletic Council  
Barbara Varon Volunteer Award Selection Committee  
Bi-Partisan Election Process Improvement Commission  
Chesapeake Bay Preservation Ordinance Exception Review Committee  
Child Care Advisory Council  
Citizen Corps Council, Fairfax County  
Commission for Women  
Commission on Aging  
Commission on Organ and Tissue Donation and Transplantation  
Committee for the Plan to Prevent and End Homelessness in the Fairfax-Falls Church Community  
Community Action Advisory Board (CAAB)  
Community Criminal Justice Board (CCJB)  
Community Policy and Management Team, Fairfax-Falls Church  
Community Revitalization and Reinvestment Advisory Group  
Consumer Protection Commission  
Criminal Justice Advisory Board (CJAB)  
Dulles Rail Transportation Improvement District Advisory Board, Phase I  
Dulles Rail Transportation Improvement District Advisory Board, Phase II  
Economic Advisory Commission  
Engineering Standards Review Committee  
Environmental Quality Advisory Council (EQAC)  
Fairfax Area Disability Services Board  
Fairfax Community Long Term Care Coordinating Council  
Fairfax County History Museum Subcommittees  
Fairfax County Safety Net Health Center Commission  
Geotechnical Review Board  
GMU Fairfax Campus Advisory Board  
Health Care Advisory Board

# County Organization

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## BOARDS, AUTHORITIES AND COMMISSIONS

### Advisory Groups

History Commission  
Human Services Council  
Information Technology Policy Advisory Committee  
Juvenile & Domestic Relations Court Citizens Advisory Council  
Laurel Hill Project Advisory Citizen Oversight Committee  
Mosaic District Community Development Authority  
Oversight Committee on Drinking and Driving  
Planning Commission  
Reston Master Plan Special Study Task Force  
Road Viewers Board  
Route 28 Highway Transportation Improvement District Advisory Board  
Security Alarm Systems Commission  
Small Business Commission, Fairfax County  
Southgate Community Center Advisory Council  
Supervised Visitation and Supervised Exchange Task Force  
Tenant Landlord Commission  
Trails and Sidewalks Committee  
Transportation Advisory Commission  
Tree Commission  
Trespass Towing Advisory Board  
Tysons Transportation Service District Advisory Board  
Volunteer Fire Commission  
Wetlands Board  
Youth Basketball Council Advisory Board

# How to Read the Budget

## THE BUDGET

Each year, Fairfax County publishes sets of budget documents or fiscal plans: the Advertised Budget Plan and the Adopted Budget Plan. Submission and publication of the budget is contingent upon criteria established in the Code of Virginia. As required by the Code of Virginia, the County Executive must submit to the Board of County Supervisors a proposed budget, or fiscal plan, on or before April 1 of each year for the fiscal year beginning July 1. The Advertised Budget Plan is the annual budget proposed by the County Executive for County general government operations for the upcoming fiscal year, which runs from July 1 through June 30. The Advertised Budget Plan is based on estimates of projected expenditures for County programs and it provides the means for paying for these expenditures through estimated revenues. According to the Code of Virginia, the Board of Supervisors must approve a tax rate and adopt a budget for informative and planning purposes no later than the beginning of the fiscal year (July 1). Following extensive review, deliberation and public hearings to receive input from County residents, the Board of Supervisors formally approves the Adopted Budget Plan typically in late April in order to satisfy the requirement that the Board of Supervisors approve a transfer to the Fairfax County School Board by May 1, or within 30 days of receiving state revenue estimates from the state, whichever is later. The transfer amount has traditionally been included in the Board's Adopted Budget, requiring that the Board adopt the budget on or before May 1, not July 1 as the Code allows.

The Fairfax County Budget Plan (Advertised and Adopted) is presented in several volumes. A brief description of each document is summarized below:

*The Citizen's Guide* for the Advertised Budget includes a summary of the key facts, figures and highlights of the budget.

*The Budget Overview* summarizes the budget, thereby allowing a complete examination of the budget through this document. The Overview contains the County Executive's message to the Board of Supervisors; budget highlights; a summary of the County's fiscal condition, allocation of resources, and financial history; and projections of future revenues and expenditure requirements. Also included is information on the County's taxes and fees; fiscal, demographic and economic trends; direct spending by County departments; transfers to other public organizations, such as the Fairfax County Public Schools and Metro; and funded construction projects.

*Volume 1 – General Fund* details the budgets for County departments and agencies funded from general tax revenue such as real estate and personal property taxes. Included are summary budget schedules and tables organized by accounting classification and program area summaries. Detailed budget information is presented by program area and by department/agency. Also included are organizational charts, strategic issues, goals, objectives and performance indicators for each department/agency.

*Volume 2 – Capital Construction and Other Operating Funds* details budgets for County departments, agencies, construction projects and programs funded from non-General Fund revenue sources, or from a mix of General Fund and non-General Fund sources, such as federal or state grants, proceeds from the sale of bonds, user fees and special tax districts. Included are detailed budget schedules and tables organized by accounting classification, as well as budget summaries by fund group. This volume also details information associated with Fairfax County funding for Contributory Agencies.

**Capital Improvement Program** – The County also prepares and publishes a 5-year Capital Improvement Program (CIP) – separate from the budget – which is also adopted by the Board of Supervisors and published as a separate document. The CIP specifies capital improvements and construction projects which are scheduled for funding over the next five years in order to maintain or enhance the County's

# How to Read the Budget

capital assets and delivery of services. In addition, the CIP also describes financing instruments or mechanisms for those projects. Financial resources used to meet priority needs as established by the CIP are accounted for in the Capital Project Funds. The primary type of operating expenditure included in the budget relating to the CIP is funding to cover debt service payments for General Obligation Bonds or other types of debt required to fund specific CIP projects. In addition, the cost of opening and operating new facilities is closely linked to the CIP.

*To view information on Fairfax County's budget and budget process on the web, go to <http://www.fairfaxcounty.gov/budget>*

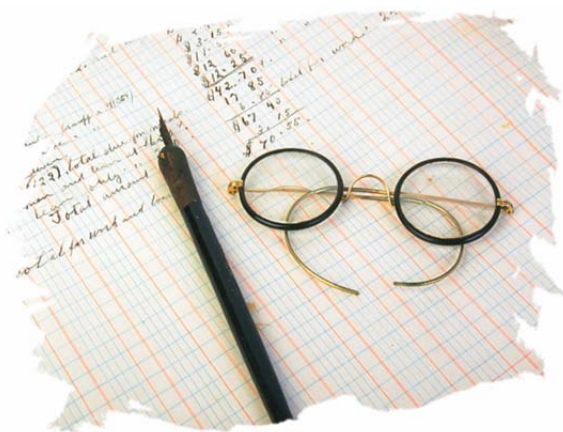
## BASIS OF ACCOUNTING AND BUDGETING

A budget is a formal document that enables the County to plan for the future, measure the performance of County services, and help the public to understand where revenues come from and how they are spent on County services. The budget reflects the estimated costs of operation for the County's programs, services and activities. The budget serves many purposes and addresses different needs depending on the "audience" including, County residents, federal and state regulatory authorities, elected officials, other local governments, taxpayers or County staff.

The budget must comply with the Code of Virginia and regulatory requirements. Fairfax County is required to undergo an annual financial audit by independent auditors. Thus, the budget outlines the required information to serve legal and financial reporting requirements. The budget is prepared and organized within a defined basis of budgeting and financial structure to meet regulatory and managerial reporting categories of expenditures and revenues. The Commonwealth of Virginia requires that the County budget be based on fund accounting, which is a system that matches the sources of revenue (such as taxes or service fees) with the uses (program costs) of that revenue. Therefore, the County budgets and accounts for its revenues and expenditures in various funds. Financially, the County budget is comprised of three primary fund types: Governmental Funds (General Fund, Debt Service Fund, Special Revenue Funds and Capital Project Funds), Proprietary Funds (Enterprise Funds and Internal Service Funds), and Fiduciary Funds (Trust Funds and Agency Funds).

## Accounting Basis

The County's governmental functions and accounting system are organized and controlled on a fund basis. Each fund is considered a separate accounting entity, with operations accounted for in a separate set of self-balancing accounts that comprise assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate.



Governmental and agency funds are accounted for on a modified accrual basis of accounting. Revenue is considered available and recorded if it is collectible within the current period or within 45 days thereafter, to be used to pay liabilities of the current period. Expenditures are generally recorded when the related fund liability is incurred, with the exception of certain liabilities recorded in the General Long-Term Obligations Account Group.

Proprietary, pension and non-expendable trust funds utilize the full accrual basis of accounting which requires that revenues be recognized in the period in



## How to Read the Budget

which service is given and that expenses be recorded in the period in which the benefit is received. A description of the fund types is provided:

- ◆ **General Fund Group:** The largest fund in the General Fund Group, 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 required to be accounted for in other funds. Revenues are derived primarily from real estate and personal property taxes as well as other local taxes, federal and state distributions, license and permit fees, charges for services, and interest from investments. A significant portion of General Fund revenues are transferred to other funds to finance the operations of the County's public schools, Community Services Board (CSB), and debt service, among others. The General Fund group also includes funds which are primarily funded through transfers from the General Fund.
- ◆ **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. Included in this fund type is the School Debt Service Fund as the County is responsible for servicing the general obligation debt it has issued on behalf of Fairfax County Public Schools (FCPS).
- ◆ **Capital Project Funds:** These funds are used to account for financial resources to be used for the acquisition or construction of any major capital facilities (other than those financed by Proprietary Funds), and are used to account for financial resources used for all general construction projects other than enterprise fund construction. The Capital Project Funds account for all current construction projects, including improvements to and the construction of schools, roads and various other projects.
- ◆ **Special Revenue Funds:** These funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.
- ◆ **Proprietary Funds:** These funds account for County activities, which operate similarly to private sector businesses. Consequently, these funds measure net income, financial position, and changes in financial position. The two primary types of Proprietary Funds are Internal Service Funds and Enterprise Funds. Internal Service Funds are used to account for the provision of general liability, malpractice, and workers' compensation insurance, health insurance for County employees and retirees, vehicle services, the County's print shop operations, and technology infrastructure support that are provided to County departments or agencies on an allocated cost recovery basis. The Fairfax County Integrated Sewer System reflects the only enterprise funds of the County. These funds are used to account for the financing, construction, and operations of the countywide sewer system.
- ◆ **Fiduciary Funds:** These funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments, and/or other funds or in a trustee capacity. Agency 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. Also included in Fiduciary Funds are Trust Funds, which include the funds used to account for the assets held in trust by the County for the employees and beneficiaries of its defined pension plans – the Employees' Retirement System, the Police Officers Retirement System, and the Uniformed Retirement System, as well as assets held to meet the County's Other Post-Employment Benefit obligations.

# How to Read the Budget

## Accounting Standards

During FY 2015 the County continues to use the Governmental Accounting Standards Board's (GASB) Statement Number 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, financial reporting model, otherwise known as GASB 34. These standards changed the entire reporting process for local governments, as they require new entity-wide financial statements, in addition to current fund statements and other additional reports such as management discussion and analysis. Infrastructure values are now reported, and various changes in accounting have been implemented.

It should be noted that, beginning in FY 2008, the County's financial statements were required to implement GASB Statement Number 45 for post employment benefits including health care, life insurance, and other non-retirement benefits offered to retirees. This standard addresses how local governments account for and report their costs related to post-employment healthcare and other non-pension benefits, such as the County's retiree health benefit subsidy.

*The County's basis of budgeting is consistent with generally accepted accounting principles.*

Historically, the County's subsidy was funded on a pay-as-you-go basis. GASB 45 required that the County accrue the cost of these post-employment benefits during the period of employees' active employment, while the benefits are being earned, and disclose the unfunded actuarial accrued liability in order to accurately account for the total future cost of post-employment benefits and the financial impact on the County. This funding methodology mirrors the funding approach used for pension/retirement benefits. The County decided to follow guidance provided by GASB 45 and established a trust fund as part of the FY 2008 Adopted Budget Plan to pre-fund the cost of post-employment healthcare and other non-pension benefits. For further details please refer to the Fund 73030, OPEB Trust Fund, narrative in Volume 2.

## Budgetary Basis

Annual budgets spanning the fiscal year (July 1 – June 30) are prepared on an accounting basis, with certain exceptions. Please refer to the table in the Financial Structure portion of this section for information regarding the purpose of various types of funds, supporting revenues and budgeting and accounting bases.

The budget is controlled at certain legal and managerial/administrative levels. The Code of Virginia requires that the County adopt a balanced budget. The adopted Supplemental Appropriation Resolution places legal restrictions on expenditures at the agency or fund level. Managerial budgetary control is maintained and controlled at the fund, department and character (i.e., Personnel Services, Operating Expenses, Capital Equipment, and Recovered Costs) or project level. Personnel Services include regular pay, fringe benefits and extra compensation. Operating Expenses are the day-to-day costs involved in the administration of an agency. Capital Equipment reflects items that have a value of more than \$5,000 and an expected life of more than one year, and Recovered Costs are reimbursements from other County agencies for specific services that have been provided.

There are also two built-in provisions for amending the adopted budget -- the *Carryover Review* and the *Third Quarter Review*. During the fiscal year, quarterly budget reviews are the primary mechanism for revising appropriations. The budget for any fund, agency, program grant, or project can be increased or decreased by formal Board of Supervisors action (budget and appropriation resolution). According to the Code of Virginia any budget amendment which involves a dollar amount exceeding one percent of total expenditures from that which was originally approved may not be enacted without the County first advertising the amendment and without conducting a public hearing. The advertisement must be

## How to Read the Budget

published at least once in a newspaper with general County circulation at least 7 days prior to the public hearing. It should be noted that, any amendment greater than 1.0 percent of expenditures requires that the Board advertise a synopsis of the proposed changes. After obtaining input from residents at the public hearing, the Board of Supervisors may then amend the budget by formal action.

*Carryover Review* represents the analysis of balances remaining from the prior year and provision for the appropriation of funds to cover the prior year's legal obligations (encumbered items) in the new fiscal year without loss of continuity in processing payments. *Carryover* extends the prior year funding for the purchase of specific items previously approved in the budget process, but for which procurement could not be obtained for various reasons. All agencies and funds are reviewed during the *Carryover Review* and adjustments are made to the budget as approved by the Board of Supervisors.

All annual appropriations lapse at the end of the fiscal year. Under the County's budgetary process, outstanding encumbrances are reported as reservations of fund balances and do not constitute expenditures or liabilities since the commitments will be reappropriated and honored the subsequent fiscal year.

In addition, the County's Department of Management and Budget is authorized to transfer budgeted amounts between characters, grant or projects within any agency or fund. The budget process is controlled at the character or project level by an appropriations system within the automated financial accounting system. Purchase orders are encumbered prior to release to vendors, and those that exceed character level appropriations are not released until additional appropriations are available.

### DEPARTMENTS AND PROGRAM AREAS

The County's departments and program areas are easiest to understand if compared to a filing cabinet. Each drawer of the filing cabinet is a separate fund type/fund, such as Special Revenue, and within each drawer or fund there are many file folders which represent County agencies, departments or funds. County organizations in the General Fund are called agencies or departments, while organizations in the other funds are called funds. For example, the Health Department, which is a General Fund agency, is one agency or folder in the General Fund drawer.

For reporting purposes, all agencies and departments in the General Fund are grouped into "program areas." A program area is a grouping of County agencies or departments with related countywide goals. Under each program area, individual agencies and departments participate in activities to support the program area goals. The Public Safety Program Area, for example, includes the Police Department and the Fire and Rescue Department, among others.

While most of the information in the budget is focused on an agency or fund, there are several summary schedules that combine different sources of information such as General Fund receipts and expenditures, County position schedules and other summary schedules.



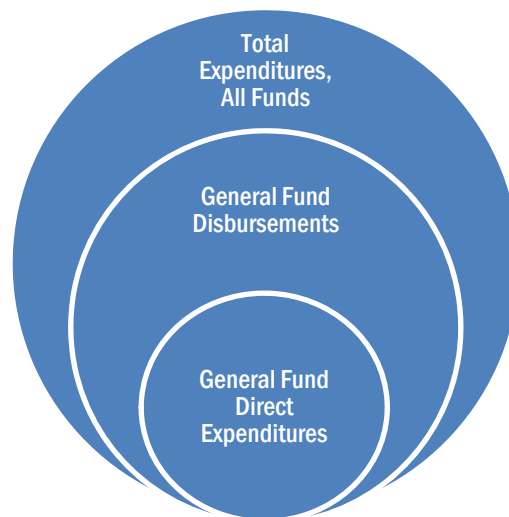
# How to Read the Budget

## COUNTY EXPENDITURES AND REVENUES

### County Expenditures

Expenditures for Fairfax County services and programs can be categorized as three concentric circles. Each circle encompasses the funds inside it:

- ◆ In the smallest circle are the General Fund Direct Expenditures that support the day-to-day operations of most County agencies.
- ◆ The second largest circle is General Fund Disbursements. This circle includes General Fund Direct Expenditures as well as General Fund transfers to other funds, such as the Fairfax County Public Schools, Metro transportation system, and the County's debt service. The transfer of funding to the County Public Schools, including debt service, accounts for 52.1 percent of the County's disbursements in FY 2015.
- ◆ The largest circle is Total Expenditures. It represents expenditures from all appropriated funds.



### County Revenues

The General Fund portion of Total Revenues consists of several major components, the two largest being Real Estate Tax revenues and Personal Property Tax revenues. In FY 2015, these categories are estimated to account for 63.2 percent and 15.6 percent of the total General Fund revenues, respectively. Please note that a portion of the Personal Property Taxes is paid to the County by the state. These funds are included in the aforementioned Personal Property Tax total, rather than in Revenue from the Commonwealth. Local Taxes, which include Local Sales Tax receipts, Consumer Utility Taxes, and Business Professional and Occupational License Taxes, comprise approximately 13.5 percent of General Fund revenues in FY 2015. The remaining revenue categories, including Revenue from the Federal Government, Fines and Forfeitures, Revenue from the Use of Money and Property, Revenue from the Commonwealth, Recovered Costs, Charges for Services, and Permits, Fees and Regulatory Licenses make up 7.7 percent of the total. Total Revenues consist of all revenues received by all appropriated funds in the County. Total Revenues include all General Fund revenues, as well as sewer bond revenue, refuse collection and disposal fees, and revenue from the sale of bonds.

# How to Read the Budget

## FINANCIAL STRUCTURE

<u>Fund/Fund Type Title</u>	<u>Purpose</u>	<u>Revenue</u>	<u>Budgeting Basis</u>	<u>Accounting Basis</u>
<b>GOVERNMENTAL FUNDS</b>				
General Fund (Volume 1)	Accounts for the cost of general County government.	Primarily from general property taxes, other local taxes, revenue from the use of money and property, license and permit fees, and state shared taxes.	Modified Accrual, donated food not included, only lease payment due in FY included	Modified Accrual
General Fund Group: (Volume 2)	Account for the County's Revenue Stabilization Reserve, awards provided to community organizations through the Consolidated Community Funding Pool, contributions to County organizations through the Contributory Fund, and County Information Technology projects.	General Fund transfers, transfers from other County funds, and interest earnings.	Modified Accrual, donated food not included, only lease payment due in FY included	Modified Accrual
Debt Service Funds (Volume 2)	Account for the accumulation of resources for and the payments of general obligation bond principal, interest and related expenses.	General Fund transfers and special assessment bond principal and interest from special assessment levies.	Modified Accrual, donated food not included, only lease payment due in FY included	Modified Accrual
Capital Project Funds (Volume 2)	Account for financial resources used for all general County and School construction projects other than Enterprise Fund construction.	General Fund transfers, bond proceeds revenue from the real estate penny, and miscellaneous contributions.	Modified Accrual, donated food not included, only lease payment due in FY included	Modified Accrual
Special Revenue Funds (Volume 2)	Account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.	A variety of sources including fees for service, General Fund transfers, federal and state grant funding, cable franchise fees, and special assessments.	Modified Accrual, donated food not included, only lease payment due in FY included	Modified Accrual
<b>PROPRIETARY FUNDS</b>				
Internal Service Funds (Volume 2)	Account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units on a reimbursement basis.	Reimbursement via various inter-governmental payments, including the General Fund, for services and goods provided.	Accrual, depreciation expenses not included	Accrual
Enterprise Funds (Wastewater Management Program) (Volume 2)	Account for operations financed and operated in a manner similar to the private sector. The County utilizes Enterprise Funds for the Wastewater Management Program, which provides construction, maintenance, and operation of the countywide sewer system.	User charges to existing customers for continuing sewer service and availability fees charged to new customers for initial access to the system.	Accrual, depreciation expenses not included	Accrual
<b>FIDUCIARY FUNDS</b>				
Agency Funds (Volume 2)	Agency funds are custodial in nature and are maintained to account for funds received and disbursed by the County for various governmental agencies and other organizations.	Various inter-governmental payments, including the General Fund, and contributions by participants.	Modified Accrual	Modified Accrual
Trust Funds (Volume 2)	Account for assets held by the County in a trustee or agency capacity. Trust funds are usually established by a formal trust agreement.	Various inter-governmental payments, including the General Fund, and contributions by participants.	Accrual	Accrual

## How to Read the Budget

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### **ADDITIONAL BUDGET RESOURCES**

In addition to the availability online of all of the County's published budget volumes, additional budgetary information including quarterly reviews, budget calendars, economic data, and historical files is available on the Department of Management and Budget's website at [www.fairfaxcounty.gov/dmb/](http://www.fairfaxcounty.gov/dmb/). The department has focused resources on expanding public access to essential information at all stages of the budget formulation process in order to afford residents a better understanding of their County government, the services it offers, and the role they can play. On the site, residents can access a County Budget Primer, whereby they can look up budget terms and find answers to common budget questions.

### **Transparency Initiative**

During this past year, County staff developed and implemented a useful transparency website at [www.fairfaxcounty.gov/transparency/](http://www.fairfaxcounty.gov/transparency/) which enables the public to view amounts paid to County vendors. Visitors can view budgetary data and actual expenditures by Fund or General Fund agency each month. Fairfax County Public Schools also hosts its own transparency website - <http://www.fcps.edu/fs/transparency/index.shtml> - where data specific to FCPS funds, departments, and schools, can be viewed. Used in collaboration with information already available to residents, such as the County's budget and the Comprehensive Annual Financial Report, the transparency initiative provides residents with an additional tool to learn more about the County's overall finances or focus on specific areas of interest.

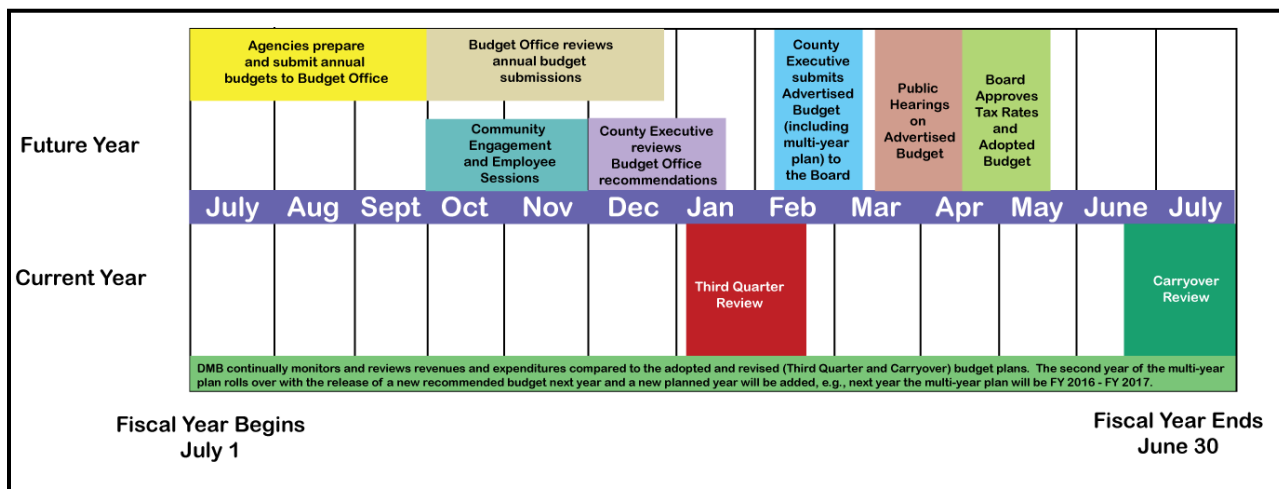
# Budget Process

## THE BUDGET CYCLE

The budget has several major purposes. It converts the County's long-range plans and policies into services and programs; serves as a vehicle to communicate these plans to the public; details the costs of County services and programs; and outlines the revenues (taxes and fees) that support the County's services, including the rate of taxation for the coming fiscal year. Once the budget has been adopted by the Board of Supervisors, it becomes a work plan of objectives to be accomplished during the next fiscal year.

The annual Fairfax County budget process is an ongoing cyclical process simultaneously looking at two fiscal years (current and future). The budget year officially starts on July 1; however, the budget process itself is a continuum which involves both the current year budget and the next fiscal year's budget. Changes to the current year budget are made at the Third Quarter and Carryover Reviews. The Carryover Review closes out the previous year in addition to revising the expenditure level for the current year. These changes must be approved by the Board of Supervisors. During the fiscal year, quarterly reviews of revenue and expenditures are undertaken by the Department of Management and Budget, and any necessary adjustments are made to the budget. On the basis of these reviews, the Board of Supervisors revises appropriations. Public hearings are held prior to Board action when potential appropriation increases are greater than 1.0 percent of expenditures. Citizen involvement and understanding of the budget are a key part of the review process. The County Executive presents the FY 2015 Advertised Budget Plan (including the FY 2015 – FY 2016 Multi-Year Budget) on February 25, 2014. Public hearings for the County Executive's FY 2015 Advertised Budget Plan and the FY 2015 – FY 2019 Capital Improvement Program (CIP) will be held on April 8, 9, 10, 2014 at the Government Center. The mark-up of the FY 2015 budget will be held on Tuesday, April 22, 2014, and the Board of Supervisors will formally adopt the FY 2015 Adopted Budget Plan on Tuesday, April 29, 2014.

## FY 2015-FY 2016 Budget Process



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# County of Fairfax, Virginia

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

February 25, 2014

Honorable Board of Supervisors  
County of Fairfax  
Fairfax, Virginia

Chairman and Board Members:

I am pleased to present the FY 2015 and FY 2016 Multi-Year Budget Plan to the Board of Supervisors and the community. We have had a very busy and productive year, and I am more optimistic about the prospects for the County budget than I was at this time last year. Much of that optimism is due to the continued willingness of the Board to make the difficult decisions discussed last year as it related to adjusting the Real Estate Tax rate, investing in the organization and the community, and being flexible as the County faced fiscal challenges. We have also weathered the initial impact of sequestration and the federal shutdown fairly well and benefitted tremendously from the State transportation funding package approved by the General Assembly in 2013. That said, we are still not back to the value of real property in the County that we were when we peaked in FY 2008 (for residential) and in FY 2009 (for commercial), nor is all of the uncertainty concerning the federal budget resolved. So we must persist in our cautious and deliberative approach to budgeting, only funding items that are sustainable. We also must be ready to make the necessary decisions to maintain investment in our services, infrastructure and in the development of the community. As you will see when I lay out the details of the budget, almost all of the increase on the County side of the budget is for capital investment and for employee compensation. These are two critical elements of our continued success.

## A STABLE BUDGET

If I had to choose a theme for FY 2015 and FY 2016, and in direct contrast to the uncertainty that reigned at this time last year, it would be one of stability. The revenue growth we are anticipating for FY 2015 is solid at 3.44 percent over the FY 2014 estimate, but not robust. FY 2016 growth is very similar at 3.68 percent. At the same time, the requirements that we have before us are significant but not overwhelming.

One of the primary drivers of this budget is the paramount need to preserve and enhance the services and programs that make Fairfax County a great place to live, work and play. I said it last year and I will say it again, our residents and businesses are attracted to and remain in Fairfax County because of what we have to offer. What we have to offer is incredible: an outstanding school system; a robust workforce essential in attracting and retaining our businesses; a very safe community due to our outstanding public safety workforce; a

## County Executive Summary

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community that is environmentally conscious; a safety net to catch those most in need; great amenities such as libraries and parks; a strong financially managed County; and outstanding leadership by the Board of Supervisors in charting the proper balance among our many competing demands. During the last few years of budget reductions, preserving core programs has been successful. And yet, we have made significant reductions in the way our services are delivered by working to find the most efficient and cost effective ways to provide those services necessary for our residents. In some cases, we have changed hours of operation, reduced service levels and eliminated some services to reach core service levels supported by the community. I believe we have reached this service level and that further across the board and significant reductions cannot be made without undermining these core services. In fact, just as we have reached these baseline service levels, we are already feeling the pressure to enhance and expand selected services in areas of widespread community concern. These areas including public safety, economic development, transportation, human services and education, will require enhanced investment.

### Investments

I am recommending increases in both employee compensation and in the operating transfer to the Fairfax County Public Schools, clearly two of our largest requirements. As the deliberations on this budget begin, I anticipate that these will be two primary topics for discussion by the Board and community. I am basing my recommendations on maintaining the tax rate at the current level, complying with the Multi-year Budget Plan to provide a 2 percent increase to Schools, and balancing compensation needs between pay and benefits. In addition to these major areas and the capital investments I am recommending, I have included funding increases for a small number of priorities that the Board has identified, including behavioral health services for youth, school readiness for preschoolers and domestic violence services. Finally, the ever changing requirements for information technology, especially in the area of Public Safety, means we need a significant and ongoing investment. As I will outline below, there are a number of funding needs on the horizon and I have directed staff to begin a multi-year technology review that I anticipate will be a part of the FY 2016 budget discussion. For FY 2015, I am recommending increased funding for information technology including starting the costly process of migrating to the next generation of E-911 hardware and software. Finally, I have also laid out a number of high priority requirements beginning in FY 2016 focused on public safety staffing requirements.

As I have stressed over the course of the last year, we need to identify what level of employee compensation growth is fair and sustainable in the current fiscal environment. The discussions that have occurred to-date between employees and the Board have not resulted in a consensus. The Board has committed to continuing and expanding this discussion so a plan for future years can be developed. In addition, the Board will have the opportunity to supplement the funding that I have recommended for FY 2015. I am very pleased to be able to recommend increases that will benefit every County employee after we were unable to do so in FY 2014, especially since one of the concerns we heard during the workforce dialogues was that FY 2015 would be another year with no increases for our employees.

## County Executive Summary

The debate over School funding has also begun. The gap between the School Board request and my recommendation is 3.7 percent or almost \$64 million. While we typically start at different points, the size of this discrepancy is challenging. There is some good news in the Governor's budget that may help address some of this gap and I look forward to working with the Superintendent and the two Boards to close this gap efficiently and effectively.

### Multi-Year Plan

This budget also continues many of the initiatives implemented last year - notably the multi-year budget process. We have started to look at a number of issues over a longer period of time. The Board has already been briefed on, and concurred with, the multi-year rate setting approach for stormwater management. The Public Safety staffing plan that I suggested and was supported by the Board in their Budget Guidance has been developed and is being released simultaneously with the budget to help inform the discussion of our requirements over the next five years. You will see some enhancements to the Capital Improvement Program (CIP) also being released today, that are designed to make the discussion of our capital requirements more clear and inclusive. Both of these topics will be discussed at Budget Committee meetings in the Spring.

I commend the Board for its commitment to the multi-year perspective and I applaud the efforts of the Infrastructure Financing Committee which will be providing its own set of recommendations in the coming weeks. The County Board members, School Board members and staff supporting this committee have worked hard all year to identify areas for improvement and I look forward to seeing the outcome of this work. The capital needs of both the County and Schools must be viewed as a priority investment and funded for the long term. We are in the process of assessing our facility inventory and its condition and this information will better define our capital needs, both for General Fund contributions and bond referenda in the future.

The budget being presented today maintains the real estate tax rate at the FY 2014 level of \$1.085 per \$100 of valuation. I am very pleased to be able to present you with a balanced budget while being able to meet our commitment of eliminating the use of any one-time balances in FY 2015. You have heard me mention the importance of not relying on reserves for operational requirements. Later in this letter I will also discuss some of the recent feedback we have concerning our bond rating which re-emphasizes the importance of this financial management decision.

As you know, we have a balance identified at Carryover of approximately \$15.1 million. We also have audit adjustments totaling \$1.5 million that add to this balance for a total available of \$16.6 million. Again, I have not used this funding to balance the FY 2015 budget. Instead, I have a long list of potential one-time uses at our Third Quarter or Carryover Reviews which is the appropriate use of these one-time balances. The list includes funding the increase for the latest accrued liability requirement for our self-insurance program, the County's contribution to the Laurel Hill Adaptive Re-use Site public-private partnership, assessments for capital facilities

## County Executive Summary

necessary to identify our long-term capital needs, and possible support for recommendations from the Infrastructure Financing Committee.

As we begin discussing the budget it is always necessary to lay out the current economic outlook as the context in which my recommendations and your decisions will be made.

### ECONOMIC OVERVIEW AND THE FEDERAL BUDGET

#### Nationally

The U.S. economy grew at an estimated rate of 3.2 percent during the fourth quarter of 2013. Consumer spending was especially strong, adding 2.3 percentage points to the total growth estimate. In addition, growth in exports contributed to the gain, a trend that is expected to continue into 2014. Federal spending, on the other hand, subtracted a full percentage point from economic growth during the fourth quarter due to the October shutdown and the effects of the spending sequester. With the successful approval of a bi-partisan budget deal, federal spending is not expected to be as much of a drag on economic growth in 2014. Most economists anticipate the economy to expand approximately 3.0 percent in calendar year 2014.

Nationwide, employment gains continued in 2013. On average, 182,000 jobs per month were added during 2013, about the same as in 2012, when job growth averaged 183,000 per month. Job growth slowed in December and January, adding just 75,000 and 113,000 jobs, respectively. The especially weak job performance in December was attributed to significant winter storms throughout the country. The unemployment rate in January was 6.6 percent, the lowest level in five years; however, there is concern that recent declines in the unemployment rate are partially due to the long-term unemployed giving up on looking for work.

Home prices nationwide recorded strong gains in 2013. According to the S&P/Case-Shiller home price index, home prices nationwide were up 13.7 percent for the 12 months ending November 2013. This was the strongest November performance since 2005. Home prices in the Washington Metropolitan area posted a 7.8 percent gain during the same period. While still expected to be positive, the pace of home price appreciation is expected to slow somewhat during 2014.

#### In Fairfax

Economic growth in the County improved in 2013. Based on preliminary estimates from IHS Global Insight, Gross County Product (GCP), adjusted for inflation, increased at a rate of 1.4 percent in 2013, up from just 0.6 percent in 2012. The County's unemployment rate remains well below the state and national level at 3.6 percent as of December 2013, a decline from 4.0 percent in December 2012.

Total annual employment in Northern Virginia in 2013 was 1.37 million, an increase of 16,700 jobs, or 1.2 percent, over 2012 based on preliminary estimates. The increase represents a solid gain; however employment figures were not quite as strong as in 2012 when 23,500 jobs were

## County Executive Summary

created. Industry sectors that created new jobs include Hospitality, Retail and Financial Activities. The number of federal jobs in Northern Virginia fell by 800 while employment in Professional Business Services, which includes most federal contractors, dropped by 1,100 jobs during the year. While County data is not yet available for calendar year 2013, preliminary data show that the average number of jobs in Fairfax County through June 2013 was 588,735, an increase of 1,483 jobs over the average of the first six months of 2012.

According to the Economic Development Authority, the commercial office market in the County remained sluggish during 2013, primarily due to federal budget issues. At year-end 2013, the direct vacancy rate was 14.9 percent, up from 14.4 percent at the close of 2012. This is the highest level since 1991 when it was 16.8 percent. Including sublet space, the overall office vacancy rate was 17.1 percent, up from 16.7 percent at year-end 2012. Government contractors have consolidated operations throughout the Washington area and retooled operations in order to operate in an economic environment less dependent on government procurement spending. Total leasing activity in 2013 rose to 11.6 million square feet, an increase over the 2012 level of 10.7 million square feet. Lease rates for new space are adjusting to market conditions. Many tenants are taking advantage of favorable rates and others are looking to capitalize on market conditions by consolidating operations in newer space near Metro. The Tysons market is uniquely positioned to take advantage of this trend with more than 26 million square feet of new office space in the pipeline.

At the close of 2013, there were nine buildings totaling nearly 1.0 million square feet under construction. More than 69 percent of the new office space under construction is speculative development. This interest in speculative development reflects confidence in the stability of the Fairfax County office market. However, as vacancy rates continue to increase there could be concern that this space will not be easily leased. Development has been focused along Metro's Silver Line, which is scheduled to open in Tysons and Reston in early 2014. However, Merrifield continues to see development as does Springfield and the Route 1 corridor, all vital to our continued strength.

### THE COUNTY'S BOND RATING

I wrote you last year about the negative outlook placed on County bonds by Moody's Investors Service. This outlook was the result of the issues surrounding the federal budget and debt concerns as a result of the determination by Moody's that there was an indirect linkage between Fairfax County and the federal government based on a perceived reliance on federal expenditures and contracting. Additionally, pending any downgrade of the federal rating, Moody's had been clear that Fairfax and 4 states and 40 other localities "linked" to the federal government would also be downgraded. To our relief, based on the progress at the federal level, we were removed from negative outlook this past summer.

However, in January as they reaffirmed our triple-A bond rating, Moody's again raised concerns and moved the outlook for our bond rating from stable to negative. In assigning the negative outlook, Moody's notes areas of concern including the County's reserve

## County Executive Summary

balances/structural imbalance and pension liability funding. I would note that the triple-A was reaffirmed by all three rating agencies and only Moody's expressed concern about the future outlook of our bonds.

With their negative outlook, Moody's noted that the County's available reserves have decreased due to three years of declining balances. Moody's contention is that the County reserves are not sufficient, especially when compared to other triple-A jurisdictions. As the Board is aware, the County has a conservative reserving practice whereby reserves are identified for specific uses which include the Managed Reserve at 2 percent of General Fund Disbursements, the Revenue Stabilization Reserve at 3 percent of General Fund Disbursements and available replacement reserves. These other reserves include replacement reserves for vehicles, public safety apparatus, and some technology equipment, as well as for potential losses associated with the County's self-insurance programs. Despite the existence of these specific reserves, Moody's has determined that the County's level of reserve funding is inadequate. Specifically Moody's identified the fact that declining reserves meant that we had a structural imbalance. The commitment to not using one-time balances in FY 2015 is important to eliminating this concern.

In addition, Moody's cited concern about the funding of the County pension liabilities. Moody's does not consider the actuarially calculated corridor funding level to be sufficient. In 2002, the County adopted the corridor funding approach to its pension liabilities. This policy, in practice for over a decade and validated annually by the County's actuaries, has been designed to decrease the year-to-year volatility of the County's annual contribution rates as a percent of payroll. The County has consistently funded its pension systems in accordance with the funding levels required in County Code. Following the global recession and weak investment returns in FY 2008, the County committed to fund its pension systems beyond the minimal annual amount that is calculated in accordance with County Code defining the corridor. Moody's action discounts this historical trend of appropriately funding the County's systems, as well as the County's deliberate action to increase funding to its pension systems over the last few years. In 2013, Moody's changed its own rating criteria for the evaluation of pension funding levels. The County believes Moody's rating action reflects a change in Moody's rating methodology and not any deterioration in the strength of the County's pension funding given that funding ratios improved in 2013 for all three County pension plans. The County pension funds remain adequately funded and employees need not be concerned.

In the short-term we do not anticipate that this negative outlook will have a significant impact on how we are viewed in the market. In fact, the response to our bond sale in late January was extremely positive in terms of the number of bids received, how close the bids were, and how low the winning bid was.

At the same time I think we should use this input from Moody's constructively. First, in order to be able to demonstrate that we do value the importance of the reserves we have, it is critical that we do not use any one-time funds to balance the FY 2015 budget. As I mentioned previously, this budget uses no one-time funding. Given the way Moody's calculates declining

## County Executive Summary

balances from year-to-year the use of one-time balances is viewed very negatively because of the implication of a structural imbalance. Second, while I have not specifically recommended any increase in reserves at this time, I would advise that the Board consider, over a multi-year period, increasing the amount of funding we have in reserve. I have directed staff to identify some options and I will return to the Board with recommendations prior to the end of FY 2014. Third, we have made the case to Moody's that the Board has already taken policy action to strengthen our pension funding, as I described above. However, we have not made any practical improvements since FY 2011 so I have included funding as part of this budget so that we begin progressing through the corridor. My goal is that by the end of the decade our target for amortizing our funding is at 100 percent. We have an opportunity in FY 2015 to make some progress on this front with a limited investment because of the strength of the returns and other factors I discuss below. I have also anticipated a similar commitment in FY 2016.

In the context of the current economic outlook, I will now lay out the recommendations I have included in the FY 2015 budget and planned for FY 2016.

### **FY 2015 BUDGET SUMMARY AND FY 2016 BUDGET PLAN**

In November I briefed the Board on the County's Fiscal Forecast for FY 2015 and FY 2016. At that time, I indicated projected shortfalls of \$39.4 million for FY 2015 and \$57.7 million in FY 2016. Today I am presenting balanced budgets for both years. In summary, the FY 2015 budget is not only in balance but results in \$10.6 million available to be used by the Board as they make their decisions on the budget. This balance is available while maintaining the current real estate tax rate of \$1.085 per \$100 of assessed value, eliminating the use of one time balances, funding the Fairfax County Public School transfer at 2 percent and meeting a number of County priorities I will go into more detail below.

#### **Multi-Year Budget Plan**

For FY 2016, I anticipate revenue will increase approximately \$140 million, or 3.68 percent. Spending projected for FY 2016 is an increase of just over \$130 million and includes new positions and support of our many public safety and human services programs. For Fairfax County Public Schools, the FY 2016 budget proposal includes a 2 percent increase in the County transfer for School operations and the required increase for School debt service to continue to support annual School bond sales of \$155 million. While we continue to discuss our pay structure I have assumed across the board increases of 2 percent for County employees. Eliminating the structural imbalance in FY 2015 makes balancing the FY 2016 budget possible, and, in fact, we have a modest balance of almost \$14 million. Keeping the current tax rate is also possible; however, it goes with the trade-off of not having as much flexibility for employee pay, schools or other priorities the Board may wish to address. Detailed information about the FY 2016 proposal is included in the Multi-Year Budget – FY 2015 and FY 2016 section of the Overview following this letter.

I think it is important to discuss the budget in multiple years to allow the County to take advantage of opportunities and address challenges that do not limit themselves to a 12-month



## County Executive Summary

period. This multi-year budget approach produces a more informed discussion but does not replace the annual budget process as the Board will need to make annual budget appropriation and tax rate decisions. However, the 2-year approach helps define the impacts of today's budget decision on the future. Most importantly it promotes a continuous discussion of the challenges before us, whether they are public safety staffing projections, stormwater service district requirements, School funding, Information Technology trends or capital needs. It also allows us to reflect the sustainability of our actions.

### FY 2015 BUDGET: ALL FUNDS

As always our focus is on the General Fund and its impact on our residents and businesses, but it is important to recognize that there are other funds through which important services are provided to the community. All Fund Revenues in the FY 2015 Advertised Budget Plan total \$7.320 billion. This County revenue total is an increase of \$280.02 million, or 3.98 percent over the FY 2014 Adopted Budget Plan. On the expenditure side, the FY 2015 Advertised Budget Plan totals \$6.955 billion. This total County funding is an increase of \$203.38 million, or 3.01 percent, over the FY 2014 Adopted Budget Plan.

Additional detail concerning non-General Fund revenues, expenditures, and positions is available in the *Financial and Statistical Summary Tables* of the Overview and in Volume 2 of the County Budget.

### FY 2015 BUDGET: GENERAL FUND

#### **FY 2015 General Fund Revenue**

FY 2015 General Fund revenues are projected to be \$3,707,705,268, an increase of \$123,377,394, or 3.44 percent, over the *FY 2014 Revised Budget Plan*, which contains the latest FY 2014 revenue estimates, and an increase of \$148,157,621, or 4.16 percent, over the FY 2014 Adopted Budget Plan.

On the County's real estate front, residential home values are continuing to improve. The number of homes sold increased in 2013, back to a level on par with the average number sold during the previous seven years. The average price of homes sold rose and the number of days on the market fell. Foreclosures and mortgage delinquencies fell. All of these indicators are very positive and, as a result, overall residential equalization reflects a 6.54 percent increase in FY 2015, compared to a 3.50 percent increase in FY 2014. The average value of a residential unit in FY 2015 is \$497,962. Non-residential values remain a significant concern as they are essentially level with FY 2014, decreasing 0.10 percent in FY 2015, compared to the 0.14 percent rise in FY 2014.

The value of a penny on the Real Estate Tax rate is \$21.86 million in FY 2015. Each penny change in the tax rate equals \$49.80 on a taxpayer's bill. My budget recommendation proposes

## County Executive Summary

that we maintain the Real Estate Tax rate at \$1.085 per \$100 of assessed value. At this rate, FY 2015 Real Estate taxes per “typical” household would increase \$331.67 over FY 2014.

We carefully reviewed options for revenue enhancements, large and small, that could help as we built this balanced budget. No one likes fees to increase but we have heard consistently from the community, including the Board’s budget committees, to maximize General Fund revenues from rate setting that reduces, even if by only a small amount, our reliance on real estate taxes. As a result I am recommending a number of fee increases including:

*EMS Transport rates* are recommended to increase from the current rate structure. Basic Life Support (BLS) transport is recommended to increase from \$400 to \$500; Advance Life Support 1 (ALS-1) transport from \$500 to \$650; Advance Life Support 2 (ALS-2) transport from \$675 to \$800; and the current charge of \$10 per mile transported is recommended to increase to \$12 per mile transported. The proposed EMS Transport fee increases are estimated to generate an additional \$1.0 million in FY 2015. The recommended change to the current EMS Transport fees is necessary to bring the County’s rate structure in line with other jurisdictions in Virginia. The revenue generated by this increase will directly support necessary expenditures for an extra ALS class at the Fire and Rescue Academy to ensure that we have a sufficient number of ALS providers on staff.

*School-Age Child Care (SACC) fees* are increased by 1.3 percent, consistent with salary increases for employees which will generate \$0.5 million in additional revenue.

*Animal Shelter adoption and boarding fees* are also proposed to increase in FY 2015. The current adoption rates are \$40 for dogs and \$30 for cats. The proposed new rates will vary by age and range from \$50 to \$175 and result in an estimated \$87,695 in additional revenue that will support the cost of services associated with spaying and neutering dogs and cats prior to being put forward for adoption from the Animal Shelter. There are cost, humane, and customer service reasons for spaying and neutering adoptable animals prior to adoption. Reducing an animal’s length of stay at the shelter reduces shelter operating expenditures, opens spaces to aid more animals in the community, and helps prevent a decline in behavior. This policy change is intended to serve as an incentive to adopt from the shelter and will eliminate the need for staff time coordination and the subsequent follow up between the shelter, contracted vet and adopter, which exists under current adoption policy. Boarding fees for dogs will increase from \$10 to \$15 per day and generate an estimated \$14,465.

The General Fund Revenue Overview in the FY 2015 Overview volume has much more detail on General Fund revenues.

# County Executive Summary

## How was the FY 2015 General Fund Budget Built?

(in millions)

### Available Revenue Increase in FY 2015 over the FY 2014 Adopted Budget Plan

<b>Total Increase in Revenues</b>	<b>\$148.16</b>
Net Impact of Transfers In (Primarily one-time balances used in FY 2014)	(\$15.72)
<b>Total Available</b>	<b>\$132.44</b>

### How Additional Resources Were Spent In FY 2015 (in millions)

Fairfax County Public Schools Operating and Debt Service	\$39.11
Capital Construction and Debt Service	\$29.93
Pay and Benefits	\$29.54
Public Safety	\$14.23
Cost of County Operations	\$12.23
Human Services	\$8.50
New Facilities	\$4.03
Community Development	\$4.00
Elimination of transfer to recognize Communication Sales and Use Tax revenue in E-911 Fund	(\$23.54)
Net Adjustments to Managed Reserve	\$3.77
<b>Total uses</b>	<b>\$ 121.80</b>
<b>Available balance</b>	<b>\$10.64</b>

## FY 2015 General Fund Disbursements

FY 2015 General Fund disbursements are \$3,704,394,576, an increase of \$118,024,854, or 3.29 percent, over the FY 2014 Adopted Budget Plan and an increase of \$40,923,029, or 1.12 percent, over the FY 2014 Revised Budget Plan. The increase over the Adopted budget is based on FY 2015 increased funding of \$39.11 million for Fairfax County Public Schools for both Operating and Debt. I am also recommending funding for 58 new positions in the FY 2015 Advertised Budget Plan which are detailed below. It should be noted that 45 positions are included for abolishment as an efficiency that we are able to generate in the FY 2015 budget which will result in a net increase of 13 new positions in FY 2015 over the FY 2014 level.

Increases in the General Fund budget fall into the following main categories: Schools, capital construction and debt service, employee compensation, public safety, cost of County operations, human services requirements, new facilities and community development.

## General Fund transfers to Fairfax County Public Schools

The recommended General Fund transfer to the Public School Operating Fund reflects a 2.0 percent increase over the funding level in the FY 2014 Adopted Budget Plan. The County General Fund transfer to Fairfax County Public Schools (FCPS) underscores that education continues to be our community's highest priority and this funding is consistent with the

## County Executive Summary

percentage allocated to FCPS over the past few years at 52.1 percent. The proposed County General Fund transfer for school operations and debt service in FY 2015 totals \$1.93 billion, an increase of \$39,113,302, or 2.07 percent, over the FY 2014 Adopted Budget Plan. Within this amount, the transfer for School operations is \$1.75 billion, an increase of \$34.34 million, and the transfer in support of School debt service is \$177.14 million, an increase of \$4.77 million. The County also provides additional support for the Schools in the amount of \$72.6 million for programs such as Head Start, School Health, School Resource Officers, School Crossing Guards, after-school programming, field maintenance and recreational programs, among others. On February 6, 2014, the Fairfax County School Board requested an operating transfer of \$1.82 billion for FY 2015 that would give school employees raises, add more positions to address increased enrollment from the previous year and necessitates a \$98.1 million, or 5.7 percent, increase over the FY 2014 Adopted Budget Plan General Fund transfer to fully fund the Schools' budget request. This request would require an additional \$63.8 million, or an almost 3 cent Real Estate Tax rate increase, to fund, which has not been included in my budget proposal. It should be noted that the FCPS budget eliminates over 700 positions, increases class sizes and makes reductions to non-school based funding.

### **General Fund Disbursements**

The most significant changes for non-School Disbursements include:

### **Capital Construction and Debt Service \$29.93 million**

The total increase in funding for paydown capital construction and debt service is \$29.93 million and represents the largest increase in County non-school disbursements for FY 2015. The Capital Construction Program is essential to the sustainability of County services and is designed to meet the existing and anticipated future needs of the residents of the County. Reinvestment in County facilities is critical to avoid deterioration and obsolescence. During the height of the economic crisis the County contribution to the Capital Program did not keep pace with the County's needs. As a result of our focus on the need to invest in our infrastructure and the work of the Infrastructure Financing Committee, a joint committee of the County and School Boards, funding for capital requirements has been renewed and strengthened for FY 2015 and beyond.

#### **◆ Capital Construction**

The Capital Program is primarily financed by the General Fund, general obligation bonds, fees, and service district revenues. General Fund support for the Capital Program in FY 2015 totals \$27,018,981. This represents an increase of \$14,985,779 over the FY 2014 Adopted Capital Paydown level. The increase in paydown benefits all areas of the capital program; however, the largest increases are in capital renewal, Americans with Disabilities Act (ADA) compliance and athletic field maintenance areas. In FY 2014 there was no General Fund paydown in the Adopted Budget for capital renewal and ADA funding so my recommendation for FY 2015 represents an increase of \$8 million dedicated to capital renewal and \$3.95 million in ADA funding as well as an increase of almost \$1.0 million for athletic field maintenance and sports projects.

## County Executive Summary

The Paydown Program of \$27.02 million represents General Fund support only for the following projects and programs: Capital Renewal Requirements of \$8.00 million; Athletic Field Maintenance of \$5.64 million; ADA compliance funding of \$3.95 million; ongoing development such as Laurel Hill development, emergency road repairs and developer defaults of \$1.96 million; Park Authority Grounds, Building and Equipment Maintenance of \$1.68 million; continued revitalization maintenance and support of \$1.06 million; funding associated with the County's Environmental Improvement Program of \$0.54 million; and obligations and commitments to the School-Age Child Care (SACC) program, the Northern Virginia Community College, and the annual Salona property payment of \$4.19 million.

In addition to the General Fund support, the FY 2015 budget includes a recommended increase in the Athletic Services Fee for rectangular field users from \$5.50 to \$8.00 per participant per sport. In addition, an increase in the post season tournament fees from \$15 to \$50 for County teams and \$100 for non-County teams is recommended. These changes are based on recommendations detailed in the July 2013 Synthetic Turf Task Force Report. The increased revenues of \$0.37 million, supplemented with an increase of \$0.99 million in General Fund support, will begin to address increased field maintenance requirements and the replacement requirements associated with synthetic turf fields. Synthetic turf fields are viewed as crown jewels in our athletic field inventory because they provide even playing surfaces and more safety; offer similar playing conditions to natural turf fields; need no watering or mowing; use no fertilizers or pesticides; can be used year-round and in most weather conditions; do not need to be closed to protect or re-sod the grass; and have a significant life cycle with reduced and easier maintenance requirements.

Details about the Capital program are available in the *Capital Projects Overview* of the Overview volume.

### ◆ **Debt Service**

In addition to requirements associated with School debt service, FY 2015 General Fund support of County debt service requirements is \$133.74 million, an increase of \$14,944,165 over the FY 2014 level. The FY 2015 funding level supports debt service payments associated with existing debt service requirements including the \$289 million in bonds sold in January 2014, the first year of debt service payment for the new Merrifield Human Services Center, the new Providence Community Center, the rehabilitated Lincolnia Senior Center and Residence and for short term borrowing for capital renewal initiated in FY 2014. During FY 2015 it is anticipated that a general obligation bond sale of approximately \$265 million will be conducted to fund cash requirements for on-going capital projects for School and County purposes. This bond sale estimate is consistent with the FY 2015-FY 2019 Advertised Capital Improvement Program (With Future Fiscal Years to 2024).

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### ***Employee Compensation (Pay and Benefits)***

***\$29.54 million***

#### ◆ ***Impact of a 1.29 percent Market Rate Adjustment (MRA) to be awarded in July 2014***

Funding of \$14.10 million is included for the full-year impact of a 1.29 percent MRA increase effective July 2014 for all employees. The MRA provides a guide to the amount of pay structure adjustment needed to keep County pay rates competitive with the market. It is based on a calculation approved by the Board of Supervisors. The calculation consists of the following components:

- Consumer Price Index (CPI) for the Washington-Baltimore area. The U.S. Department of Labor's Bureau of Labor Statistics prepares this index. The CPI closely monitors changes in the cost of living. The CPI represents 40 percent of the index.
- Employment Cost Index (ECI). The U.S. Department of Labor's Bureau of Labor Statistics prepares the ECI. The ECI measures the rate of change in employee compensation (wages and salaries). The index used by the County measures changes in employee compensation for "Civilian" workers. This includes private sector, state, and local government employees. Federal employees are not included in this index. The ECI represents 50 percent of the index.
- Federal Wage Adjustment for the Washington-Baltimore area. The Federal Office of Personnel Management prepares this wage adjustment. Fairfax County will use the most current approved wage adjustment in budget calculations. However, because of the timing of the approval of the Federal Wage Adjustment and Fairfax County's budget cycle, Fairfax County will use the wage adjustment from the previous January. The Federal Wage Adjustment represents 10 percent of the index.

The Board has expressed a desire to increase the MRA to 2 percent. An additional \$7.76 million will be necessary if this adjustment is approved.

#### ◆ ***Impact of compensation market studies for Fire and Rescue employees to be awarded in July 2014***

Funding of \$5.19 million is included for the full-year impact of a 3 percent increase effective July 2014 for all uniformed Fire and Rescue employees based on the County's current methodology which is to make adjustments to Public Safety pay scales when the midpoints of two out of three designated classes in each of the Public Safety groups fall more than 5 percent behind the market average midpoints. For Police, those classes are Police Officer I, Police Officer II, and Police Captain. For Sheriff, those classes are Deputy Sheriff I, Deputy Sheriff II, and Deputy Sheriff Captain. For Fire, those classes are Firefighter, Fire Technician, and Battalion Chief. Current compensation policy is to target the 50th percentile of midpoint pay rates of Metropolitan Washington area comparators: City of Alexandria, Arlington County, District of Columbia, Loudoun County, Montgomery County, Prince George's County, and Prince William County. Midpoint rates provide a consistent point of

## County Executive Summary

comparison in analyzing rates of employers with various pay range (minimum to maximum) spreads. As agreed upon by the Board of Supervisors and the Fire and Rescue Department, the average of the hourly midpoint rates is used rather than the annual midpoint rates.

For FY 2015, analysis of the market using the above methodology and policy results in the requirement for a pay adjustment for Fire and Rescue classes. A 3 percent adjustment results in 2 of the 3 classes being in market. No adjustment is necessary for Sheriff and Police classes based on the results of the market study.

### ◆ ***Impact of compensation market studies for general County employees to be awarded in July 2014***

Funding of \$1.22 million is included for the full-year impact of recommendations for re-grades based on comparisons of Fairfax County midpoints to market midpoints for benchmark job class matches. The market is identified as Arlington County, City of Alexandria, District of Columbia, Loudoun County, Montgomery County, Prince George's County, and Prince William County. Private companies and other authorities, boards, and commissions operating in these areas are also included from time to time depending on the class(es) surveyed. The trigger point for recommending re-grades for these benchmark and classes is if they are less than 95 percent of the market average midpoint. Since market adjustments have not been made during the last several years, all County benchmark job classes were reviewed in the fall of 2013. It is anticipated that roughly half of non-uniformed classes will be reviewed each year beginning in FY 2016.

Using the current methodology of comparing Fairfax County midpoint to market midpoint, an upward adjustment of one pay grade is recommended for 11 benchmark job classes (Speech Pathologist II, Physical Therapist II, BHN Nurse Specialist, Public Health Nurse II, Electronic Equipment Technician I, Welder I, Naturalist I, Automotive Mechanic I, Instrumentation Technician, Nurse Practitioner and Physician's Assistant) and an upward adjustment of two pay grades for 2 benchmark job classes is recommended (Pharmacist and Graphic Artist II). The impact of this study is also applied to 52 related job classes. Employees in these job classes will receive an increase of either 1.5 percent or 3 percent depending on where they are in the pay scale.

### ◆ ***Public Safety Longevities***

Funding of \$1.55 million is included for the full-year impact of longevity increases provided to uniformed employees in FY 2014 and for partial year costs for longevity increases provided to uniformed employees in FY 2015. Public Safety employees who have reached a combination of length of service (15 and 20 years) and have otherwise reached the top step of their pay scale are eligible for longevities.

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### ◆ **Retirement Funding**

The FY 2015 budget includes a net \$2.12 million increase for fiduciary requirements associated with the County's retirement systems and as a modest investment to strengthen our funding ratios. The County's retirement systems all saw healthy returns in FY 2013 and improved funding ratios. In addition our recent experience study, performed every five years by an outside actuary, had identified some positive trends that are still used in the assumptions for identifying the employer contribution rates. However, as recent financial reporting requirement changes are implemented and as rating agencies take a different view of funding ratios, it is important to continue to be flexible as we fund our retirement obligations. In the corridor method of funding, a fixed contribution rate is assigned to each system and the County contributes at the fixed rate unless the system's funding ratio falls outside the pre-selected corridor of 90-120 percent or if benefit enhancements are approved. If the funding ratio falls below 90 percent, the unfunded actuarial accrued liability below 90 percent is amortized over 15 years in order to return the funding ratio to 90 percent. At the Board of Supervisors' direction, staff conducted a comprehensive examination of the corridor policy in FY 2010 and concluded that the corridor approach should be maintained, as it has cushioned the County from dramatic rate increases in the past. At the same time it is unlikely that the funding ratios for the three systems will increase significantly over the next few years based on the current corridor parameters. Consequently, while the corridor will remain at 90-120 percent, as codified in the Fairfax County Code, the County will increase funding to the systems to allow amortization of the unfunded actuarial accrued liability to 100 percent. The employer contribution rates were increased in FY 2011 to allow for amortization to a 91 percent level. In FY 2015, employer contribution rates are further increased to allow for amortization to a 93 percent level. It is anticipated that increases in the employer contribution rates will continue each of the next several years to fund amortization to a 100 percent level by the end of the decade.

### ◆ **Police Officer's Employee Contribution Rate**

The employer contribution rate for the Police Officers system is also required to increase due to a reduction in the employee contribution rate from 10.00 percent to 9.32 percent, which is the first reduction in the two-year phased reduction from 10.00 percent to 8.65 percent. Over a period of years, the County has been reducing the employee contribution rate, and, at this point, the rate has been decreased from 12 percent to 10 percent with a goal of making the benefit more comparable between the Police and Uniformed Retirement systems, recognizing that Police do not participate in Social Security and the benefit structure and contribution rates are different between the two systems. The cost of the adjustment is \$0.62 million.

### ◆ **Health Insurance and Other Benefits**

An increase of \$4.04 million is primarily due to the full-year impact of calendar year 2014 premium increases and costs associated with a projected 8 percent premium increase for all health insurance plans, effective January 1, 2015, and for Social Security (FICA) requirements in FY 2015. Additionally, dental insurance and group life insurance premiums



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are projected to increase 5 percent in calendar year 2015. It should be noted that these premium increases are budgetary projections only, and final premium decisions will be made in the fall based on updated claims experience.

### ◆ **Employee Development**

An increase of \$0.40 million is included for enhanced succession planning and employee development opportunities and to fund a portion of the certification requirements that employees have in order to perform their jobs.

## ***Public Safety***

***\$14.23 million***

### ◆ **E-911 Fund Support**

An increase of \$6.19 million is necessary to ensure full operational capabilities of the E-911 system. The current E-911 center became operational in Fall 2009 and it is necessary to begin the replacement cycle for a number of components of the system as they reach the end of their useful life and as technology changes require refreshes. Of the total, \$5.00 million is specifically for Information Technology related requirements including the necessary replacement of equipment such as public safety 9-1-1 Computer Aided Dispatch (CAD) equipment and technology infrastructure, and the 9-1-1 telephone system. While Verizon will continue to maintain and operate the 9-1-1 services lines, the telephony system hardware and software located within the County's 9-1-1 center necessary to answer and dispatch 911 calls for service will not be supported or maintained by Verizon past the end of the current contract on January 1, 2015. A new server-based technology is planned, similar to systems supported for many other County agencies and applications and can be more easily maintained and updated. The new technology is a foundation that will support the implementation of next generation 911, and integration of multi-media data, radio and other communications in the future. The remainder of the funding requirement is primarily the result of increasing personnel services funding to ensure 24-7 coverage of the facility based on current call volume.

### ◆ **Wolftrap Fire Station – Station 42**

An increase of \$4.16 million is required for the full year funding of the Wolftrap Fire Station. Although the station construction was completed, the FY 2014 budget delayed the opening of Station 42 until January 2015 due to budget constraints. However, as part of the *FY 2013 Carryover Review*, the Board approved accelerating the opening based on recent response time analysis which indicated an earlier opening would be beneficial to the response area. At Carryover, funding was identified to begin operation of a single engine unit out of Station 42 beginning in October 2013 and the full opening of the station beginning in July 2014 rather than January 2015. In order to accommodate this acceleration, one-time funding was required to cover the overtime to staff the engine company during FY 2014 and to support the costs of a recruit school during FY 2014 to ensure staffing of the fully operational station for the full year in FY 2015. At that time 29/29.0 FTE positions were

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created in FY 2014, and this funding is necessary to meet the ongoing operational requirements of the station in FY 2015.

### ◆ **Fire and Rescue Vehicle Replacement**

An increase of \$1.00 million is required to support the first year of a multi-year plan to gradually increase the annual contributions to the Large Apparatus Replacement Fund and Ambulance Replacement Fund. This funding is in addition to the department dedicating additional grant funds, additional baseline funds and one-time contributions in support of this effort. Additional contributions are required due to increasing costs of vehicles, some fleet growth, and a contribution level that has remained flat since FY 2007. Without additional funding, the replacement reserves will be depleted by FY 2017.

### ◆ **Advanced Life Support (ALS) Schools**

An increase of \$1.00 million is included to fund required Advanced Life Support (ALS) schools in FY 2015. The Fire and Rescue Department (FRD) will need to hold three recruit schools in FY 2015 rather than the normal two schools to address higher than normal vacancies, accommodate growth due to SAFER grant awards and the opening of the Wolftrap Fire Station, ensure adequate daily staffing, and help control overtime costs. This increase will allow FRD to maintain required ALS provider levels, increase diversity among ALS providers, and invest in current FRD staff. It should be noted that there will be no net cost to the County associated with this action as an increase of \$1.0 million in EMS Transport Fee revenue is being targeted to offset this increased expenditure, as described earlier.

### ◆ **Commonwealth's Attorney staffing**

An increase of \$0.54 million is required for the establishment of 3/3.0 FTE Senior Assistant Commonwealth's Attorney positions, additional limited-term support, and associated Operating Expenses due to significant workload-related issues. Recent changes in the law, increased preparation time for cases and time spent in trial, requirements for written responses to all motions made by the Defendant in Circuit Court, and the increased number of traffic courtrooms have all impacted the Office of the Commonwealth's Attorney. In addition, there have been substantial increases in key Police enforcement priorities such as DWI arrests and these cases have become much more complex through legislation and case law. As an example of the shortage in staffing, the ratio of attorneys per citizen for the four largest court systems in the state are 1 per 5,534 in Richmond, 1 per 6,643 in Norfolk, 1 per 12,082 in Virginia Beach, and 1 per 44,744 in Fairfax.

### ◆ **Fire Prevention Division staffing**

An increase of \$0.24 million is associated with the establishment of 2/2.0 FTE Engineer III positions to support the Fire and Rescue Department's Fire Prevention Division (FPD). These positions will support the County's economic development and revitalization goals, improve development process timelines and address rising workload requirements to ensure that the capacity exists to meet customer expectations and respond to development

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opportunities. In 2013, the Fire Marshal's Office conducted approximately 9,200 plan reviews, which reflects an increase of one-third over the 6,915 reviews completed just four years earlier in 2009. This workload is anticipated to increase further in subsequent years. Also, there has been a significant increase in non-plan review duties, such as attending new project meetings and increased training requirements that impact the amount of available plan review time. In addition, other agencies responsible for other types of reviews in the process (mechanical, electrical) have added a substantial number of positions, allowing them to complete reviews more quickly often causing a bottleneck on plans review to occur in FPD.

### ◆ ***Animal Shelter staffing***

An increase of \$0.12 million and 2/2.0 FTE Administrative Assistant II positions is required to support the renovated Animal Shelter facility. The expanded facility includes approximately 14,000 additional square feet and double the number of kennels to address an increasing volume of animals requiring housing. It should also be noted that the completion of the shelter renovations, including a second lobby with staffing requirements, will result in expansion of community-based programs. In order to address a projected increased number of visitors and other operational requirements of the renovated Animal Shelter, an additional two administrative positions are included.

### ◆ ***Animal Shelter Operating Adjustment***

An increase of \$0.08 million in funding is required due to the cost of services associated with spaying and neutering dogs and cats prior to being put forward for adoption from the Animal Shelter. This additional appropriation will be recovered as part of a revised adoption fee structure that will now include the cost of spaying and neutering animals and differentiate the cost between different types and age groups, resulting in no net cost to the County. There are cost, humane, and customer service reasons for spaying and neutering adoptable animals ahead of time. Reducing an animal's length of stay at the shelter reduces shelter operating expenditures, opens spaces to aid more animals in the community, and helps prevent a decline in behavior. This policy change is intended to serve as an incentive to adopt from the shelter and will eliminate the need for staff time coordination and the subsequent follow up between the shelter, contracted vet and adopter, which exists under current adoption policy.

### ◆ ***Department of Code Compliance (DCC) staffing***

An increase of \$0.03 million is associated with the establishment of 1/1.0 FTE Administrative Assistant IV position to support administrative-related needs within DCC's Customer Services Branch. The position will replace a part time position based on increasing workload within this relatively new agency as new programs, such as the County's Rights-of-Way and illegal sign abatement programs have been added and as service levels in existing programs such as the Special Investigations Unit have increased.

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### ***Cost of County Operations***

***\$12.23 million***

#### ◆ **Information Technology Projects**

An increase of \$4.44 million is required to meet additional funding requirements for Information Technology projects in FY 2015. The General Fund support for information technology projects was held artificially low during the last several years as a result of budget constraints. I am recommending a multi-year process to increase funding for Information Technology to include another \$5.00 million increase in FY 2016. A total of \$10.4 million in IT project development is funded in FY 2015 supported primarily by a General Fund transfer of \$7.35 million and a transfer from the Cable fund. This funding supports initiatives that meet priorities established by the Senior Information Technology Steering Committee. These initiatives include a mix of projects that provide benefits for both citizens and employees and that adequately balance new and continuing initiatives with the need for securing and strengthening the County's technology infrastructure. One of the major projects included is \$1.0 million to replace the Police Records Management system based on dramatic changes in the public safety solutions industry. The new system will be a next generation law enforcement case management system which will also enhance the implementation of electronic summons and reporting. Also included is \$2.9 million in infrastructure and support services to ensure the County's IT architecture stays up to date and operable; \$2.1 million for various document imaging and case management projects within the Department of Family Services in programs impacting children and families; \$1.5 million for electronic plan submission and review projects in Land Development Services to allow online submission of developer plans and an E-Plan project with the Department of Planning and Zoning to allow for automated submission of various zoning applications; and \$0.6 million to replace the Parks management and information system which is necessary for class, camp and program registration and check ins.

#### ◆ **County Insurance**

An increase of \$2.19 million is required to reflect anticipated increases in expenditures in FY 2015 and to adjust for the existing imbalance in FY 2014 between revenues and expenditures which will result in a budgeted catastrophic reserve well below the policy level. Increases in FY 2015 expenditures are projected due to anticipated worker's compensation requirements.

#### ◆ **Facilities Management**

A net increase of \$1.17 million is required for annual rent-based adjustments for the County's lease contracts as well as additional requirements for expanded space for the Police Warehouse and temporary facilities while the Herndon Fire Station is under construction.

#### ◆ **Revenue Stabilization Fund**

An increase of \$1.03 million is required to maintain the Revenue Stabilization Fund Reserve at the target level of 3 percent of General Fund disbursements.

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### ◆ **Information Technology computer (PC) replacement**

An increase of \$0.71 million is required to reflect updated inventory counts and revised costs, primarily associated with licenses and software requirements, following a comprehensive review of the PC Replacement Program conducted in FY 2014 and as a result of negotiations with the vendors providing licenses for County machines.

### ◆ **Office of Elections staffing**

An increase of \$0.29 million and an additional 3/3.0 FTE positions are included in the Office of Elections. A Bi-Partisan Election Process Improvement Commission was established by the Board of Supervisors to review operations subsequent to the 2012 Presidential election and to identify improvements and efficiencies to ensure access and convenience for voters in future elections. The Commission presented their findings at the March 19, 2013 Board Meeting. In FY 2015 additional funding and positions have been included to ensure the agency has sufficient resources to address the Commission's recommendations.

The first new position, 1/1.0 FTE Business Analyst position is required to provide additional technical support in the agency. Expertise is required due to increased technical requirements related to additional electronic poll books; the acceptance of online voter registrations; initial efforts associated with an online ballot delivery system due to new state requirements; the increasing technology needs of satellite absentee voting locations due to Central Absentee Precinct technology and the state database becoming more complex; the finalization of the voter registration project; the purchase of new voting equipment; and the varying forms of technology used to provide voter information. An additional 1/1.0 FTE is included to support a language outreach position to ensure the County is compliant with the language accessibility requirements of the Voting Rights Act. In October 2011, Fairfax County was notified of the need to immediately comply with the language accessibility requirements of Section 203 of the Voting Rights Act for the Spanish language. As a result, the County was required to provide ballots and all voter related election materials in Spanish in all subsequent elections. Funding was provided in FY 2014 to cover costs associated with printing and translation services; however, the office requires an additional position to manage the current, and significant, future requirements anticipated in this area. Finally, 1/1.0 FTE position is required to oversee Election Officer recruiting and training efforts. There is a substantial need in this area due to the advancing age of current Election Officers. Approximately 30 percent of the County Election Officers are over the age of 70 and only 15 percent are under the age of 50. Having positions dedicated to performing these important functions will allow existing staff to perform election-related activities in a more efficient and economical manner.

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### ◆ **Contract Rebates and Surplus and Excess Property Program staffing**

An increase of \$0.29 million and 3/3.0 FTE positions are required to support additional workload requirements associated with contract rebates and the Surplus and Excess Property Program. It is important to note that in addition to addressing workload requirements, these positions are anticipated to result in additional revenue which will fully offset their cost. The agency has experienced a significant growth in contract rebate workload primarily associated with the County's participation in cooperative purchasing programs and acting as the lead jurisdiction for four national contracts sponsored by the U.S. Communities Purchasing Alliance. Revenue generated as a result of the County's participation in cooperative purchasing programs increased by 9.9 percent from FY 2011 to FY 2013 and is anticipated to increase by approximately 26 percent from FY 2013 to FY 2015. The Surplus and Excess Property Program, which allows County agencies to sell used items to the public, has experienced significant growth in the number of web-based auctions. Between FY 2012 and FY 2013, the number of online auctions increased from 449 to 1,158 and in FY 2014 the number of online auctions is projected to increase to over 4,500. These sales are anticipated to result in revenue of nearly \$2.0 million in both FY 2014 and FY 2015.

### ◆ **Additional Funding for Library Materials**

An increase of \$0.25 million is included to supplement the Library's materials budget. This additional funding will allow for the purchase of nearly 13,000 items in areas such as children's homework support, additional copies of popular non-fiction, college guides, tests and job skill manuals, and additional copies of classic non-fiction titles. This increase is the first of a four year commitment to increase the collections within libraries.

## ***Human Services***

***\$8.50 million***

We must continue to leverage our ability to assist the most in need in the community and maintain the safety net to which the Board is so committed. Some of the most significant Human Services adjustments are discussed below, representing priorities of the Board as well as maintenance of funding for programs that are losing their grant funding:

### ◆ **Contract Rate Increases**

An increase of \$2.17 million is required to support a contract rate increase for the providers of Human Services in the County, especially important for our non-profits. Services provided contractually are a critical part of the Human Services system with both for-profit and non-profit vendors partnering with the County to ensure a broad array of services are available to the community. Each year individual contracts are let for the various services, and program staff and the community providers negotiate funding requirements. To keep pace with inflation, pay and benefits the County periodically funds contract rate increases so service delivery levels are not reduced to accommodate the increased cost of doing business. This funding is spread between the Department of Family Services, the Health Department, the Office to Prevent and End Homelessness, the Department of Neighborhood and Community Services and the Fairfax-Falls Church Community Services Board.

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### ◆ ***Redeployment of Positions and new positions to Address Increasing Public Assistance Caseloads***

An increase of \$1.73 million is required to fund the redeployment of 18/18.0 FTE positions and the creation of 3/3.0 FTE new positions needed to address increasing public assistance caseloads in the Self-Sufficiency division. It is hoped that the additional positions will be sufficient to address current caseloads; however, additional workers will be needed to address future growth. Most notably, at least 9,000 new FAMIS cases are being transferred, effective March 1, to DFS from the state related to the implementation of the Patient Protection and Affordability Care Act (PPACA). The existing positions are Day Care Center Teachers I that are vacant due to the SACC conversion of merit positions to benefits-eligible positions. Instead of abolishing these positions, I am redirecting them to address public assistance caseloads that have increased by more than 60 percent since FY 2008. In addition, the caseload increase is continuing. While there was an initial significant jump after FY 2008, just between FY 2010 and FY 2013, the average monthly caseload for public assistance programs increased almost 17 percent from 71,373 to 83,458. In 2012 the Self-Sufficiency Division completed implementation of a new service delivery model whereby work is disaggregated and assigned by specific processes rather than the traditional case management model. This model has been very successful and has allowed the Self-Sufficiency Division to manage the increasing workload with no new positions; however, given the continued growth in caseloads, additional positions are now needed. It is hoped that the additional positions will be sufficient to address current caseloads; however, additional workers may be needed to address future growth. The expenditure increase is fully offset by an increase in revenue for no net impact to the County.

### ◆ ***Fairfax-Falls Church Community Services Board Intellectual Disability Graduates***

An increase of \$1.30 million in operating expenses supports 74 of the 121 June 2014 special education graduates of the County Public Schools turning 22 years of age who are eligible for day support and employment services and who currently do not have a funding source for such services. The County support meets the Board's commitment to ensure that all eligible graduates seeking services have funding.

### ◆ ***Behavioral Health Services for Youth***

An increase of \$1.00 million and 3/3.0 FTE positions is associated with expanding behavioral health services for youth and families as a result of the recommendations presented to the Human Services Committee of the Board of Supervisors on October 1, 2013. These recommendations were the direct result of the guidance included by the Board of Supervisors as part of the FY 2014 Adopted Budget directing staff to identify requirements to address youth behavioral human services requirements in schools and the broader community. An Interagency Youth Behavioral Health Services Work Group, with representatives from County human services departments, Fairfax County Public Schools and the Fairfax Partnership for Youth, was convened to identify the array of youth services currently being provided as well as services that are necessary to address the most pressing needs in the community. It is estimated that between 400 and 500 youth and their families

## County Executive Summary

are in need of interventions and services for emerging mental health or substance use issues. FY 2015 funding creates a new program unit which will implement a Systems of Care model by connecting the continuum of supports and services across County agencies, FCPS and community partners. The new unit will develop new policies and procedures on providing care coordination and service delivery, as well as oversight, to the various entities delivering services along the continuum. Additionally, the new unit will also be responsible for implementing contractual services for individuals with emerging mental health and substance use issues. The Interagency Youth Behavioral Health Services Work Group will continue its work and make final recommendations by May 2014 focusing on developing protocols to ensure effective cross-system coordination of services. Work will also be done on how to track system performance measures and outcomes. It should be noted that in addition to the new funding, \$200,000 funded as part of the FY 2014 Adopted Budget for behavioral health services for youth is available for this program.

### ◆ **Consolidated Community Funding Pool**

An increase of \$0.74 million, or 7.53 percent, is included to support the community organizations providing Human Services in the County. FY 2015 is the first year of a two-year funding cycle. The Consolidated Community Funding Advisory Committee (CCFAC) has organized the FY 2015/FY 2016 funding priorities according to four areas (Prevention, Crisis Intervention, Self-Sufficiency and Long-Term Supportive Services), and adopted corresponding outcome statements. The CCFAC also recommended target percentage ranges for each priority area, which are intended to be used as guidelines for applicants and for the Selection Advisory Committee. The Board of Supervisors approved these funding priorities on July 9, 2013.

### ◆ **School Readiness**

An increase of \$0.71 million and 3/3.0 FTE Child Care Specialist II positions is associated with expanding school readiness activities in support of community programs serving young children. School readiness describes the capabilities of children, their families, schools and communities that will best promote student success in kindergarten and beyond. Early childhood education programs support the development of children's cognitive, social, emotional and physical development skills which are strong predictors of success in school. In the fall of 2012, 33 percent of kindergartners in FCPS were eligible for free/reduced meals; 16 percent of kindergartners in FCPS did not meet the reading intervention benchmark and were referred for services; and 6 percent of children under the age of 5 were living below the poverty level. The County addresses school readiness through quality community-based programs that are accessible even to those most vulnerable. Additional funding has been included in FY 2015 to expand and support community-based programs. Funding is aimed at creating a network of programs that promote school readiness through the alignment of curricula to the Virginia Foundation Blocks for Early Learning, as well as supporting children living in poverty to reach fall kindergarten benchmarks. Funding specifically supports the following community-based school readiness initiatives:



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- Neighborhood School Readiness Teams (NSRTs): NSRTs exist to support school readiness in communities where there are large numbers of children at-risk for school failure by fostering collaborative partnerships between schools, County, community and early childhood programs. The teams develop and implement action plans to support school readiness to ensure that children successfully transition to kindergarten. The expansion of the NSRTs included with this funding will make it possible for all Title I elementary schools to participate on a team.
- Virginia Quality Rating and Improvement (VQRIS): VQRIS enables additional County child care centers/preschools and family child care homes serving children living in poverty to participate in this key program that defines standards for early childhood education and creates a framework for accountability. This funding will enable an additional 30 programs to be rated and receive mentoring each year.
- Coaching and Professional Development: Increased coaching and professional development opportunities for early childhood educators in community programs will support quality early care and education. Funding will enable the County to provide on-site coaching to 360 early childhood professionals in child care centers, preschool settings, and family child care homes.
- Virginia Preschool Initiative: The Virginia Preschool Initiative serves at-risk four-year olds in a comprehensive preschool program in community-based settings (child care centers, preschools and family child care homes) and Fairfax County Public Schools. Additional funding has been included to serve an additional 50 children in community-based settings. This funding will also allow the County to draw additional state revenue totaling \$150,000.

The County has worked closely with FCPS to develop a mixed-delivery system providing community-based as well as school-based options for school readiness. Most notably, FCPS has proposed expanding school-based services in the Virginia Preschool Initiative. FCPS has indicated an additional 34 children can be served in FY 2015 if an additional \$0.4 million is provided in the FCPS budget. It is hoped that the FCPS School Board will support the expansion of school-based programs; however, expansion of community-based programs is not contingent on additional school funding.

### ◆ **Evening Reporting Center (ERC) Program**

An increase of \$0.29 million and 2/2.0 FTE positions is included to support the Evening Reporting Center (ERC) in the Juvenile and Domestic Relations District Court, which provides a community-based detention alternative for youth who violate their terms of probation or who commit new crimes while on probation and enhances the range of existing detention alternatives that are available to probation officers in the South County Probation Unit. Grant funding initially supported the program through FY 2014; however, those funds are no longer available in FY 2015.

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### ◆ **Virginia Initiative for Employment, not Welfare (VIEW)**

An increase of \$0.27 million is associated with the VIEW program. The VIEW program provides employment and training services to Temporary Assistance for Needy Families (TANF) recipients who are required to participate in the program as a condition of eligibility, and to TANF recipients who volunteer to participate. The expenditure increase is fully offset by an increase in intergovernmental revenue for no net impact to the County.

### ◆ **Intervention Prevention Education (IPE) Program**

An increase of \$0.20 million is included to continue contracted support for the IPE Program, the only County program specifically targeted to offering gang prevention and intervention services to Fairfax youth. The program in the Juvenile and Domestic Relations District Court promotes the integration of intervention services across service systems to include employment, mentoring programs, recreation programs, mental health, court services, schools and other community agencies. The types of services provided are community and street outreach, individual and family services, mentoring and employment services. Grant funding initially supported the program through FY 2014; however, those funds are no longer available in FY 2015.

### ◆ **Program Manager for Domestic and Sexual Violence Services**

An increase of \$0.14 million and 1/1.0 FTE Program Manager position will address both increasing caseloads and the complexity of work in the Office for Women and Domestic and Sexual Violence Services. This position will allow for more targeted and expert coordination within domestic violence services. The expenditure increase is fully offset by an increase in intergovernmental revenue for no net impact to the County. Additional funding will be required for FY 2016 to replace grant funding for domestic violence services that will no longer be available.

### ◆ **Kinship Care Program staffing**

An increase of \$0.11 million and 1/1.0 FTE Social Services Specialist III position is associated with the Kinship Care program in the Children, Youth and Family division. Kinship Care involves placing children with kin, rather than the traditional foster care model. This position will help ensure successful placement and positive outcomes for children, while decreasing placement costs. The expenditure increase is fully offset by an increase in intergovernmental revenue for no net impact to the County.

### ◆ **Adoption Subsidy Program**

A decrease of \$1.00 million in Operating Expenses associated with the Adoption Subsidy program is included in FY 2015. Program spending has declined significantly due to the maximization of Medicaid as an alternative funding source for these subsidies; therefore, this adjustment reconciles program year funding to actual experience. The expenditure decrease is fully offset by a decrease in federal and state revenues for no net impact to the County.

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### ◆ **Continue Implementing the New Staffing Model in the SACC Program**

Beginning in FY 2010, new SACC rooms were opened using a modified staffing model which utilized a combination of merit and benefits-eligible employees. In FY 2014, staff began implementing the new model in all SACC rooms. A total of 75 Teacher I merit positions will be converted to benefits-eligible positions as they become vacant. Of this total, 30 were converted in FY 2014. Based on the current rate of attrition, it is expected that the remaining Teacher I positions will be converted in FY 2015. As a result, savings of \$0.27 million in Fringe Benefits will be realized in Agency 89, Employee Benefits, in FY 2015. The original estimate of 115 position reductions has been modified to accommodate the redeployment of positions, such as the 18 needed immediately for self-sufficiency as discussed earlier.

### ***New Facilities***

***\$4.03 million***

### ◆ **Funding for Operations and Maintenance Positions for Merrifield Human Services Center**

An increase of \$1.67 million and 4/4.0 FTE positions is required for the new Merrifield Human Services Center, a new 200,000 square foot facility, scheduled to open in September 2014. This facility will consolidate Fairfax-Falls Church Community Services Board (CSB) programs from various leased sites and provide 24/7 Emergency Services, and house programs such as mental health, substance use disorders, intellectual disabilities, health and wellness, youth and administrative services, as well as Inova services through a 10-year lease agreement of 40,000 square feet in the facility. The positions are required to address daily service and general maintenance requirements for HVAC systems which include heating, ventilation, air conditioning equipment, chillers, heat-pumps, boilers, furnaces, air conveyance systems, and control systems. Of the total, \$0.31 million supports the positions which will also support maintenance activities as needed at neighboring County facilities, resulting in reduced response times and increased service delivery to facility customers. Other satellite maintenance shops, such as the Government Center Complex, Public Safety Complex, McConnell Public Safety and Transportation Operations Center (MPSTOC) and South County use a similar maintenance operating model as proposed for Merrifield Human Services Center. The remaining funding of \$1.36 million is required for utilities, custodial contracts, security, repair/maintenance, and landscaping costs associated with full-year costs for this facility.

### ◆ **Providence Community Center**

An increase of \$1.38 million and 7/7.0 FTE positions is required for the new Providence Community Center. The 7/7.0 FTE new positions will organize, manage and supervise activities and programs (e.g., adult programming, youth and family programming, community engagement, programs for people with disabilities, programs and services with clinical elements) at the new community center. The staffing structure is comparable to the 6/6.0 FTE positions at Gum Springs Community Center with the addition of 1/1.0 FTE position at Providence Community Center to implement a Therapeutic Recreation program.

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The number of persons projected to use the facility is approximately 142,000, which is 2 percent more than the FY 2014 average number of participants (139,190) currently utilizing a similar Fairfax County community center with accommodations for a senior center and a teen center.

### ◆ **Utility and maintenance costs for new facilities**

A net increase of \$0.50 million is required for custodial, utility, repair and maintenance, and grounds maintenance costs associated with the partial or full year opening of new or expanded facilities in FY 2015. These facilities include the Bailey's Crossroads Fire Station, Fire and Rescue Training Academy Renovation and Expansion, McLean Police Station Renovation and Expansion, Providence Community Center, Woodrow Wilson Library Renovation and Expansion, Reston Police Station Renovation and Expansion, County Indigent Cemetery and the Newington DVS (Department of Vehicle Services) Renovation and Expansion. These new facilities will provide an additional 145,760 square feet to the current square footage maintained by the Facilities Management Department.

### ◆ **Mondloch Place**

An increase of \$0.28 million reflects the additional funding needed to support Mondloch Place, which provides permanent housing to formerly homeless single adults. The 20 fully furnished efficiency rental units offer onsite supportive services operated by a local nonprofit provider. The funds will pay the contract costs to operate the program including staffing of the facility. The residents will pursue greater self-sufficiency through job training, life skills training, healthcare and case management.

### ◆ **Katherine K. Hanley Townhomes**

An increase of \$0.21 million reflects the additional funding needed to support the Katherine K. Hanley Townhomes, which will provide permanent supportive housing and services to families with children under age 18 who are headed by a person with disabilities, currently homeless and are determined by an admissions team to have no other housing options. Two three-unit buildings (for a total of six units) are being constructed on the site adjacent to the Katherine K. Hanley Family Shelter and are scheduled to open in December 2014. The funds will pay the contract costs of staffing the program.

## ***Community Development***

***\$4.00 million***

We have been very successful focusing increased land development fees on necessary investments in economic development support, especially positions supporting land development processing. In addition, the County has been proactive making investments in opportunities such as the World Police & Fire Games and the Inova Translational Medicine Institute. Some of the most significant Community Development adjustments are discussed next. There is also a \$0.75 million reduction in Contributory payment requirements due to the elimination of operational support for the Lorton Arts Foundations.

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### ◆ **Economic Development Core Team**

An increase of \$2.27 million is required to provide baseline funding for positions previously held vacant in the Department of Public Works and Environmental Services – Land Development Services to process land development applications, fund 7/7.0 FTE new positions added but not funded in FY 2014 for the Economic Development Core Team, as well as for 2/2.0 FTE additional positions supporting revitalization areas. This adjustment is reflective of the current and forecasted level of permitting and processing workload in the department and necessary to support the revenue base being generated as a result of this activity. The Board approved an Economic Development staffing plan at their March 18, 2013 Budget Committee meeting. At that time, these 7/7.0 FTE additional positions were identified for FY 2015 as part of a phase-in of expanding services in consultation with industry to ensure that the economic development goals of the County were being met. The balance of the funding is for 2/2.0 FTE new positions to continue to support County revitalization efforts. These positions will coordinate and review projects in the revitalization areas of Fairfax County, to include participation from rezoning through final development plans, maintain consistency and expedite the review and approval of all development plans.

### ◆ **World Police and Fire Games**

An increase of \$1.75 million in contributory payments is made to support the Fairfax 2015 World Police and Fire Games. The total contribution in FY 2015 is \$2.00 million, including this increase. There was also an increase of \$1.0 million added at the *FY 2013 Carryover Review*, for a total of \$3.0 million, completing the County cash commitment for funding the Games. The games are an Olympic-style event held biennially throughout the world to promote friendly competition, camaraderie, and international relationships among the participants. This event is anticipated to generate considerable revenue through the thousands of visitors that will come to Fairfax County for the Games and will stay in local hotels, eat, and shop at County establishments. The 10-day event is projected to bring as many as 10,000 participants and 15,000 visitors to Fairfax County. Additional corporate and private support is also being generated for this effort. It is also important to note that the County is supplying in-kind support such as office space and staff detailed to assist with the Games.

### ◆ **Inova Translational Medicine Institute**

An increase of \$1.10 million is required for the first year of a ten year funding commitment to the Inova Translational Medicine Institute (ITMI), an important economic development opportunity for the County. The Institute is Inova's initiative to bring personalized medicine to Northern Virginia. It is designed to lead the transformation of healthcare from a reactive to a predictive model using technological innovation, pioneering research and sophisticated information management. The goal is to provide the right treatment for the right patient at the right time, and ultimately prevent disease in the first place. The long-term work of ITMI will enable Inova to successfully and quickly translate advances from genomics (the study of genes and their function) and the molecular sciences to patients,

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optimizing individual health and well-being. Consistent with Board direction, funding of \$1,100,000 has been included as part of the FY 2015 budget to establish a partnership with ITMI.

### ◆ **Positions to support Transportation funding added in FY 2014 and other Transportation Requirements**

A net increase of \$0 and 12/12.5 FTE positions is associated with supporting transportation-related programs in FY 2015. Starting in FY 2014, the County will annually benefit from approximately \$125 million annually in regional revenues dedicated to transportation as a result of the State Transportation funding plan approved during the 2013 Session by the General Assembly (HB 2313). On January 28, 2014, the Board approved a list of nearly 230 priority local roadway and transit projects that will require various amounts of staff management, oversight, and review over the foreseeable future. Of the total positions, 6/6.0 FTE new positions are included in Fund 40010, County and Regional Transportation Projects, specifically associated with supporting initial implementation of projects and services funded with the State Transportation funding plan (HB 2313). Another 1/1.5 FTE positions in the Department of Public Works and Environmental Services – Office of Capital Facilities will also support transportation program projects. The positions in Capital Facilities will provide land acquisition and construction management activities for new transportation projects. The increased funding included in Fund 40010, County and Regional Transportation Projects, will support these position costs and results in no net impact to the General Fund.

In order to allow existing staff the time to dedicate to these high visibility projects, an additional 5/5.0 FTE positions are recommended to address specific programmatic requirements in the Department of Transportation (DOT). These requirements include a number of items critical to the service delivery of transit in the County. The first is the implementation, monitoring, and updating of the Transportation Division's Disadvantaged Business Enterprise (DBE), Small Business Enterprise (SBE) and Title VI Programs in accordance with Federal Transit Administration (FTA) requirements. The new position will set overall triennial DBE/SBE goals and document progress on goals and program activities as well as assist in the establishment of procedures for investigating and recording Title VI complaints and submit a Title VI report to the FTA as required. An additional position is included to be the primary lead and provide oversight for the Intelligent Transportation Systems (ITS) equipment and software which is being implemented on Fairfax Connector. ITS will include Computer Aided Dispatch/Automatic Vehicle Locator (CAD/AVL), Automatic Passenger Counter (APC), and stop annunciation. Important to the success of the ITS project will be the proper installation, testing, and maintenance of components and sub-systems which are highly technical in nature. Another position is included to support the data management resulting from the implementation of new ITS equipment and software. This position will be responsible for managing the reports and information generated from the ITS program when the system is fully functional, as well as testing and validating data during system implementation. This information will allow for more efficient scheduling,

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route refinements, and faster schedule development, which will reduce the overall cost of the Fairfax Connector operation. Coordination of several new marketing projects associated with the implementation of Metro's Silver Line Phases I and II, new services to Tysons and Vienna related to the Stringfellow Park and Ride expansion, and stronger marketing for the Tysons Express routes and implementation of Transportation Development Plan (TDP) recommendations will be the responsibility of one of the new positions. Finally, the last position will focus primarily on research development that has occurred in the area of the transportation projects. This research will determine if there were any commitments (proffers/conditions) for transportation that were provided with approval of the development. The lack of such research can result in added capital expenditures in land acquisition and construction that otherwise could have been offset by development contributions. DOT's proffer issues will increase tremendously with the new transportation projects it will be taking on, and a dedicated position for this will allow for the support needed to be successful. It should be noted that funding of these positions will be covered through chargebacks to various Transportation Funds requiring no additional General Fund dollars.

### ◆ **Positions to support Public-Private Education Act projects**

A net increase of \$0 and 3/2.5 FTE positions in the Department of Public Works and Environmental Services – Capital Facilities are required for Public-Private Education Act (PPEA) and other significant County projects. These positions will manage complex PPEA projects, expanded partnership arrangements with various agencies and the growth of economic development initiatives. The construction value of projects managed by the Building Design and Construction Cost Center is anticipated to rise from \$246 million in FY 2014 to \$303 million in FY 2015. The Public Safety Headquarters is among the projects anticipated to enter the construction phase in FY 2015. There are at least 10 other PPEA projects in the pipeline, including the Route 28 and Herndon Monroe Metro parking structures, the East County Center and the Reston Town Center North Master Plan. All costs associated with these positions will be charged to project funding that is currently budgeted.

### ◆ **Positions to support Stormwater activities**

There are 3/3.0 FTE positions added at a net General Fund cost of \$0 to support increased stormwater related activity in the County, funded by the Stormwater Services District rate increase as discussed with the Board in October 2013. The first position is in the Department of Public Works and Environmental Services – Office of Capital Facilities and will support stormwater activities by acquiring land rights, identifying infrastructure reinvestment, and managing large scale construction projects. The value of stormwater projects is projected to rise from \$27.0 million in FY 2014 to \$40.5 million in FY 2015. The other two new positions are in the Department of Public Works and Environmental Services – Stormwater Services and include a Project Manager I and an Urban Forester III. The Project Manager I position will support the growing number of transportation facility maintenance requirements. The Urban Forester III position will focus on implementing

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projects and programs associated with the County's Tree Action Plan (TAP) and related Municipal Separate Storm Sewer System (MS4) goals. This position will work on identifying tree cover goals for watersheds; developing tree-related practices and programs to help satisfy air quality, water quality, and stormwater regulatory requirements; planting and replacing trees on public property; implementing community-based outreach and education programs; refining guidelines needed to maximize tree conservation during the development of public and private land; developing ecosystem-based management plans to help preserve native forest communities; and partnering with non-profit tree planting organizations and Fairfax County Public Schools on tree planting and outreach programs.

All costs associated with these positions will be funded out of Fund 40100, Stormwater Services. In FY 2015, the Stormwater Service District rate will increase by \$0.0025 from the FY 2014 Adopted level of \$0.020 to \$0.0225 per \$100 of assessed real estate value. The FY 2015 levy of \$0.0225 will generate just over \$49 million, supporting \$19 million for staff and operational costs, and \$30 million for capital project implementation including infrastructure reinvestment, stream and water quality improvements, regulatory requirements, and dam safety requirements. Stormwater staff is currently evaluating the required future funding levels to meet the increasing federal and state regulatory requirements pertaining to the MS4 Permit, and State and Federal mandates associated with the Chesapeake Bay. I am very pleased that the new long range plan for stormwater, including a five-year rate plan, a phased approach for funding and staffing, including an increase in the fee of \$0.0025 annually for the next 5 years, and a public outreach plan to support the anticipated regulatory increases was endorsed by the Board on October 15, 2013. The process of laying out the regulatory requirements, the current limitations in meeting them and a well-crafted plan to respond to them is a wonderful example of how effective a multi-year approach can be.

### **Shift of E-911 Revenues** ***(\$23.54) million***

FY 2015 revenues and disbursements are adjusted due to the decision to have the Communications Sales and Use Tax fully support the E-911 fund instead of having a combination of revenue and General Fund transfer support the fund.

### **CONCLUSION**

As I said last year, the opportunities facing the County are very exciting. The longer term focus and planning perspective we are employing will allow for a better framing of the important choices facing the Board of Supervisors over the next several years and continue to provide the Board with the information they need to make the important decisions that are before them.

Before you begin poring over the detailed budget information that follows, please spend a moment with the Countywide dashboard for FY 2015 and FY 2016. As you recall, in preparation for publication in the FY 2014 Advertised Budget Plan, I requested that every General Fund and General Fund Supported agency identify key drivers of its budget to form the basis of a new agency dashboard. This dashboard is not replacing an agency's performance



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measures, but rather provides an additional snapshot of relevant statistics that pertain directly to why our agencies are funded as they are. The purpose of these drivers is to keep us all aware of this key data and how they are changing over time.

The figures cited in the agency dashboards are a combination of key outputs, indicators or statistics. Similar to how performance measures were implemented in the mid 1990's, I am primarily interested in starting the process of thinking in terms of the dashboard and what are an agency's key drivers. Drivers will naturally change over time and these drivers will be built into the annual budget process and into needs discussions with the community. This visual representation of what is driving the County's budget will improve the communications with the public and the Board as it relates to specific budget requests. When we talk about what is driving our needs overall we must remember:

<b>COUNTYWIDE DASHBOARD</b>			
Key Data	FY 2014	FY 2015	FY 2016
1. Residential Real Estate Equalization	3.50 percent	6.54 percent	5.50 percent
2. Commercial Real Estate Equalization	0.14 percent	(0.10) percent	0.00 percent
3. Office Vacancy Rates- Direct/with Sublets	14.4%/16.7%	14.9%/17.1%	14.9%/17.1%
4. Projections for School Enrollment Growth/ cost of growth and demographic changes	3,089/ \$23.8 million	3,369/ \$25.8 million	2,483/ \$20 million
5. Increases in Employee Pay	\$1.2 million	\$22 million	\$26 million

The \$3.70 billion General Fund budget is certainly impacted by many, many things; however, I want to stress the mix of revenue and expenditure drivers above which represent a significant portion of our budget. In terms of our resources, real estate taxes equal 63.2 percent of General Fund receipts in FY 2015. The change in values of existing properties, or equalization, is clearly a very important driver in the development of annual budgets. Fortunately, on the residential side, the message is positive. However, we cannot move forward with no growth in commercial real estate values and we need to continue to work to ensure that the community is an attractive place for economic development, business retention and investment.

On the expenditure side, the countywide drivers include two categories that represent a significant portion of our budgets: the transfer to Schools and compensation increases. Based on the Fairfax County Public Schools (FCPS) projections, student enrollment growth is occurring and must be accommodated within the budget. The demographics of students and the changes within specific special education services also drive the estimated costs.

As I have said I am pleased to be able to present a balanced budget at the existing Real Estate Tax rate of \$1.085 per \$100 of assessed value. However, given the topics that I believe will be the focus of the discussion on the budget, employee pay and the transfer to FCPS, it may be prudent for the Board to advertise a tax rate increase higher than the \$1.085 rate used to balance

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the budget to allow the flexibility to address issues beyond my budget recommendations. Funding decisions must be sustainable and viewed over a multi-year period.

In closing, I respectfully submit the FY 2015 Advertised Budget Plan, which includes the plan for FY 2016, for your consideration, and I look forward to working with you, our employees, the FCPS and the community as you ask questions and propose alternatives. Fairfax County's priority services and programs are high quality and I am proud to work with you to sustain them. The elements of a strong government which include the Board's fiscal discipline, strong financial management of reserves, balances and long-term liabilities, a well-managed debt program and adherence to a sound, strategic approach, are important components of our continued success. I am certain that as the County moves forward, while adhering to these elements, we will continue to maintain our quality Product.

Respectfully submitted,



Edward L. Long Jr.  
County Executive

# County Executive Summary

## FY 2015 Advertised Summary General Fund Statement (in millions)

	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan <sup>1</sup>	FY 2015 Advertised Budget Plan	Inc/(Dec) Over Adopted	% Inc/(Dec) over Adopted
<b>Beginning Balance</b>	\$209.44	\$87.78	\$182.81	\$110.97	\$23.19	12.69%
<b>Revenue <sup>2</sup></b>	\$3,498.10	\$3,559.55	\$3,584.33	\$3,707.71	\$148.16	4.13%
<b>Transfers In</b>	\$6.77	\$23.87	\$23.87	\$8.15	(\$15.72)	(65.86%)
<b>Total Available</b>	\$3,714.31	\$3,671.20	\$3,791.01	\$3,826.82	\$155.62	4.10%
<b>Direct Expenditures <sup>2</sup></b>	\$1,269.32	\$1,309.40	\$1,360.47	\$1,361.29	\$51.89	3.81%
<b>Transfers Out</b>						
School Operating <sup>3</sup>	\$1,683.32	\$1,716.99	\$1,716.99	\$1,751.33	\$34.34	2.00%
School Debt Service	164.76	172.37	172.37	177.14	4.77	2.77%
<b>Subtotal Schools</b>	<b>\$1,848.08</b>	<b>\$1,889.36</b>	<b>\$1,889.36</b>	<b>\$1,928.47</b>	<b>\$39.11</b>	<b>2.07%</b>
Contributory Fund	\$15.68	\$13.37	\$14.37	\$15.36	\$1.99	13.85%
Information Technology	14.28	2.91	9.76	7.35	4.44	45.49%
County Debt Service	116.85	118.80	118.80	133.74	14.94	12.58%
County Transit	36.55	34.55	34.55	34.55	0.00	0.00%
Community Services Board	109.61	109.23	110.04	112.57	3.34	3.04%
E-911	15.26	17.05	17.28	0.00	(17.05)	(98.67%)
County Insurance	22.09	21.02	21.03	23.23	2.21	10.51%
Capital Pay down	18.00	12.03	25.88	27.02	14.99	57.92%
Other Transfers	65.76	58.65	61.94	60.82	2.17	3.50%
<b>Subtotal County</b>	<b>\$414.10</b>	<b>\$387.61</b>	<b>\$413.65</b>	<b>\$414.64</b>	<b>\$27.03</b>	<b>6.53%</b>
<b>Total Transfers Out</b>	<b>\$2,262.17</b>	<b>\$2,276.97</b>	<b>\$2,303.00</b>	<b>\$2,343.11</b>	<b>\$66.14</b>	<b>2.87%</b>
<b>Total Disbursements</b>	<b>\$3,531.50</b>	<b>\$3,586.37</b>	<b>\$3,663.47</b>	<b>\$3,704.39</b>	<b>\$118.02</b>	<b>3.22%</b>
<b>Total Ending Balance</b>	<b>\$182.81</b>	<b>\$84.83</b>	<b>\$127.53</b>	<b>\$122.43</b>	<b>\$37.60</b>	<b>29.48%</b>
<b>Less:</b>						
Managed Reserve	\$71.88	\$71.73	\$73.27	\$74.09	\$2.36	3.22%
Reserve for State/Federal Reductions and Federal Sequestration Cuts <sup>4</sup>	\$8.10	\$8.10	\$7.70	\$7.70	(0.40)	(5.19%)
Litigation Reserve <sup>5</sup>	\$5.00	\$5.00	\$30.00	\$30.00	25.00	83.33%
Transportation Reserve <sup>6</sup>	\$0.54					
Reserve for FY 2014 Budget Development <sup>7</sup>	\$0.74					
FY 2012 Audit Adjustments <sup>8</sup>	\$1.51					
FY 2013 Audit Adjustments <sup>2</sup>	\$1.47		\$1.47			
Reserve for FY 2014 Third Quarter <sup>9</sup>			\$15.10			
Reserve for Board Consideration <sup>10</sup>				\$10.64	10.64	-
<b>Total Available</b>	<b>\$93.56</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>-</b>

<sup>1</sup> FY 2014 Revised Budget Plan revenues reflect a net increase of \$24,481,152 based on revised revenue estimates as of fall 2013. The FY 2014 Third Quarter Review will contain a detailed explanation of these changes. Of the total, \$25,000,000 has

## County Executive Summary

been added to the Litigation Reserve and the remaining amount, a decrease of \$518,848, has been taken from the Reserve for FY 2014 Third Quarter.

<sup>2</sup> In order to appropriately reflect actual revenues and expenditures in the proper fiscal year, FY 2013 revenues are increased \$2,084,386 and FY 2013 expenditures are increased \$614,936 to reflect audit adjustments as included in the FY 2013 Comprehensive Annual Financial Report (CAFR). As a result, the *FY 2014 Revised Budget Plan* Beginning Balance reflects a net increase of \$1,469,450. Details of the FY 2013 audit adjustments will be included in the FY 2014 Third Quarter package. This one-time funding is expected to be utilized as part of the *FY 2014 Third Quarter Review* and, as a result, is not carried forward into FY 2015.

<sup>3</sup> The proposed County General Fund transfer for school operations in FY 2015 totals \$1,751,328,506, an increase of \$34,339,775, or 2.0 percent, over the *FY 2014 Adopted Budget Plan*. It should be noted that the Fairfax County Public Schools Superintendent's Proposed budget reflects a General Fund transfer of \$1,815,133,009, an increase of \$98,144,278, or 5.7 percent, over the *FY 2014 Adopted Budget Plan*. In their action on the Superintendent's Proposed budget on February 6, 2014, the School Board maintained the Superintendent's request for a \$98.1 million increase in the transfer.

<sup>4</sup> As part the *FY 2012 Carryover Review*, an amount of \$8,099,768 was set aside in reserve for State/Federal Reductions and Federal Sequestration Cuts. As part of the County Executive's proposed *FY 2013 Carryover Review*, \$401,888 of this reserve was utilized to offset federal sequestration reductions for the Head Start and Early Head Start grant programs. Use of the reserve funding is in line with the direction given by the Board of Supervisors as part of the June 25, 2013 Human Services Committee meeting. As part of their deliberations on the *FY 2013 Carryover Review*, the Board of Supervisors earmarked \$1,000,000 of this reserve for potential requirements within the Housing Blueprint/Bridging Affordability program as a result of the use of \$1,000,000 in Blueprint funding for the Housing Choice Voucher (HCV) Reserve.

<sup>5</sup> As part of the *FY 2012 Carryover Review*, an amount of \$5,000,000 was set aside in reserve to address the impact of a number of potential refunds resulting from pending tax appeals. As a result of revised projections of the timing of litigation requirements, this reserve has been increased by \$25,000,000 to \$30,000,000.

<sup>6</sup> As part of the *FY 2012 Carryover Review*, an amount of \$538,344 was set aside in reserve for transportation requirements. This reserve was utilized to balance the FY 2014 budget.

<sup>7</sup> As part of the *FY 2012 Carryover Review*, an amount of \$742,333 was set aside in reserve for FY 2014 budget development. This reserve was utilized to balance the FY 2014 budget.

<sup>8</sup> As a result of FY 2012 audit adjustments, an amount of \$1,513,332 was available to be held in reserve in FY 2013 and was utilized to balance the FY 2014 budget.

<sup>9</sup> As part of the *FY 2013 Carryover Review*, an amount of \$15,616,776 was set aside in reserve for FY 2014 requirements or FY 2015 budget development. As a result of revised FY 2014 revenue estimates, this reserve has been reduced by \$518,848 to \$15,097,928. It is expected that this one-time funding will be utilized as part of the *FY 2014 Third Quarter Review* and, as a result, is not carried forward into FY 2015.

<sup>10</sup> As part of the *FY 2015 Advertised Budget Plan*, an amount of \$10,640,747 has been set aside in reserve for Board consideration during their deliberations on the FY 2015 budget.

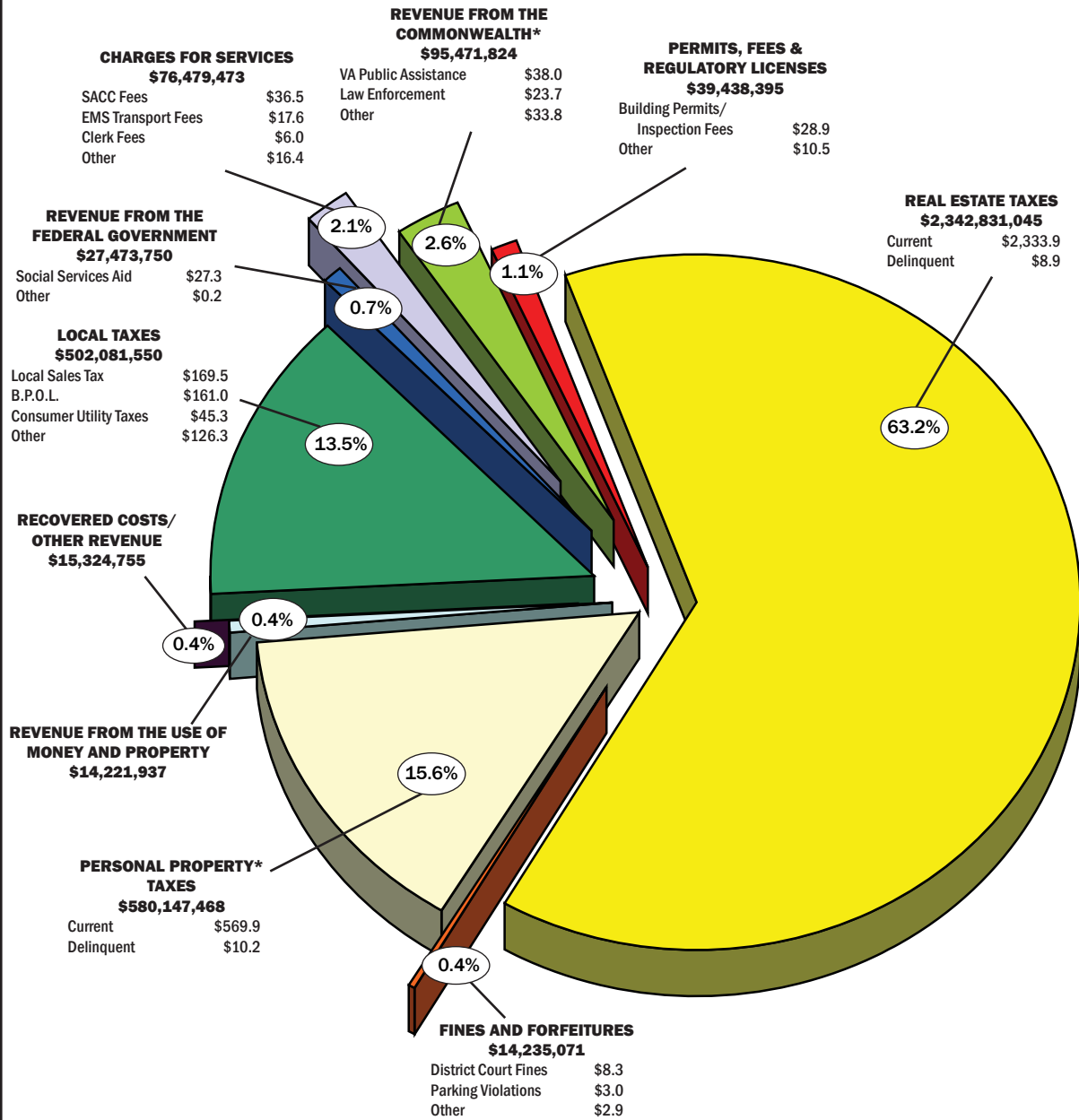
# County Executive Summary

## FY 2015 and FY 2016 MULTI-YEAR BUDGET PLAN: TAX AND FEE FACTS

Type	Unit	FY 2013 Actual Rate	FY 2014 Actual Rate	FY 2015 Recommended Rate	FY 2016 Planned Rate
<b>GENERAL FUND TAX RATES</b>					
Real Estate	\$100/Assessed Value	\$1.075	\$1.085	\$1.085	\$1.085
Personal Property	\$100/Assessed Value	\$4.57	\$4.57	\$4.57	\$4.57
<b>NON-GENERAL FUND TAX RATES</b>					
<b>REFUSE RATES</b>					
Refuse Collection (per unit)	Household	\$345	\$345	\$345	\$345
Refuse Disposal (per ton)	Ton	\$60	\$60	\$62	\$62
Leaf Collection	\$100/Assessed Value	\$0.015	\$0.015	\$0.015	\$0.015
Solid Waste Landfill Ash Disposal	Ton	\$17.50	\$19.50	\$22.50	\$22.50
Energy/Resource Recovery Facility	Ton	\$29	\$29	\$29	\$29
<b>SEWER CHARGES</b>					
Sewer Base Charge	Quarterly	\$5.50	\$12.79	\$15.86	\$20.15
Sewer Availability Charge	Residential	\$7,750	\$7,750	\$7,750	\$7,750
Sewer Service Charge	Per 1,000 Gallons	\$6.55	\$6.55	\$6.62	\$6.65
<b>COMMUNITY CENTERS</b>					
McLean Community Center	\$100/Assessed Value	\$0.022	\$0.022	\$0.023	\$0.023
Reston Community Center	\$100/Assessed Value	\$0.047	\$0.047	\$0.047	\$0.047
<b>OTHER</b>					
Stormwater Services District Levy	\$100/Assessed Value	\$0.020	\$0.020	\$0.0225	\$0.0250
Route 28 Corridor	\$100/Assessed Value	\$0.18	\$0.18	\$0.18	\$0.18
Dulles Rail Phase I	\$100/Assessed Value	\$0.22	\$0.21	\$0.21	\$0.21
Dulles Rail Phase II	\$100/Assessed Value	\$0.15	\$0.20	\$0.20	\$0.20
Integrated Pest Management Program	\$100/Assessed Value	\$0.001	\$0.001	\$0.001	\$0.001
Commercial Real Estate Tax for Transportation	\$100/Assessed Value	\$0.11	\$0.125	\$0.125	\$0.125
Tysons Service District	\$100 / Assessed Value	\$0.00	\$0.04	\$0.05	\$0.06

# FY 2015 ADVERTISED GENERAL FUND RECEIPTS

Where it comes from . . .  
(subcategories in millions)



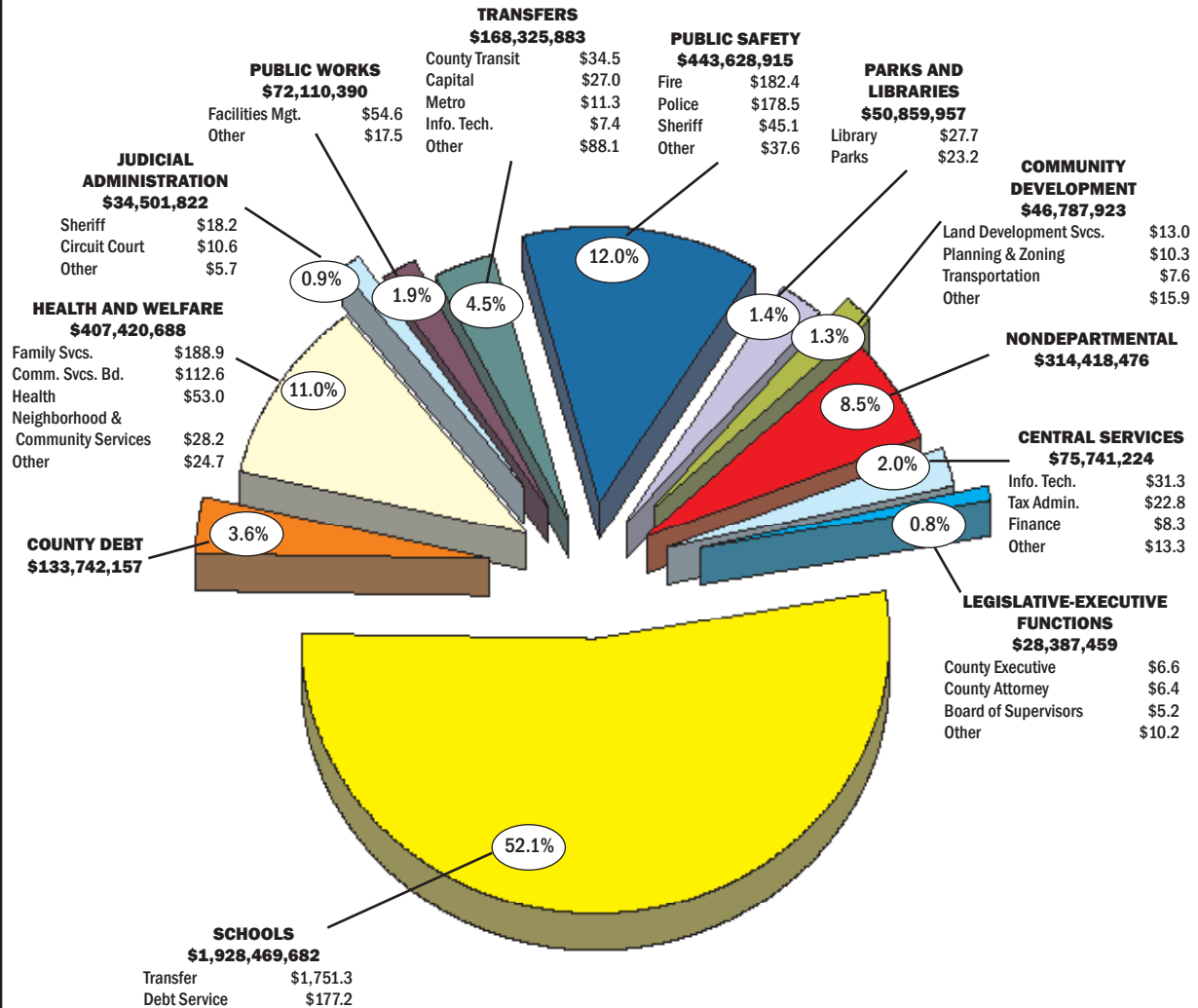
**FY 2015 GENERAL FUND RECEIPTS = \$3,707,705,268 \*\***

\* For presentation purposes, Personal Property Taxes of \$211,313,944 that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Personal Property Taxes category.

\*\* Total County resources include the receipts shown here, as well as a beginning balance and transfers in from other funds.

# FY 2015 ADVERTISED GENERAL FUND DISBURSEMENTS

Where it goes . . .  
(subcategories in millions)

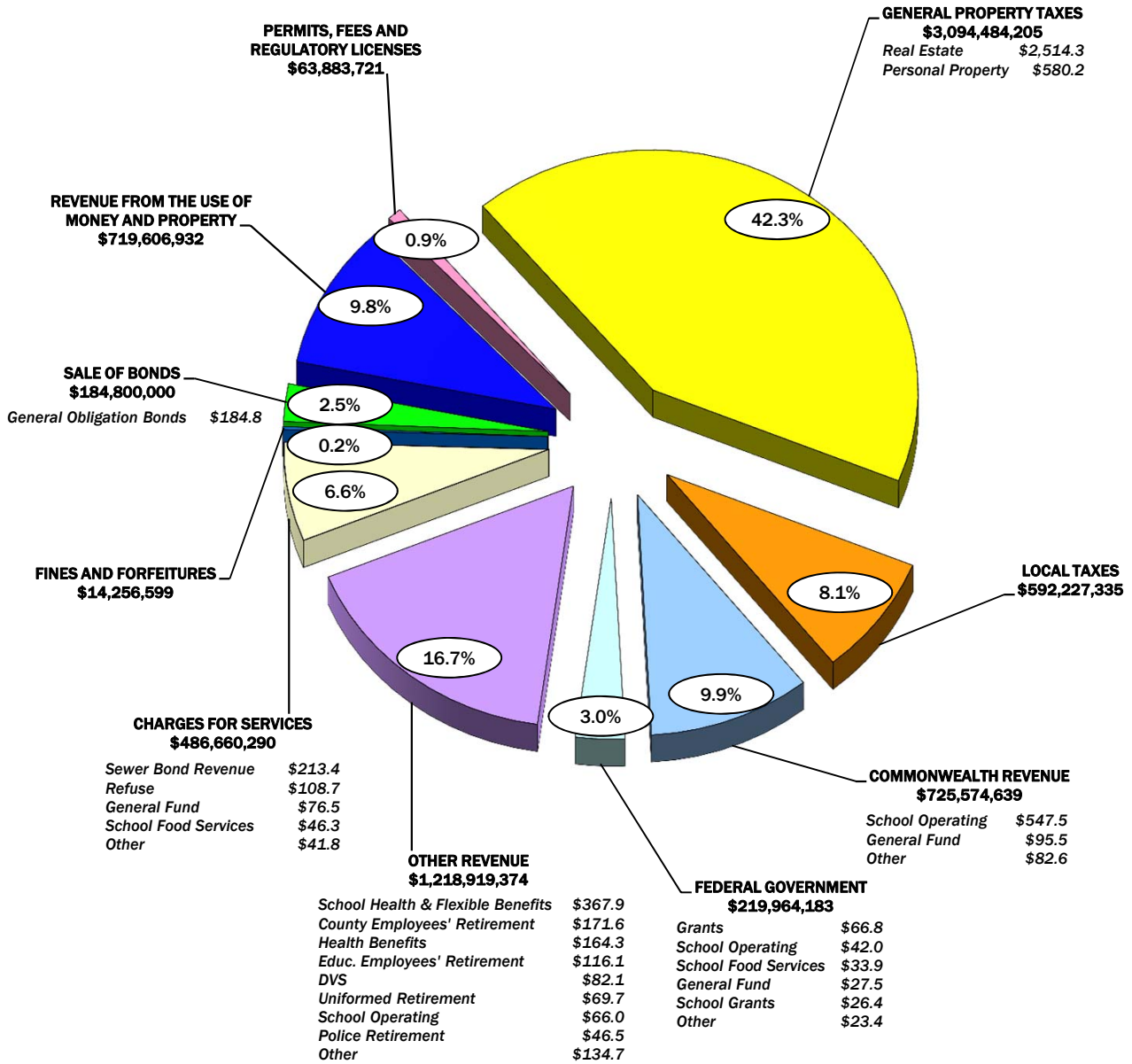


**FY 2015 GENERAL FUND DISBURSEMENTS = \$3,704,394,576**

In addition to FY 2015 revenues, available balances and transfers in are also utilized to support disbursement requirements.

# FY 2015 ADVERTISED BUDGET PLAN REVENUE ALL FUNDS

(subcategories in millions)

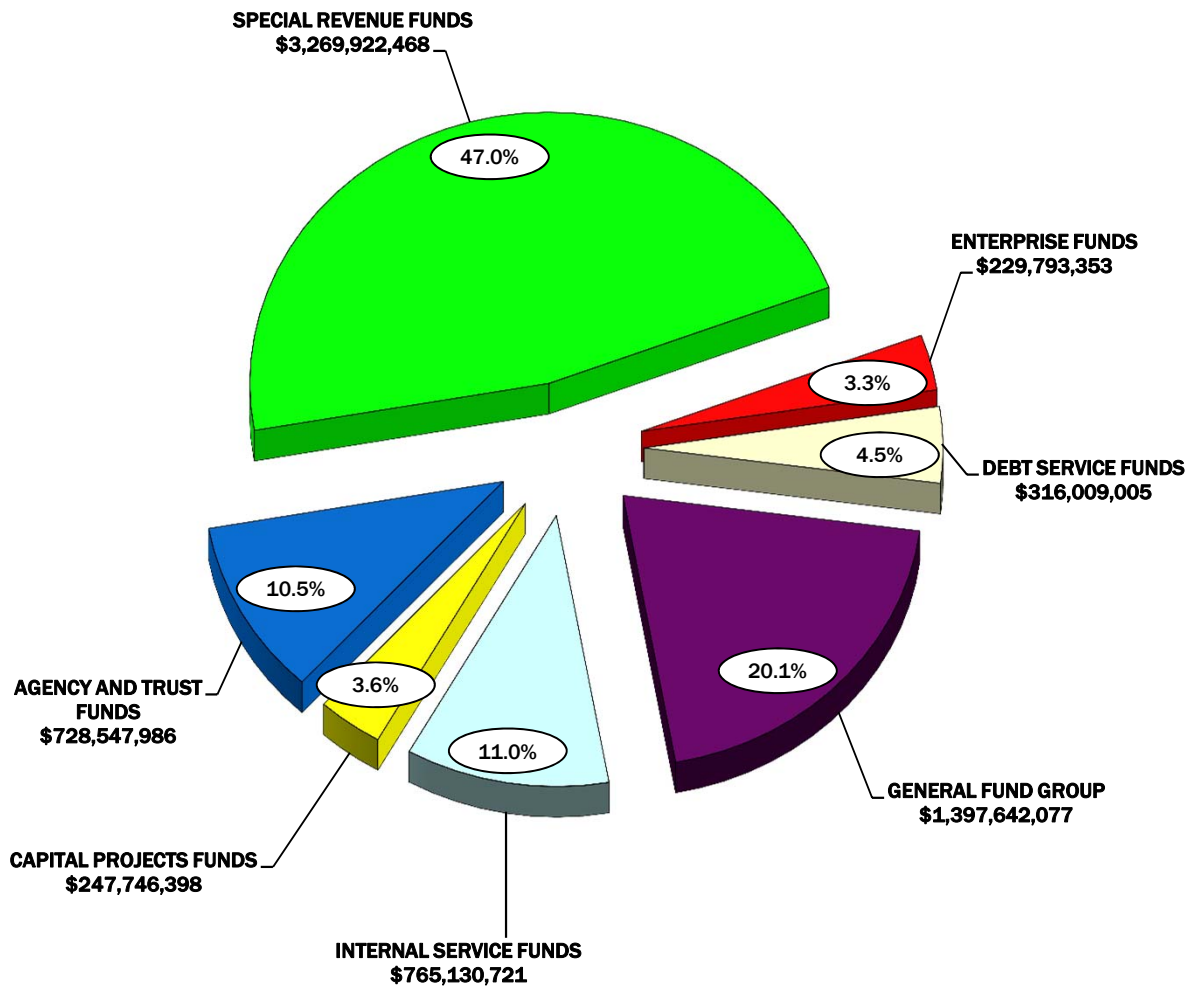


**TOTAL REVENUE = \$7,320,377,278**

For presentation purposes, Personal Property Taxes of \$211,313,944 that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Personal Property Taxes category.



# FY 2015 ADVERTISED BUDGET PLAN EXPENDITURES ALL FUNDS



**TOTAL EXPENDITURES = \$6,954,792,008**

# FY 2015

Advertised Budget Plan



## Multi-Year Budget - FY 2015 and FY 2016

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# Multi-Year Budget – FY 2015 and FY 2016

## Multi-Year Financial Planning Process/Financial Forecast

Beginning in FY 2014, the County undertook a more comprehensive multi-year General Fund budgeting process - the development of a two-year budget framework. The two years include the budget being approved by the Board of Supervisors (FY 2015) and the subsequent year framework (FY 2016). In this way County staff throughout the organization will be able to more completely outline the prospective issues that will need to be addressed as part of the budget process for the following year, more clearly demonstrate the impact of decisions in the budget being adopted, and lay out a more accurate projected shortfall or surplus for the next year as well as any associated options for balancing that budget. The process will culminate in the adoption each year of the annual budget, as required by State Code.

The multi-year budget process includes a three-year historic view of the General Fund, the FY 2014 revised budget, the County Executive’s FY 2015 Recommendations and the FY 2016 Projections. In addition, a detail of increases, both in dollars and as percentages, are included at the end of this section. This review will be expanded in future years to include an even longer planning horizon to further enhance budget development.

In addition to the development of the FY 2015 requirements, the new process includes review and analysis by each General Fund agency of its upcoming requirements for FY 2016. Specifically, agencies are projecting increased workload requirements, the impact of changing demographics, and the cycle of replacement for infrastructure, as well as areas for greater efficiency.

## Summary of the FY 2015 and FY 2016 Multi-Year Budget

As a result of the projections for revenues and expenditures included below, a modest budget surplus of \$13.73 million exists for FY 2016. In summary (in millions):

General Fund	FY 2014 Revised	FY 2015 Advertised	FY 2016 Projected	% Change FY 2015 - FY 2016
Beginning Balance	\$182.81	\$110.97	\$111.79	
Revenues	\$3,584.33	\$3,707.71	\$3,844.31	3.68%
Transfers In	\$23.87	\$8.15	\$8.15	
<b>Total Available</b>	<b>\$3,791.01</b>	<b>\$3,826.82</b>	<b>\$3,964.24</b>	
School Operational and Debt				
Service Transfer	\$1,889.36	\$1,928.47	\$1,968.50	2.08%
County Disbursements	\$1,774.12	\$1,775.92	\$1,867.59	5.16%
<b>Total Disbursements</b>	<b>\$3,663.47</b>	<b>\$3,704.39</b>	<b>\$3,836.09</b>	<b>3.56%</b>
Ending Balance	\$127.53	\$122.43	\$128.15	
Managed Reserve	\$73.27	\$74.09	\$76.72	
Other Reserves	\$54.27	\$37.70	\$37.70	
<b><i>As included in the FY 2015 and FY 2016 Multi-Year Budget</i></b>				
<b>Current Balance/(Shortfall)</b>		<b>\$10.64</b>	<b>\$13.73</b>	

The detail of the revenue and expenditure assumptions discussed below are presented in the Multi-Year Budget Schedule at the end of this section, and the County Executive’s budget letter contains important information on the context of the FY 2015 and FY 2016 Multi-Year Budget.

# Multi-Year Budget – FY 2015 and FY 2016

## Revenue Assumptions

Based on the assumptions and estimates detailed below, General Fund revenues are projected to experience moderate increases of 3.44 percent and 3.68 percent in FY 2015 and FY 2016, respectively. Revenue growth rates for individual categories are shown in the following table:

### ACTUAL AND PROJECTED REVENUE GROWTH RATES

Category	ACTUAL	PROJECTIONS		
	FY 2013	FY 2014	FY 2015	FY 2016
Real Estate Tax - Assessment Base	3.27%	3.40%	5.77%	4.90%
Equalization	2.53%	2.63%	4.84%	4.15%
Residential	0.71%	3.50%	6.54%	5.50%
Nonresidential	8.21%	0.14%	-0.10%	0.00%
Normal Growth	0.74%	0.77%	0.93%	0.75%
Personal Property Tax - Current <sup>1</sup>	7.95%	0.00%	2.62%	2.00%
Local Sales Tax	2.49%	0.53%	1.00%	2.50%
Business, Professional and Occupational, License (BPOL) Taxes	4.30%	0.00%	1.00%	2.50%
Recordation/Deed of Conveyance	8.49%	-13.93%	-1.74%	1.00%
Interest Rate Earned on Investments	0.58%	0.40%	0.40%	0.50%
Building Plan and Permit Fees	5.03%	0.00%	2.29%	3.00%
Charges for Services	4.38%	2.52%	2.64%	0.67%
State/Federal Revenue <sup>1</sup>	9.45%	0.26%	1.37%	0.00%
<b>TOTAL REVENUE</b>	<b>3.50%</b>	<b>2.47%</b>	<b>3.44%</b>	<b>3.68%</b>

<sup>1</sup> The portion of the Personal Property Tax reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 is included in the Personal Property Tax category for the purpose of discussion in this section.

### *Economic Indicators and Assumptions*

Economic projections for the national and local economies were reviewed from a variety of sources in the development of these revenue estimates including IHS Global Insight, the Congressional Budget Office and the National Association of Realtors. For forecasts of the state and Northern Virginia economies, staff reviewed information from Chmura Economics & Analytics and George Mason University's Center for Regional Analysis. Projections specific to Fairfax County are obtained from IHS Global Insights.

The U.S. economy grew at an estimated rate of 3.2 percent during the fourth quarter of 2013. Consumer spending was especially strong, adding 2.3 percentage points to the total growth estimate. In addition, growth in exports contributed to the gain, a trend that is expected to continue into 2014. Federal spending, on the other hand, subtracted a full percentage point from economic growth during the fourth quarter due to the October shutdown and the effects of the spending sequester. Because a budget deal was struck, federal spending is not expected to be as much of a drag on economic growth in 2014. Most economists anticipate the economy to expand 3.0 percent in calendar year 2014 and from 3.0 to 3.4 percent in calendar year 2015.

Nationwide, employment growth continued in 2013. On average, 182,000 jobs per month were added during 2013, about the same as in 2012, when job growth averaged 183,000 per month. Job growth slowed in December and January, adding just 75,000 and 113,000 job, respectively. The especially weak job performance in December was attributed to significant winter storms throughout the country. The

## Multi-Year Budget – FY 2015 and FY 2016

unemployment rate in January was 6.6 percent, the lowest level in five years; however, there is concern that recent declines in the unemployment rate are partially due to the long-term unemployed giving up on looking for work.

Home prices nationwide recorded strong gains in 2013. According to the S&P/Case-Shiller home price index, home prices nationwide were up 13.7 percent for the 12 months ending November 2013. This was the strongest November performance since 2005. Home prices in the Washington Metropolitan area posted a 7.8 percent gain during the same period. The pace of home price appreciation is expected to slow somewhat during 2014.

Economic growth in the County improved in 2013. Based on preliminary estimates from IHS Global Insight, Gross County Product (GCP), adjusted for inflation, increased at a rate of 1.4 percent in 2013, up from just 0.6 percent in 2012. The County's unemployment rate remains well below the state and national level at 3.6 percent as of December 2013, a decline from 4.0 percent in December 2012.

Total annual employment in Northern Virginia in 2013 is 1.37 million, an increase of 16,700 jobs, or 1.2 percent, over 2012 based on preliminary estimates. The increase represents a solid gain; however, employment figures were not quite as strong as in 2012, when 23,500 jobs were created. Industry sectors that created new jobs include Hospitality, Retail, and Financial Activities. The number of federal jobs in Northern Virginia fell by 800, while employment in Professional Business Services, which includes most federal contractors, dropped by 1,100 jobs during the year.

### **Sequestration and the Budget Deal**

In 2013, the uncertainty regarding sequestration put Fairfax County in a particularly vulnerable economic situation. However, late in the year, a federal budget agreement was reached that eliminated \$45 billion in forced budget cuts ("the sequester") which were set to hit in January and another \$18 billion scheduled for 2015. While the deal rolls back much of the sequester through 2015, it leaves all of it in place for both defense and nondefense programs for 2016 through 2021 and even extends it for another two years after that for certain mandatory spending, including Medicare.

### ***Real Estate Taxes***

Total Real Estate: Based on the assumptions below, the total Real Estate Tax base is expected to rise 5.77 percent in FY 2015 and 4.90 percent in FY 2016.

### ***Residential Housing Market***

The local housing market continued to recover in 2013. Based on information from the Metropolitan Regional Information System (MRIS), the average sales price of homes sold in Fairfax County in 2013 rose 7.9 percent from \$492,480 in 2012 to \$531,136. This does not translate directly into growth in residential equalization because it is highly dependent on the actual inventory of homes sold in a given year. MRIS also reported that 14,981 homes sold in the County in 2013, up 8.4 percent over 2012, but on par with the average number sold during the previous seven years. Sales in 2013 are still more than 42 percent below the 2004 peak of 25,717 homes sold. Homes that sold during 2013 were on the market for an average of only 36 days, down 28 percent from the 50-day average in 2012. The 2013 rate is the fastest pace since 2005 when the average home sold in just 21 days

After increasing 3.50 percent in FY 2014, residential values rose 6.54 percent in FY 2015 to a mean assessed value for residential property of \$497,962. The increase in residential values is anticipated to moderate in FY 2016 to 5.50 percent due to an expected rise in mortgage interest rates.

## Multi-Year Budget – FY 2015 and FY 2016

### Nonresidential Real Estate

Nonresidential real estate values rose a meager 0.14 percent in FY 2014 and fell 0.10 percent in FY 2015. The effects of the uncertain political landscape and the possibility of sequestration took a toll on the County's commercial office market. The value of office elevator properties (mid- and high-rises), the largest component of the nonresidential tax base at nearly 36 percent, fell 2.90 percent. At year-end 2013, the direct vacancy rate was 14.9 percent, an increase from 14.4 percent at the close of 2012. This was the highest level since 1991 when it was 16.8 percent. Including sublet space, the overall office vacancy rate was 17.1 percent, up from 16.7 percent at year-end 2012. Over the past two years, government contractors have consolidated operations throughout the Washington area and retooled operations in order to operate in an economic environment less dependent on government procurement spending.

Multi-family apartment properties, which make up over 22 percent of the nonresidential base, experienced an increase of 3.60 percent in FY 2015. Demand for apartments was strong during the year, which increased rental income. Retail property values increased 1.52 percent in FY 2015 reflecting a modest rise in consumer spending. In FY 2016, the overall value of all types of nonresidential properties is projected to be level with FY 2015.

### New Construction

The Real Estate Tax base will also be impacted by new construction in the County. New office construction activity is being driven by the construction of the Metrorail Silver Line along the Dulles Toll Road corridor. Metrorail stations in Tysons and Reston are expected to open in early 2014. As of year-end 2013, there were nine buildings totaling nearly 1.0 million square feet under construction. More than 69 percent of the new office space under construction is speculative development. This interest in speculative development reflects confidence in the stability of the Fairfax County office market. However, as vacancy rates continue to increase there could be concern that this space will not be easily leased. Speculative development has been focused along Metro's Silver Line. However, Merrifield continues to see development as does Springfield and the Route 1 corridor. Based on current activity, total new construction is projected to add 0.75 percent to the overall real estate base in FY 2016, a rate somewhat lower than the FY 2015 rate of 0.93 percent but on par with FY 2013 and FY 2014.

### Personal Property Taxes

Current Personal Property Tax revenue, which represents approximately 15 percent of total General Fund revenue, is anticipated to experience an increase of 2.6 percent in FY 2015 primarily due to a moderate increase in the vehicle component which comprises over 73 percent of total Personal Property levy. Nationwide, vehicle sales rose to their highest level since 2007. Pent-up demand and easier access to credit were two reasons for the increase. These factors will impact Personal Property Tax revenue in FY 2016 which is projected to increase 2.0 percent over FY 2015.

## Multi-Year Budget – FY 2015 and FY 2016

### *Other Major Revenue Categories*

Sales tax receipts are projected to rise a modest 0.5 percent in FY 2014. Slight up-ticks are projected in FY 2015 and FY 2016 with growth estimated at 1.0 percent and 2.5 percent, respectively. BPOL receipts will be impacted by slower projected federal procurement spending. Contractors and professional business services will feel the brunt of this impact. Combined, these categories comprise nearly 46 percent of total BPOL receipts. Total BPOL receipts are anticipated to rise 1.0 and 2.5 percent in FY 2015 and FY 2016, respectively. Recordation and Deed of Conveyance revenues, which are paid for recording deeds, are anticipated to be down in FY 2014 and FY 2015 primarily due to declines in mortgage refinancings due to increases in interest rates. Growth of 1.0 percent is projected in FY 2016 based modest growth in home sales.

Due to the construction of the Silver Line Metro and redevelopment around Tysons and Fort Belvoir, construction activity and building permit fee revenue are forecasted to grow 2.3 percent in FY 2015 and 3.0 percent in FY 2016. Other permits, licenses, and user fees are also expected to experience modest growth throughout the forecast period.

Revenue from Interest on Investments is highly dependent on Federal Reserve actions. The federal funds rate has remained unchanged since the end of 2008, when it was set at 0.0 to 0.25 percent, the lowest in history. Based on statements by the Federal Reserve, the federal funds rate is expected to remain near zero throughout 2014 and 2015, especially if inflation remains low. The average annual yield on County investments is anticipated to be 0.40 percent in FY 2015. A modest increase in the yield is anticipated in FY 2016 to 0.50 percent.

The lower growth in FY 2016 Charges for Services is the result of an increase in Emergency Medical Services transport fee rates included in FY 2015. These fees are not anticipated to be raised in FY 2016.

Due to an improving fiscal outlook at the state level, no reductions in funding from the Commonwealth are anticipated; therefore, revenue in FY 2016 has been held level with FY 2015. Likewise, revenue from the federal government has been held level in FY 2016, but staff will be monitoring the impact of the sequester cuts in FY 2016 on county funding streams.

# Multi-Year Budget – FY 2015 and FY 2016

## Disbursement Assumptions

The disbursement adjustments for FY 2016 reflect a \$131.70 million increase over FY 2015. The most significant increases are discussed below. Detailed information on the Actuals and FY 2015 Adopted Budget can be accessed online at:

[http://www.fairfaxcounty.gov/dmb/fy2015/advertised/where\\_it\\_goes.htm](http://www.fairfaxcounty.gov/dmb/fy2015/advertised/where_it_goes.htm)

It is important to note that the assumptions contained below will be revalidated during the FY 2016 and FY 2017 multi-year budget development process and it may be necessary to make changes in order to maintain a balanced budget and address Board priorities.

### *Fairfax County Public Schools (FCPS)*

**\$40.0 million**

Assuming a 2 percent increase in the transfer to the Fairfax County Public Schools for operations results in an increase of approximately \$35 million. This increase is included for planning purposes recognizing that school enrollment is anticipated to increase by approximately 2,500, that some level of compensation increase may be considered for FCPS employees and for anticipated increases in benefit costs which may also rise in future years.

In addition, and based on the size of bond sales for School facilities (of \$155 million), an increase of \$5 million is anticipated for FY 2016 for debt service. As a result, the County commitment for Schools in FY 2016 would be at 51.3 percent of General Fund Disbursements based on the projected level of disbursements for FY 2016.

### *Employee Compensation (Pay and Benefits)*

#### *Pay*

**\$26.0 million**

Final pay decisions for FY 2015 will be made as the Board considers the Budget. The Advertised budget includes funding for a 1.29 percent Market Rate Adjustment (MRA) for all employees and longevities for public safety. Once decisions are made for FY 2015 a longer term pay structure will be the topic of discussion by a committee of Board members, employee group representatives and staff. Once this plan is developed and approved by the Board, anticipated for September 2014, the next multi-year budget will be refined to reflect the cost associated with the plan.

For purposes of the FY 2016 plan a \$26 million placeholder for employee pay increases is used. It is based on:

- 1) Market rate increases (MRA) for all employees are assumed at an estimated cost of \$22 million which assumes a 2 percent MRA. The actual MRA, based on the previously agreed to funding calculation, will be calculated in the Fall of 2014. The MRA increase in funding is applied to employee salaries at the beginning of the fiscal year. The MRA provides a guide to the amount of pay structure adjustment needed to keep County pay rates competitive with the market. The County Executive and the Board have agreed that funding the MRA is a top priority of any pay structure.
- 2) Longevity increases for public safety employees are granted to employees as they reach 15 and 20 years of service once they have reached the top of the pay scale. Longevity awards are granted each year on the anniversary date of the employee. The FY 2016 projected cost of these longevity increases is \$750,000. In addition the full year impact of longevities earned in FY 2015 totals \$750,000 for a full year impact in FY 2016 of \$1.5 million.



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- 3) A placeholder of \$2.5 million is included in FY 2015 for compensation adjustments that would result from the annual review of 50 percent of all County job classifications. This schedule of review is designed to ensure that all County classes are reviewed every other year. The process for review uses representation job classes from among job families and compares pay levels with our competitors in the local job market.

### *Fringe Benefits*

**\$19.2 million**

The primary increases for benefits for FY 2015 are for retirement (\$9.7 million), health insurance (\$7.7 million), the Federal Transitional Reinsurance Program (\$1.1 million) and the final reduction in the Police Retirement Employee Contribution Rate (\$0.7 million) for a total of \$19.2 million.

In 2002, the County adopted the corridor funding approach to its pension liabilities. This policy, in practice for over a decade and validated annually by the County's actuaries, has been designed to decrease the year to year volatility of the County's annual contribution rates as a percent of payroll. In the corridor method of funding, a fixed contribution rate is assigned to each system and the County contributes at the fixed rate unless the system's funding ratio falls outside the pre-selected corridor of 90-120 percent or if benefit enhancements are approved. If the funding ratio falls below 90 percent, the unfunded actuarial accrued liability below 90 percent is amortized over 15 years in order to return the funding ratio to 90 percent. At the Board of Supervisors' direction, staff conducted a comprehensive examination of the corridor policy in FY 2010 and concluded that the corridor approach should be maintained, as it has cushioned the County from dramatic rate increases in the past. At the same time the Board directed that to improve the funding of the County's retirement systems in the aftermath of the significant investment losses of 2008, employer contribution rates should be increased above the level defined by the corridor. The employer contribution rates were increased in FY 2011 to allow for amortization to a 91 percent level. In FY 2015, employer contribution rates are further increased to allow for amortization to a 93 percent level. It is anticipated that increases in the employer contribution rates will continue each year to fund amortization to a 100 percent level by the end of the decade. As part of the FY 2016 plan a shift from 93 percent to 95 percent is funded at a cost of \$9.7 million.

Fairfax County Government offers its employees and retirees several health insurance alternatives, with the intent of offering options that are both comprehensive and cost effective. As the health care environment is in the midst of significant reform, staff is monitoring changes in the health plan market, incorporating required changes in the County's plans and processes, and examining the overall impact of reform on the County's benefits package. Upon a thorough examination, staff will be developing a long-term strategy to continue to provide cost-effective and comprehensive health care coverage to employees and retirees within the parameters of the new health care laws. Health insurance costs increases are primarily the result of actual experience in the County self-insured retirement plans, partially offset by anticipated savings resulting from plan redesign which is currently underway. The estimated increases in FY 2016 total \$7.7 million.

As part of the Patient Protection and Affordable Care Act, the County will be required to participate in the Transitional Reinsurance Program for three years beginning in calendar year 2014, with the fiscal impact beginning in FY 2015. The Transitional Reinsurance Program is intended to stabilize premiums for coverage in the individual market during the first three years health insurance exchanges are available. All health insurance issuers and self-insured group health plans (such as Fairfax County) will be required to submit contributions to support reinsurance payments to issuers that cover high-cost individuals in non-grandfathered individual market plans. Based on preliminary guidance of a \$63 per covered person (including employees and their dependents) per year fee, it is estimated that the cost of this program will be approximately \$1.6 million in FY 2015, with decreasing amounts due in FY 2016 and

## Multi-Year Budget – FY 2015 and FY 2016

FY 2017. The FY 2015 requirement was funded by the Board of Supervisors at the *FY 2013 Carryover Review*. It should be noted that Medicare participants are excluded for purposes of calculating the head count in determining the County's contribution. More information will be shared on the Transitional Reinsurance Program as additional guidance is released, but a \$1.1 million placeholder is included in the FY 2016 multi-year budget.

In FY 2016, it is also anticipated that the employee contribution rate for members of the Police Retirement System will be reduced by 0.67 percent with the employer rate increasing the same amount for a cost to the General Fund of \$0.65 million. Over a period of years the County has been reducing the employee contribution rate and at this point, the rate has been decreased from 12 percent to 9.32 percent with a goal of making the benefit more comparable between the Police and Uniformed Retirement systems, recognizing that Police do not participate in Social Security and the benefit structure and contribution rates are different between the two systems. As part of the development of the FY 2015 budget, staff of the Retirement Administration agency and the County's actuary reviewed the contribution rates to attempt to provide a comparison. As a result it was recommended that the Police employee contribution rate be reduced to 8.65 percent which will be attained in FY 2016

### ***Position Requirements***

***\$12.3 million***

In order to reflect anticipated staffing requirements, the FY 2016 plan includes projections of \$12.3 million and 106 positions for FY 2016. These positions are identified based on current and planned conditions and service requirements. The largest single component of these positions is for Public Safety as a result of the Five Year Public Safety Staffing plan that was developed. A total of 77 positions are included for Public Safety as part of the plan in FY 2016, with additional positions included in the next four years. The details of the plan will be presented to the Board of Supervisors at a Budget Committee meeting in Spring 2014. The complete plan is available online at: [www.fairfaxcounty.gov/dmb/fy16-fy20-public-safety-staffing-plan.pdf](http://www.fairfaxcounty.gov/dmb/fy16-fy20-public-safety-staffing-plan.pdf)

As part of the FY 2016 budget development process, all position requirements will be reviewed thoroughly and workload requirements analyzed prior to inclusion in the FY 2016 budget. As new information becomes available additional positions may be identified.

### **PUBLIC SAFETY STAFFING PLAN**

There were five overarching trends that Fairfax County public safety agencies agreed are factors that impacted staffing and personnel resources now and in the future. The identified trends are urbanization, population/demographics, technology, mandates/standards, and natural and man-made threats:

- Urbanization is a trend that will impact public safety incrementally over the next several decades as areas continue to transition from suburban to higher-density growth patterns. The impacts of urbanization will include longer response times to calls in high rise buildings, increased traffic congestion, and the need to shift to higher capacity responses.
- Clearly, the total population of the County is growing both in terms of residents and those working in the County and impacting service delivery while here. In 2005 there was a total population of approximately 1.6 million, including both residential and employment populations, and it is projected to reach 1.8 million by 2020. In addition to growing overall, the County's senior population is increasing. The County is expected to have a rapidly increasing population of persons age 65 and older, particularly as the Baby Boomer generation ages. As of 2011, the oldest boomers turned 65, but the greater impacts are expected to occur as the boomers reach age 80 beginning in 2026. Currently, approximately 10 percent of Fairfax County's

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population is age 65 or older. By 2015, more than 12 percent of the county population will be comprised of persons 65 and older and by 2020 this is anticipated to rise to 13.7 percent.

- Emerging technology is increasingly challenging for public safety. Efforts to investigate criminal activity are becoming more complex and more time consuming. Cell phones have become mobile computers that easily facilitate criminal enterprise and are now used more than traditional computers. The inability to effectively extract computerized/digital evidence continues to hamper the successful prosecution of criminal investigations.
- Federal, state, and local mandates also impact public safety. A significant example is the training mandates for police officers that continue to be a factor taking officers off of the street. Complex case law rulings in recent years have lengthened the time officers spend in court. DWI initiatives have increased the enforcement levels of DWIs which has resulted in lengthier court times and multiple court appearances for officers and attorneys.
- Natural and man-made threats always pose a challenge for public safety agencies and their resources. In the current environment of terrorism, bombings, and mass shootings, it is imperative that minimum staffing levels and appropriate coverage of the entire County is maintained. Natural disasters (floods, derechos, hurricanes, etc.), also pose a challenge to public safety agencies and their resources. Major weather events require large scale public safety responses sometimes for an extended amount of time. Adequately staffing each patrol area is critical to effectively responding to calls for service and maintaining a safe environment for residents and businesses.

As part of the staffing plan review, the specific position and funding requirements are:

### Commonwealth's Attorney

A total of 10/10.0 FTE positions and funding of \$1,164,160 is included for FY 2016. The Office of the Commonwealth's Attorney has operated without growth in General Fund positions since 1997. Based on caseload numbers, the Fairfax County Office of the Commonwealth's Attorney handles the greatest workload of any prosecutor's office in the state. In addition, a number of changes have occurred over the years that have dramatically increased the amount of time spent in court and preparing for court. Standards in discovery for criminal cases (which require written responses) continue to expand and the office must now respond in writing to all pretrial motions when previously only oral responses were required. In addition, jury trials now consist of longer periods of jury selection and are bifurcated into two separate phases, a guilt phase and a sentencing phase. This has resulted in jury trials that last for multiple days where they would once be concluded in a day. Longer trials result in attorneys being in court multiple days and thus unavailable to assist in covering the day to day courtroom assignments. Also, given the length of the courtroom dockets, jury trial preparation cannot be completed during business hours, and leads to attorneys working late hours and weekends. As an example of the shortage in staffing, the ratio of attorneys per citizen for the four largest court systems in the state are 1 per 5,534 in Richmond, 1 per 6,643 in Norfolk, 1 per 12,082 in Virginia Beach, and 1 per 44,744 in Fairfax. As a result, 5 attorney positions are included in FY 2016.

In addition to the 5 attorney positions, 1 management analyst, 2 administrative assistant positions and 1 paralegal position are added to provide needed support for the attorneys in the preparation of cases. Currently attorneys in the office are tasked with completing clerical duties such as copying, filing, faxing, and answering phones in addition to all of their other professional and legal responsibilities. The addition of paralegals, administrative assistants and a management analyst will in turn allow attorneys more time

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to meet with witnesses, prepare for their trials, respond to motions, and draft appeals. Finally, a network analyst position is necessary. There is no other technology support within the Office of the Commonwealth's Attorney. Budget constraints prevented the office from filling a position in the past and keeping up with ever changing technological advances. Surveillance and video equipment used by law enforcement agencies, businesses and citizens continue to change. Video is often delivered to the Office of the Commonwealth's Attorney in many different formats that require specific programs or software. At the same time, judges and juries increasingly expect the use of such technologies in the course of courtroom presentations, hearings and trials. Due to these factors, this office has been unable to keep up with the technologies necessary to view, copy and convert CDs received as evidence or to employ many of the other technological innovations available to the courtroom practitioner today.

It should be noted that the current total plan for the Commonwealth's Attorney over the next five years, including the 10 positions discussed above, is for 39 positions at a cost of \$4.5 million.

### Police Department

A total of 7/7.0 FTE positions and funding of \$1,153,455 is included for FY 2016. The Fairfax County Police Department is the largest local police agency in the Commonwealth of Virginia. With a population of more than one million residents, Fairfax County is one of the safest communities in the Washington Metropolitan area. In spite of being the most populated community in the region, crime remains at record low levels. In addition, the Fairfax County Police Department continues to maintain the lowest officer to resident ratio of all other police departments in this region and across the nation when compared to departments of similar size and population density. In spite of the success at keeping the crime rate low the department is experiencing deficits in several key areas, and after an extensive analysis of all bureaus a staffing request for critical positions was developed. This analysis took into consideration the five key overarching trends that impact public safety resources as well as internal factors such as a culture of safety and the agency's strategic plans. As a result, 2 explosive ordinance technician, 2 computer forensics detectives, 2 animal control offices and 1 civilian investigator are included for FY 2016.

Explosive Ordinance Disposal (EOD) technicians respond to suspicious events where explosive or otherwise hazardous packages, munitions, or devices have been located. The EOD technician determines the threat to public safety, recommends appropriate evacuations zones, and then renders safe the device, transports the device to a disposal location, and then destroys or dismantles the device. They provide security sweeps with explosive detecting dogs at public venues, mass transit sites, and in VIP security details. They serve as liaison with Fire Department HAZMAT, FBI EOD teams, and other EOD teams in the NCR. In 1981, EOD was formed with two full-time EOD technicians; thirty-three years later there are still only two full-time technicians. Technology has also impacted EOD, as their tools and the threats they deal with have advanced dramatically. The use of robots and high resolution X-rays have increased safety, but require more advanced training. Currently, two EOD technicians must respond on every call per protocol. Once the EOD technicians arrive on the scene, the examination of the device takes longer because of the range and complexity of equipment. The typical incident lasts between two and six hours. Adding two additional full-time EOD technicians would provide the County with the resources required to handle two bomb/explosive events simultaneously. The full-time EOD technicians are also EOD canine handlers. The EOD canine capability is critical in protective sweeps at large public events and mass transit sites. EOD canines regularly do sweeps at Metro stations, adding another team would expand our ability to conduct safety sweeps.

While crime has generally dropped to the lowest level in several decades, both in Fairfax County and across the country, one growth area for criminal activity is in the area of computer and Internet-related

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crime. This trend is reflected in the investigative workloads handled by both the Financial Crime Section and the Computer Forensics Section in the Criminal Investigations Bureau; both have increased dramatically in recent years. The backlog of evidence to be processed by the Computer Forensics Unit is now months long. A recent independent analysis of the Department's computer related crime statistics indicated that the caseload is projected to increase by approximately 6 percent annually for the foreseeable future. In June 2013, the Patrol Bureau identified an issue concerning forensic support for CIS cases. Due to the constantly increasing workload demand on the Computer Forensic Section, property cases now have an average seven month wait time for processing, causing many cases to be dropped in court which the addition of 2 detective positions could help to minimize.

Animal Control Officers perform a wide range of animal control duties to include responding to calls for service, investigating animal bite cases, conducting investigations in sensitive cases of alleged animal cruelty, interviewing witnesses and suspects, and securing and serving warrants related to animal and wildlife offenses. These officers work in close cooperation with the Health Department, Zoning Enforcement, and the Commonwealth's Attorney's Office. They rescue injured animals and/or perform field euthanasia of injured and sick animals as necessary. These officers are also tasked with inspecting kennels, boarding stables, pet shops and traveling animal exhibits to ensure compliance with county, state, and federal laws and regulations. Currently, Animal Control is authorized 26 Animal Control Officer (ACO) positions. The ACOs are assigned to four squads covering the day work and evening shifts seven days a week. The minimum staffing of each squad is four ACOs. Based on the Department's patrol staffing model, each squad should be staffed with seven ACOs. This is based on minimum staffing plus three officers, which provides sufficient coverage for officer safety, officers on personal leave, injury leave, and attending training. Both day work squads are currently staffed with seven ACOs, however, each evening shift squad is only staffed with six ACOs. Whenever minimum staffing is not met, overtime is required to fill the minimum staffing positions for the shift. In FY 2013, over 3,000 hours of overtime was expended to reach minimum staffing levels. Animal Control continues to experience an increase in workload. From 2010 to 2012, new cases assigned to ACOs increased nearly 14 percent, active investigations increased over 38 percent, and total cases assigned increased over 18 percent. As of August 2013, Animal Control is experiencing another year of significant increases in calls for service. The addition of the 2 officers will address this gap on staffing.

The Financial Crimes squad consists of 15 full time employees, which include 12 detectives and three civilian fraud investigators. The Financial Crimes detectives investigate fraud and financial cases, including ID theft, embezzlement, credit card theft, and bad check cases. The Financial Crimes squad has the largest caseload in MCD with an average of 3,000 cases per year. Due to the high volume of cases and delay in our responses to victims, the squad has been experiencing the highest number of citizen complaints in MCD. Currently, the civilian employees triage each case for further potential follow-up. The addition of one civilian investigator will add to the capacity of the squad improving response times and customer satisfaction.

It should be noted that the current total plan for the Police Department over the next five years, including the 7 positions discussed above, is for 80 positions at a cost of \$15.3 million.

### Office of the Sheriff

A total of 22/22.0 FTE positions and funding of \$2,579,098 is included for FY 2016. Included in the increase are 8 positions for direct supervision of female inmates in the Adult Detention Center (ADC) which will allow placement of female inmates in multiple areas of the facility. The numbers of females incarcerated in the ADC has increased over the past 4 years. This dedicated female direct supervision

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post will help accommodate fluctuations with the female inmate population and appropriate placement within the ADC.

Another 4 positions (1 per squad) are to support the hospital post. On average, each confinement shift has 2 inmates admitted to the hospital due to serious medical issues above and beyond the ADC medical staff's capabilities. Each inmate at the hospital requires a minimum of 1 deputy. Maximum custody inmates may require 2 deputies per shift. These statistics have been consistent over the past year. This may be due to a number of reasons such as an aging population. Historically, the hospital post was not staffed on a daily basis because inmates were not admitted to the hospital as frequently several years ago.

A total of 8 positions are included for the male forensics posts. In 2003, staffing of the male forensics post began as a pilot program based on the requirements associated with inmates with mental health issues. This class of inmates continues to grow and has shown an increase since 2009. The units housing inmates with mental health issues are in close proximity to classrooms and forensics health staff. These inmates require intensive supervision and the enhanced security.

The last group of 2 positions is for Courthouse security (outside of the deputies in courtrooms). Recent budget constraints resulted in the redeployment of 15 of the 20 uniformed Courthouse security staff. Prior to the reduction in staff, the Courthouse Facility Security Section was responsible for and always took a proactive approach towards security for the 52 acre Fairfax County Courthouse complex with the intent to reduce crimes, manage emergencies and thwart any acts of terrorism towards visitors and employees. Although still responsible for addressing issues within the complex, our current primary focus is on situations occurring within the courthouse itself. Visitors entering the courthouse totaled an annual average of 1,049,081 for FY 2008 - FY 2012. The duties of the five members of the Facility Security staff supplement contracted security within the facility. Based on the volume of visits to the facility an increase in staffing is designed to maintain a high level of efficiency and timely response to events on the judicial complex.

It should be noted that the current total plan for the Office of the Sheriff over the next five years, including the 22 positions discussed above, is for 37 positions at a cost of \$4.2 million.

### Fire and Rescue Department

A total of 36/36.0 FTE positions and funding of \$3,647,877, as well as \$1,060,976 in increased General Fund support for 19 positions added in FY 2014 as the result of the award of a grant (described below), is included for FY 2016. This results in a total requirement in FY 2016 of \$4,708,853. The top priority of the Fire and Rescue Department (FRD) is staffing the remaining ladder trucks with a fourth person. As a result 33 of the 36 positions are for this purpose. The remaining positions are for Research and Development including one uniformed and 2 civilian positions.

To begin implementing the initiative of fourth on trucks, the department recently won a \$3,136,843 Staffing for Adequate Fire and Emergency Response (SAFER) grant, awarding funds over a two year period, to hire 19 merit firefighter/medic positions. The \$1,060,976 mentioned above is the partial year funding required in FY 2016 as this grant will end early in FY 2016. The County will continue to apply for similar grants to offset at least the initial cost of the positions. Four person truck staffing will enhance FRD's ability to reach fire, rescue and medical emergency services in a timely manner, increase the ability to complete time critical tasks on-scene as quickly as possible with the right amount of personnel thus reducing property loss and firefighter injury risks or death. Adding a fourth staff person to truck companies will also bring units into compliance with Occupational Safety and Health Administration (OSHA) and NFPA standards. In 2010 FRD committed personnel to participate in NIST residential

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fireground field experiments. The resulting report presents outcomes of more than 60 fireground experiments designed to quantify the effects of various fire department deployment configurations on the most common type of residential structure fire. Report results quantify the effectiveness of crew size and time to completion of 22 key fireground tasks, and effect on occupant and firefighter safety. Of the 22 tasks measured, results indicate four-person crews operating on a low-hazard structure fire completed laddering and ventilation (for life safety and rescue) 30 percent faster than two-person crews and 25 percent faster than three-person crews. Four-person crews completed the same number of tasks (on average) 5.1 minutes faster (nearly 25 percent) than the 3-person crews FRD presently operates with on ladder trucks. This report starkly illustrates the necessity for FRD to achieve four-person crews in accordance with NFPA 1710. Another compelling reason for responding to fires with this level of staffing is the ability of the first responding unit to immediately begin to address the hazard in compliance with Occupational Health and Safety requirements for firefighting, commonly called the “Two-In Two-Out” requirement. OSHA 29CFR 1910.134(g)(4) requires that at least two personnel enter the Immediately Dangerous to Life of Health (IDLH) atmosphere and remain in visual or voice contact with each other at all times. It also requires that at least two personnel be located outside the IDLH atmosphere. Four person truck company staffing will allow the crew to work in separate teams of two as mandated by OSHA. Trucks are responsible for deploying ladders to upper floors in residential and commercial buildings, for conducting searches above the fire and providing immediate means of egress for firefighters. Each truck company carries either a straight aerial ladder 105 feet long or a ladder tower/aerial platform 95 feet long with a maximum extension from 9-10 stories. Independently of each other, each two person team must conduct ventilation and ladder work in addition to assisting the driver with vehicle stabilization for aerial/tower ladder operations while the other team is conducting interior operations. It is also the department’s goal to have at least one firefighter/medic on every piece of suppression apparatus to improve the ALS capacity. Achieving this goal will improve overall ALS response times County wide providing the best possible chance of survival and recovery for medical patients. Therefore the fourth crew member added to ladder trucks will be a firefighter certified in advanced life support.

FRD has also identified the need for a Research and Development Section to provide a dedicated staff to keep pace with technological advancements so that Fairfax County remains on the cutting edge of fire suppression, emergency medical services and special operations service delivery. Technology is evolving rapidly in firefighting and emergency medical services. As the science of firefighting and emergency medical services is more widely studied, the evolution of equipment and technology is swiftly advancing. FRD currently has an Innovation and New Ideas Committee responsible for reviewing recommendations for altering equipment or changing fire, rescue, and emergency medical services delivery. While this committee has been helpful in reviewing recommendations, the exponential pace at which technology is advancing has surpassed the ability of an ad hoc committee to keep up with research to evaluate proposals. With emergency medical equipment specifically, improvements to the way emergency services are rendered changes every six to eight months. FRD must keep abreast of advancements and make informed decisions about what technology to purchase, what generation of the technology should be purchased and whether or not the cost is worth the return on investment. The creation of a Research and Development Section will provide dedicated staffing to manage the research, selection, review, and evaluation process of new equipment, tools, technologies, and innovations that will improve service delivery to residents, businesses, employees, and visitors to Fairfax County.

It should be noted that the current total plan for the Fire and Rescue Department over the next five years, including the 36 positions discussed above and the full year cost for the 19 SAFER positions, is for 166 positions at a cost of \$25.9 million.

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### Office of Emergency Management (OEM)

A total of 2/2.0 FTE positions and funding of \$237,680 is included for FY 2016 as a result of notice received that reductions in the Department of Homeland Security Urban Area Security Initiatives (UASI) grant funding are likely. Within OEM, the Emergency Planning position, Training and Exercise Officer and the NIMS Compliance Officer position have been identified as future reductions of the UASI funding for the NCR. In addition, the Grants Manager position is currently grant funded through the Emergency Management Performance Grant as well as UASI grant funding. Based on the prospect that grant funding may be reduced or eliminated, all four of these positions are identified in the OEM staffing plan with the first two, the Emergency Planner and the Training and Exercise Officer identified for FY 2016. The loss of these positions equates to a one-third reduction of OEM agency staffing.

These positions are needed to create and maintain countywide emergency plans, develop and conduct countywide training and exercises that ensure county readiness for all disaster types, and ensure federal grant compliance. Failure to fund these positions will prevent OEM from meeting these strategic goals:

1. OEM will maintain operational readiness to effectively support Fairfax County and its residents.
2. OEM will build unity of effort for countywide readiness through collaborative partnerships.
3. OEM will be a fiscally sound organization that leverages a stable and diverse funding base to achieve its mission.

These positions are critical to maintaining appropriate staffing levels within the Emergency Operations Center during emergency activations; to continue maintaining the level of service to our residents during emergencies and to continue to provide coordination of emergency planning and training countywide. Without the requested funding, OEM will be unable to sustain training and exercise levels for countywide readiness initiatives. The County will fail to meet compliance with federal mandates in regards to the National Incident Management System which could result in the loss of federal preparedness assistance (through grants, contracts and other activities) for the entire County.

It should be noted that the current total plan for the Office of Emergency Management over the next five years, including the 2 positions discussed above, is for 10 positions at a cost of 1.1 million.

### Department of Public Safety Communications

While there are no positions included for FY 2016, the current total plan for the Department of Public Safety Communications over the next five years is for 20 positions at a cost of \$1.6 million. All of the increases are based on anticipated increases in call volume requiring increased numbers of call takers.

Other Positions:

### Facilities Management Department

Additional funding for the Facilities Management Department (FMD) of \$323,221 and 4/4.0 FTE positions associated with capital renewal requirements is included for FY 2016. These four positions include one Engineer III and three Project Managers. The Board of Supervisors approved a 3-year short-term borrowing plan of \$35 million as part of the FY 2011 Adopted Budget Plan for the backlog of renewal projects at the time. Many of these backlogged capital renewal projects required multiple years to complete both design and construction and many are still underway. In addition, current staffing levels, the complexity of some of the projects, and staff requirements in other areas has delayed the completion



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of renewal projects up to four years. In order to be able to keep on schedule going forward and successfully manage the backlog of work these positions are necessary.

### Office of Elections

In response to recommendations emerging from the Commission appointed to identify requirements for funding within the Office of Elections, 3/3.0 FTE positions, including an election officer recruiter, an absentee voting position, and an administrative position are included for FY 2016 at a cost of \$224,348. Additionally, \$6.0 million is identified for FY 2016 for voting machine equipment to complete the acquisition of voting machines in advance of the November 2016 Presidential Election.

### Department of Transportation

Starting in FY 2014, the County will annually benefit from approximately \$125 million annually in regional revenues dedicated to transportation as a result of the State Transportation funding plan approved during the 2013 Session by the General Assembly (HB 2313). On January 28, 2014, the Board approved a list of nearly 230 priority local roadway and transit projects that will require various amounts of staff management, oversight, and review over the foreseeable future. New positions were identified to be phased in over a two year period with the first group of positions added in FY 2015. The balance of the requested positions, 7/7.0 FTE positions are included in FY 2016. The increased funding included in Fund 40010, County and Regional Transportation Projects will support these position costs and results in no net impact to the General Fund.

### Department of Family Services

An increase of \$325,410 and 3/3.0 FTE positions is associated with expanding behavioral health services for youth and families as a result of the recommendations presented to the Human Services Committee of the Board of Supervisors on October 8, 2013. These recommendations were the direct result of the guidance included by the Board of Supervisors as part of the FY 2014 Adopted Budget directing staff to identify requirements to address youth behavioral human services requirements in schools and the broader community. An initial funding level of \$200,000 was also included at that time. An Interagency Youth Behavioral Health Services Work Group, with representatives from County human services departments, Fairfax County Public Schools and the Fairfax Partnership for Youth, was convened to identify the array of youth services that are necessary to address the most pressing needs in the community and make a multi-year recommendation. It is estimated that between 400 and 600 youth and their families are in need of interventions and services. In FY 2015 \$1.0 million creates a new program unit and will start to provide contractual services for mental health and substance abuse treatment as well as intensive in-home and community-based services for families. The Interagency Youth Behavioral Health Services Work Group will continue its work and complete the intake, assessment, treatment, and care coordination design by May 2014. Formal agreements that clearly identify roles, responsibilities and service flow among participating County departments, Fairfax County Public Schools, Falls Church Public Schools, and community partners will incorporate a system-wide set of outcome measures to assess the planned treatment/care coordination model for countywide application. It should be noted that in addition to the new funding for positions funding of \$402,434 is included for pooled funds for purchase of service.

### Health Department

A total of 4/4.0 FTE positions for the establishment of two Public Health Nurse II and two School Health Aide positions in the School Health Program due to FCPS opening two new schools in FY 2016. The total funding requirement for FY 2016 is \$294,095.

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### Police Department

In addition to the staffing plan discussed above, 2/2.0 FTE and funding of \$364,897 is also necessary for continuation of the Regional Gang Task Force positions that have been in place for a number of years. During the height of concern about the growth of gang activity in the region, a Congressional Earmark for Gangs was received by the County. As a result 2 grant positions were created that have been funded ever since with non-County funds. Following the expiration of the original earmark, Police accepted two separate one-time awards from the Bureau of Alcohol, Tobacco, and Firearms (ATF). These awards were technically reimbursements for two merit employees that were assigned to two separate ATF task forces, one from January 2008 through December 2009 and a second from October 2010 through September 2011. The County chose to use these reimbursements to keep the gang task force positions funded. It has been anticipated that once non-County funding was exhausted, the County would need to support the positions which are performing critical anti-gang work. It is now anticipated that funding will be needed beginning in FY 2016.

### Department of Code Compliance

An additional position and \$38,475 is included for Department of Code Compliance (DCC) staffing for an administrative position to support administrative-related needs within DCC's Customer Services Branch.

### Conversion of grant positions in support of the Domestic Violence Action Center

Fairfax County was awarded grant funding from the U.S. Department of Justice, Office for Violence against Women to staff and operate a Fairfax County Domestic Violence Action Center. This was a collaborative effort among several County agencies as well as two nonprofit agencies. Funding currently supports 5/4.5 FTE grant positions in three County agencies (2/1.5 FTE positions in Department of Family Services, 2/2.0 FTE positions in the Commonwealth's Attorney, 1/1.0 FTE position in Juvenile and Domestic Relations District Court). It is anticipated that grant funding will not be renewed. In order to maintain this critical unit in place 5/4.5 FTE positions and \$500,000 is included in FY 2016. Staff will continue to monitor funding opportunities and pursue all options to preclude the need for General Fund support.

### **All other increases**

**\$34.2 million**

The major categories of additional increases are discussed below:

### Fire and Rescue Apparatus – Volunteer Companies

Currently, out of the 12 volunteer fire departments in Fairfax County, six have notified the Fire and Rescue Department (FRD) of their inability to replace volunteer-owned large apparatus. FRD has proposed a partnership whereby FRD will use volunteer contributions (when available), one-time year-end balances, and Fire Programs Grant funding (up to \$1 million per year, maximum) to assist with the initial purchase of seven large volunteer units (three engines, one tower and three rescues) that require replacement in the FY 2013 – FY 2018 time period. These seven vehicles represent the known universe of large volunteer units that will require assistance in funding their replacement in this timeframe. While there are no FY 2014 General Fund dollars necessary to support this proposal, future-year General Fund increases to the Large Apparatus Fund will be required. Per FRD analysis, the addition of these vehicles to the fleet would require an increase of \$775,000 to the annual contribution from County Funds. As a result, an increase of \$775,000 in annual vehicle replacement contributions is included for FY 2016 to ensure the reserve remains adequately funded.

Of the 106 front-line vehicles career FRD staff operates daily for emergency response, 35 are owned by volunteer companies. These vehicles are not additional or extras, they are operated 24-hours a day/7 days a week with career personnel as part of the minimum staffing calculation. Without these vehicles,

## Multi-Year Budget – FY 2015 and FY 2016

FRD does not have the apparatus available to provide the current level of emergency response coverage throughout the County.

Because these are front line units, FRD must purchase replacements or daily emergency response coverage will fall below currently established numbers. These thresholds have been established in order to provide the greatest coverage by each vehicle type in order to reduce response times to medical and fire emergency calls. Elimination of vehicles and associated staffing would result in response time delays. Even with current staffing, FRD does not meet several of the National Fire Protection Association's (NFPA) standards for fire protection and emergency medical response.

Replacement by the volunteer organizations is becoming more challenging as a result of a combination of several factors – including the economy's impact on fundraising activities, as well as more stringent federal emissions standards, federal safety regulations and material costs.

### School Readiness

An increase of \$960,295 provides the second year of funding associated with expanding school readiness activities in support of community programs serving young children. Funding is specifically aimed at creating a network of programs that promote school readiness through the alignment of curricula to the Virginia Foundation Blocks for Early Learning, as well as supporting children living in poverty to reach fall kindergarten benchmarks. Early childhood education programs support the cognitive, social, emotional and physical development of a child. In the fall of 2012, 33.1 percent of kindergartners in Fairfax County Public Schools (FCPS) were eligible for free/reduced meals; 16 percent of kindergartners in FCPS did not meet the reading intervention benchmark and were referred for services; and 6 percent of children under the age of 5 were living below the poverty level. The Department of Family Services (DFS) addresses school readiness through quality community-based programs that are accessible even to those most vulnerable. Additional funding has been included in FY 2015 to expand community-based programs. Funding is specifically aimed at creating a network of programs that promote school readiness through the alignment of curricula to the Virginia Foundation Blocks for Early Learning, as well as supporting children living in poverty to reach fall kindergarten benchmarks. DFS has worked closely with FCPS to develop a mixed-delivery system providing community-based as well as school-based options for school readiness. It is hoped that the FCPS School Board will support the expansion of school-based programs; however, expansion of community-based programs is not contingent on additional school funding.

### Fire and Rescue Apparatus

An increase of \$1,000,000 is required to support a multi-year process to gradually increase the annual contributions to the Large Apparatus Replacement Fund and Ambulance Replacement Fund. This funding is in addition to the department dedicating additional grant funds, additional baseline funds and one-time contributions in support of this effort. Additional contributions are required due to increasing cost of vehicles, some fleet growth, and a contribution level that has remained flat since FY 2007. Without additional funding, the replacement reserves will be depleted by FY 2017. Starting in FY 2014, FRD will also increase its baseline contribution to the Large Apparatus Reserve by \$250,000 and support some ambulance purchases through the use of Four-for-Life grant funds. FRD, with the assistance of the Department of Management and Budget, has developed several scenarios with the goal of stabilizing the replacement reserve and ensuring sufficient funding is available in future years. These plans include additional one-time, inflationary and baseline contributions from both FRD and the General Fund from FY 2013 forward. It should be noted that given the current inventory and replacement cycle, the annual contribution should be in the \$5-6 million range for the Large Apparatus Replacement Reserve and approximately \$1 million for the Ambulance Replacement Reserve.

## Multi-Year Budget – FY 2015 and FY 2016

### Fuel

Based on the latest estimates for increases in usages and per gallon costs, an adjustment of \$1.0 million is included for FY 2016 after no increase in FY 2015.

### Fairfax-Falls Church Community Services Board Intellectual Disability Services (IDS)

An increase of \$1,200,000 will support the June 2015 special education graduates of Fairfax County Public Schools turning 22 years of age who are eligible for day support and employment services who currently do not have a funding source for such services. This funding maintains the program as currently designed and is intended to prevent any Special Education graduates from being without services

### Information Technology (IT) Project Support

The County's strategic IT investments in major technology projects improve access to County services, promote government operational efficiencies and effectiveness, and increase performance and security capabilities. They include automation for County agencies, requirements aligned with countywide strategic importance, enterprise technology infrastructure, and enterprise-level or inter-agency corporate systems. The County's technological improvement strategy has two key elements. The first element is to provide an adequate infrastructure of basic technology for agencies in making quality operational improvements and efficiencies. The second is to redesign business processes and apply technology to achieve large-scale improvements in service quality and achieve administrative efficiencies. The County's long-term commitment to providing quality customer service through the effective use of technology is manifested in service enhancements, expedited response to citizen inquiries, improved operational efficiencies, better information for management decisions and increased performance capabilities. In FY 2016, an increase of \$5.0 million is funded to accommodate necessary information technology projects.

### Contract Rate Adjustments

Based on the assumption that pay increases would be funded in FY 2016 for County employees, an average contract rate adjustment of 2 percent or \$5 million is included for contract rates in the Department of Family Services, Health Department, Office to Prevent and End Homelessness, Department of Neighborhood and Community Services, County Transit Services and Fairfax-Falls Church Community Services Board. Individual contracts are not guaranteed a contract rate increase of 2 percent as a result of this funding, but the negotiated increases that are effective in FY 2016 would be funded from this adjustment.

### Public Safety Headquarters

The new 274,000 square foot facility will replace the current Massey Building which is long past its useful life. In addition to the overall project costs that are included in the Capital Improvement Program for the construction of the building, there are costs associated with the move of existing staff from the Massey building to the new facilities, audio visual costs for equipping the building and loose furniture requirements. The total estimate for these items is \$5.8 million. The funds are required in FY 2016 in advance of the schedule completion date of the headquarters in June 2016.

### Capital Construction and Debt Service

A significant increase in capital construction funding is included in the FY 2015 budget. With this increase a robust baseline has been set for capital requirements going forward. Therefore the only addition anticipated for FY 2016 at this time is \$1.0 million for trails and sidewalks. As determined by acceptable industry reinvestment standards, it is estimated that \$4.1 million could be required annually to provide for a comprehensive reinvestment program based on infrastructure life cycles of 30 years. On-going critical trail and sidewalk maintenance includes, but is not limited to, the correction of safety and

## Multi-Year Budget – FY 2015 and FY 2016

hazardous conditions, such as the deterioration of trail surfaces and the replacement and/or repair of guardrails and handrails, and the rehabilitation of pedestrian bridges. In addition, a debt service increase of \$5.0 million is included in FY 2016 to reflect the required costs for County bond projects.

### Office of Elections Voting Machines

As a result of requirements to replace all County voting machines, \$6.0 million is included for FY 2016 for final voting machine equipment costs. Fairfax County's current voting system, a hybrid system consisting of an optical scan unit combined with two or more accessible direct recording electronic voting machines (DREs), has reached the end of its lifecycle. Under state law changes in 2007, the new system cannot include any new direct record electronic (touchscreen) equipment. As a result, the industry is currently moving towards solutions that have an electronic screen on which a voter makes their choices. Then a "marking device" will produce a paper ballot from the choices made on the electronic screen that will then be fed into an optical scan machine to be counted. The first portion of funding the equipment was included at the *FY 2013 Carryover Review* so some machines can be in place for the non-presidential elections in FY 2015 and FY 2016 and the remainder will be purchased for the 2016 presidential election (FY 2017).

## Next steps in the Multi-Year Process

While this comprehensive baseline sets the stage for the FY 2016 budget, there will need to be adjustments made to what is funded or what is available. Some of these changes will occur naturally over the next year before the release of the FY 2016 and FY 2017 Multi-Year Budget. Others will require policy decisions to be made. In addition, the following cost avoidance, efficiencies and service reductions and revenue enhancement options are identified to ensure a balanced budget in FY 2016. In addition to addressing changes in requirements or available funding, the following approaches will also provide flexibility for the Board to meet their priorities in the future.

### *Cost Avoidance*

A number of items outlined above could be deferred beyond FY 2016 if necessary to balance the budget. As an example, the County has been able to shift one-time funding requirements such as the voting machines or the start-up costs for the Public Safety headquarters to quarterly reviews. In addition, some of the position requirements driven by anticipated workload, such as population growth in the Adult Detention Center, may not materialize.

### *Efficiencies and Service Reductions*

The next items for review in order to balance the FY 2016 budget would be additional reduction options. While the level of services that are being provided are believed to be the right array that the community wishes to have continued, in light of the need to balance the budget, these services will need to be reviewed again. As part of the development of the Multi-Year Budget, agencies will continue to look at options for service delivery redesign. Successful examples from the recent past include the creation of the Department of Neighborhood and Community Services as the result of the merger of two agencies and the redesign of staffing in the School Aged Child Care program.

### *Revenue Enhancements*

The final options for balancing the budget are a number of revenue enhancement options that are possible for consideration for FY 2016. The County periodically reviews all user fees to determine if there are necessary adjustments that should be made to the various rates and fees. This User Fee Study will be undertaken as part of the FY 2016 and FY 2017 Multi-Year Budget. It is important to note that many user fees such as School-Age Child Care fees and Land Development Service fees, which were raised in FY 2014, are already reviewed annually. In addition, many of the County's charges have

## Multi-Year Budget – FY 2015 and FY 2016

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maximums set by the State. User fees and charges not set by the State total approximately \$102 million, or 2.7 percent, of the total General Fund budget, so adjustments to individual fees will not result in significant increases.

### Conclusion

As a result of the multi-year budget process, the projected balance for FY 2016 is \$13.73 million.

The FY 2016 projections are based on a comprehensive list of requirements based on information available today. There are clear priorities within the items identified for funding, and there is also the potential for changes as more information is available over the course of the next year. The items that need to be funded in FY 2016 will therefore be considered in the context of Board priorities, and decisions will be made by the County Executive on what specific items to recommend for FY 2016 and which items to exclude or delay until FY 2017 or beyond.

The detailed summary of historical and projected funding follows on the next page:

# Multi-Year Budget – FY 2015 and FY 2016

## Fairfax County, Virginia Multi-Year Budget Plan Summary FY 2015 Budget Process FY 2011 - FY 2016 (in millions)

	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Revised	FY 2015 Advertised	FY 2016 Projected	Increase/ (Decrease) Over FY 2015	% Increase/ (Decrease) Over FY 2015
<b>Positions</b>	<b>9,542</b>	<b>9,684</b>	<b>9,686</b>	<b>9,707</b>	<b>9,712</b>	<b>9,816</b>	<b>104</b>	<b>1.07%</b>
<b>Beginning Balance</b>	<b>\$240.28</b>	<b>\$236.24</b>	<b>\$209.44</b>	<b>\$182.81</b>	<b>\$110.97</b>	<b>\$111.79</b>	<b>\$0.82</b>	<b>0.74%</b>
<b>Revenues</b>								
Real Property Taxes	\$2,019.84	\$2,047.28	\$2,123.41	\$2,216.60	\$2,342.83	\$2,457.19	\$114.36	4.88%
Personal Property Taxes	301.97	316.92	353.63	354.31	368.83	380.23	11.40	3.09%
General Other Local Taxes	505.52	517.38	530.96	521.97	502.08	511.76	9.68	1.93%
Permit, Fees & Regulatory Licenses	34.27	36.84	38.20	38.69	39.44	40.41	0.97	2.47%
Fine & Forfeitures	16.56	14.08	14.13	14.22	14.24	14.31	0.07	0.50%
Revenue from Use of Money & Property	18.81	18.40	17.51	14.96	14.22	13.83	(0.39)	(2.75)%
Charges for Services	64.09	69.63	72.67	74.51	76.48	76.99	0.51	0.67%
Revenue from the Commonwealth	309.03	304.69	301.13	307.46	306.79	306.79	0.00	0.00%
Revenue from the Federal Government	38.42	40.22	31.15	26.58	27.47	27.47	0.00	0.00%
Recovered Costs/Other Revenues	12.50	14.24	15.30	15.03	15.32	15.32	0.00	0.00%
<b>Total Revenues</b>	<b>\$3,321.01</b>	<b>\$3,379.68</b>	<b>\$3,498.10</b>	<b>\$3,584.33</b>	<b>\$3,707.71</b>	<b>\$3,844.31</b>	<b>\$136.60</b>	<b>3.68%</b>
<b>Transfers In</b>	<b>\$8.06</b>	<b>\$6.90</b>	<b>\$6.77</b>	<b>\$23.87</b>	<b>\$8.15</b>	<b>\$8.15</b>	<b>\$0.00</b>	<b>0.00%</b>
<b>Total Available</b>	<b>\$3,569.35</b>	<b>\$3,622.82</b>	<b>\$3,714.31</b>	<b>\$3,791.01</b>	<b>\$3,826.82</b>	<b>\$3,964.24</b>	<b>\$137.42</b>	<b>3.59%</b>
<b>Direct Expenditures by Program Area</b>								
Legislative-Executive Functions /								
Central Services	\$92.92	\$98.98	\$97.97	\$109.75	\$104.13	\$111.63	\$7.50	7.20%
Judicial Administration	31.52	31.02	33.45	34.23	34.50	35.23	0.72	2.10%
Public Safety	397.92	403.11	416.24	443.63	443.63	474.93	31.30	7.05%
Public Works	61.63	63.88	68.39	72.13	72.11	73.43	1.32	1.83%
Health and Welfare	278.25	293.63	281.52	298.00	294.85	305.53	10.68	3.62%
Parks and Libraries	47.75	47.35	49.45	52.23	50.86	51.86	1.00	1.97%
Community Development	43.02	42.77	42.70	49.87	46.79	47.54	0.75	1.60%
Non-Departmental	235.32	261.55	279.59	300.62	314.42	336.57	22.15	7.04%
<b>Total Direct Expenditures</b>	<b>\$1,188.33</b>	<b>\$1,242.28</b>	<b>\$1,269.32</b>	<b>\$1,360.47</b>	<b>\$1,361.29</b>	<b>\$1,436.71</b>	<b>\$75.43</b>	<b>5.54%</b>
<b>Transfers Out</b>								
Schools Operating	\$1,611.59	\$1,610.83	\$1,683.32	\$1,716.99	\$1,751.33	\$1,786.36	\$35.03	2.00%
Schools Debt Service	160.21	159.74	164.76	172.37	177.14	182.14	5.00	2.82%
<b>Subtotal Schools</b>	<b>\$1,771.80</b>	<b>\$1,770.57</b>	<b>\$1,848.08</b>	<b>\$1,889.36</b>	<b>\$1,928.47</b>	<b>\$1,968.50</b>	<b>\$40.03</b>	<b>2.08%</b>
County Transit	\$31.99	\$34.46	\$36.55	\$34.55	\$34.55	\$34.55	\$0.00	0.00%
Information Technology	19.02	16.18	14.28	9.76	7.35	12.35	5.00	68.02%
Community Services Board	93.13	100.50	109.61	110.04	112.57	116.52	3.95	3.51%
County Debt Service	121.66	116.78	116.85	118.80	133.74	138.74	5.00	3.74%
Metro	7.41	11.30	11.30	11.30	11.30	11.30	0.00	0.00%
OPEB	13.90	27.74	28.00	28.00	28.00	28.00	0.00	0.00%
Capital Paydown	15.91	19.63	18.00	25.88	27.02	28.02	1.00	3.70%
Other Transfers	69.96	73.95	79.50	75.32	60.11	61.40	1.29	2.15%
<b>Subtotal County</b>	<b>\$372.98</b>	<b>\$400.53</b>	<b>\$414.10</b>	<b>\$413.65</b>	<b>\$414.64</b>	<b>\$430.88</b>	<b>\$16.24</b>	<b>3.92%</b>
<b>Total Transfers Out</b>	<b>\$2,144.78</b>	<b>\$2,171.10</b>	<b>\$2,262.17</b>	<b>\$2,303.00</b>	<b>\$2,343.11</b>	<b>\$2,399.38</b>	<b>\$56.27</b>	<b>2.40%</b>
<b>Total Disbursements</b>	<b>\$3,333.11</b>	<b>\$3,413.38</b>	<b>\$3,531.50</b>	<b>\$3,663.47</b>	<b>\$3,704.39</b>	<b>\$3,836.09</b>	<b>\$131.70</b>	<b>3.56%</b>
<b>Total Ending Balance</b>	<b>\$236.24</b>	<b>\$209.44</b>	<b>\$182.81</b>	<b>\$127.53</b>	<b>\$122.43</b>	<b>\$128.15</b>	<b>\$5.72</b>	<b>4.67%</b>
Less:								
Managed Reserve	\$68.04	\$69.34	\$71.88	\$73.27	\$74.09	\$76.72	\$2.63	3.56%
Other Reserves	63.13	62.78	17.36	54.27	37.70	37.70	0.00	0.00%
<b>Total Available</b>	<b>\$105.06</b>	<b>\$77.32</b>	<b>\$93.56</b>	<b>\$0.00</b>	<b>\$10.64</b>	<b>\$13.73</b>	<b>\$3.09</b>	<b>29.03%</b>

# FY 2015

Advertised Budget Plan



## Strategic Linkages

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## Strategic Linkages

### Context and Background

Fairfax County has been working on a number of initiatives over the last ten years to strengthen decision making and infuse a more strategic approach into the way business is performed. These initiatives include developing an employee Leadership Philosophy and Vision Statement, identifying the priorities of the Board of Supervisors, implementing a coordinated agency strategic planning process, incorporating Performance Measurement and benchmarking into the budget process, implementing a countywide Workforce Planning initiative, redesigning the Budget Process, and initiating a Balanced Scorecard at the agency level. The process has been challenging and has required a shift in organizational culture; however, the benefit of these efforts is a high-performing government in Fairfax County, which is more accountable, forward-thinking and better able to further its status as one of the premier local governments in the nation.

### Strategic Thinking

Among the first steps Fairfax County took to improve strategic thinking was to build and align leadership and performance at all levels of the organization through discussions and workshops among the County Executive, senior management and County staff. This initiative included the development of an employee Leadership Philosophy and Vision Statement to help employees focus on the same core set of concepts. This dialogue among the

#### **Employee Vision Statement**

As Fairfax County Employees we are committed to excellence in our work. We celebrate public service, anticipate changing needs, and respect diversity. In partnership with the community, we shape the future.

We inspire integrity, pride, trust and respect within our organization. We encourage employee involvement and creativity as a source of new ideas to continually improve service. As stewards of community resources, we embrace the opportunities and challenges of technological advances, evolving demographics, urbanization, revitalization, and the changing role of government. We commit ourselves to these guiding principles: Providing Superior Service, Valuing Our Workforce, Respecting Diversity, Communicating Openly and Consistently, and Building Community Partnerships.

#### **Employee Leadership Philosophy**

We, the employees of Fairfax County, are the stewards of the County's resources and heritage. We are motivated by the knowledge that the work we do is critical in enhancing the quality of life in our community. We value personal responsibility, integrity and initiative. We are committed to serving the community through consultative leadership, teamwork and mutual respect.

County Executive, senior management and staff has continued over several years and culminated in the development of seven "Vision Elements" for the County, which are consistent with the priorities of the Board of Supervisors. These Vision Elements are intended to describe what success will look like as a result of the County's efforts to protect and enrich the quality of life for the people, neighborhoods, and diverse communities of Fairfax County by:

## Strategic Linkages



**Maintaining Safe and Caring Communities:** The needs of a diverse and growing community are met through innovative public and private services, community partnerships and volunteer opportunities. As a result, residents feel safe and secure, capable of accessing the range of services and opportunities they need, and are willing and able to give back to their community.



**Building Livable Spaces:** Together, we encourage distinctive “built environments” that create a sense of place, reflect the character, history, and natural environment of the community, and take a variety of forms – from identifiable neighborhoods, to main streets, to town centers. As a result, people throughout the community feel they have unique and desirable places to live, work, shop, play, and connect with others.



**Connecting People and Places:** Transportation, technology, and information effectively and efficiently connect people and ideas. As a result, people feel a part of their community and have the ability to access places and resources in a timely, safe, and convenient manner.



**Maintaining Healthy Economies:** Investments in the workforce, jobs, and community infrastructure and institutions support a diverse and thriving economy. As a result, individuals are able to meet their needs and have the opportunity to grow and develop their talent and income according to their potential.



**Practicing Environmental Stewardship:** Local government, industry and residents seek ways to use all resources wisely and to protect and enhance the County's natural environment and open space. As a result, residents feel good about their quality of life and embrace environmental stewardship as a personal and shared responsibility.



**Creating a Culture of Engagement:** Individuals enhance community life by participating in and supporting civic groups, discussion groups, public-private partnerships, and other activities that seek to understand and address community needs and opportunities. As a result, residents feel that they can make a difference and work in partnership with others to understand and address pressing public issues.



**Exercising Corporate Stewardship:** Fairfax County government is accessible, responsible, and accountable. As a result, actions are responsive, providing superior customer service and reflecting sound management of County resources and assets.

Vision Element posters are prominently placed in County facilities to continue to foster the adoption of these concepts at all levels of the organization and to increase their visibility to citizens as well.

### **Strategic Planning**

Strategic planning furthers the County's commitment to high performance by helping agencies focus resources and services on the most strategic needs. The County process directs all agencies to strengthen the linkage between their individual missions and goals, as well as to the broader County vision laid out in the seven countywide vision elements.

## Strategic Linkages

### **Performance Measurement**

Since 1997, Fairfax County has used performance measurement to gain insight into, and make judgments about, the effectiveness and efficiency of its programs, processes and employees. While performance measures do not in and of themselves produce higher levels of effectiveness, efficiency and quality, they do provide data that can help to reallocate resources or realign strategic objectives to improve services. Each Fairfax County agency decides which indicators will be used to measure progress toward strategic goals and objectives, gathers and analyzes performance measurement data, and uses the results to drive improvements in the agency.

Fairfax County also uses benchmarking, the systematic comparison of performance with other jurisdictions, in order to discover best practices that will enhance performance. The County has participated in the International City/County Management Association's (ICMA) benchmarking effort since 2000. According to ICMA, about 150 cities and counties provide comparable data annually in the following service areas: Police, Fire/EMS, Library, Parks and Recreation, Youth Services, Code Enforcement, Refuse Collection/Recycling, Housing, Fleet Management, Facilities, Information Technology, Human Resources, Risk Management and Purchasing, although not every participating jurisdiction completes every template. ICMA performs extensive data cleaning to ensure the greatest accuracy and comparability of data. In service areas that are not covered by ICMA's effort, agencies rely on various sources of comparative data prepared by the state, professional associations and/or nonprofit/research organizations. It is anticipated each year that benchmarking presentations will be enhanced based on the availability of information. Cost per capita data for each program area, (e.g., public safety, health and welfare, community development) has also been included at the beginning of each program area summary in Volume 1 of the FY 2015 Advertised Budget Plan. The Auditor of Public Accounts for the Commonwealth of Virginia collects this data and publishes it annually. The jurisdictions selected for comparison are the Northern Virginia localities, as well as those with a population of 100,000 or more elsewhere in the state. It should be noted that Fairfax County's cost per capita in each of the program areas is quite competitive with other Northern Virginia localities and large jurisdictions in the state.

The FY 2015 Advertised Budget Plan features an "agency dashboard" for every General Fund and General Fund Supported agency. These dashboards identify key drivers for these agency budgets. These dashboards are not replacing agency performance measures, but rather provide an additional snapshot of relevant statistics that pertain directly to why our agencies are funded as they are. The purpose of these drivers is to keep County decision-makers aware of this key data and how they are changing over time. Drivers will change over time and these drivers will be built into the annual budget process and into needs discussions with the community. This visual representation of what is driving the County's budget will improve the communications with the public and the Board as it relates to specific budget requests. The County Executive also developed a countywide dashboard to provide a snapshot of data, including commercial and residential real estate data, projected School enrolment data, and increases in employee compensation.

### **Employee Compensation**

In FY 2010, FY 2011 and FY 2012, the pay for performance (PFP) program was not funded given the fiscal environment. The Board of Supervisors approved a 2.00 percent market rate adjustment (MRA) during the *FY 2011 Carryover Review*, effective September 24, 2011. The FY 2013 Adopted Budget funded merit increments and longevity step increases for all uniformed public safety employees on their anniversary dates and a 2.5 percent performance-based scale increase in January 2013 for all non-uniformed merit employees. In addition, the Board of Supervisors also approved a MRA of 2.18 percent, effective July 1, 2012. The FY 2014 Adopted Budget Plan did not include compensation increases for non-uniformed

## Strategic Linkages

merit employees; however, it did include longevity increases for uniformed employees as well as funding of more than \$12 million in FY 2014 to pay for the full-year impact of increases received by employees in FY 2013. As part of the *FY 2013 Carryover Review*, the Board approved a non-recurring compensation adjustment of \$850 (after taxes) for all merit employees, effective November 1, 2013.

Funding of \$14.10 million is included in the FY 2015 Advertised Budget Plan for the full-year impact of a 1.29 percent MRA increase effective July 2014 for all employees. Funding of \$5.19 million is also included in the FY 2015 Advertised Budget Plan for the full-year impact of a 3 percent increase effective July 2014 for all uniformed Fire and Rescue employees based on the County's current methodology which is to make adjustments to Public Safety pay scales when the midpoints of two out of three designated classes in each of the Public Safety groups fall more than 5% behind the market average midpoints. Funding of \$1.22 million is included in the FY 2015 Advertised Budget Plan for the full-year impact of recommendations for re-grades based on comparisons of Fairfax County midpoints to market midpoints for benchmark job class matches. The trigger point for recommending re-grades for these benchmark and classes is if they are less than 95 percent of the market average midpoint. Since market adjustments have not been made during the last several years all county benchmark job classes were reviewed in the Fall of 2013. It is anticipated that roughly half of non-uniformed classes will be reviewed each year beginning in FY 2016. In addition, funding of \$1.55 million is included for the full-year impact of longevity increases provided to uniformed employees in FY 2014 and for partial year costs for longevity increases provided to uniformed employees in FY 2015. Public Safety employees who have reached a combination of length of service (15 and 20 years) and have otherwise reached the top step of their pay scale are eligible for longevity increases.

The Board has committed to continuing and expanding discussions about employee pay so a plan for future years can be developed in time for the FY 2016 Advertised Budget Plan.

### **Workforce Planning**

The County's workforce planning effort began in FY 2002 to anticipate and integrate the human resources response to agency strategic objectives. Changes in agency priorities such as the opening of a new facility, increased demand for services by the public, the receipt of grant funding, or budget reductions can greatly affect personnel needs. Given these varying situations, workforce planning helps agency leadership to retain employees and improve employee skill sets needed to accomplish the strategic objectives of the agency. Effective workforce planning is a necessary component of an organization's strategic plan, to provide a flexible and proficient workforce able to adapt to the changing needs of the organization.

In FY 2008, Fairfax County added a Succession Planning component to workforce planning. The Succession Planning process provides managers and supervisors with a framework for effective human resources planning in the face of the dramatic changes anticipated in the workforce over the next five to ten years. It is a method for management to identify and develop key employee competencies, encourage professional development and contribute to employee retention. A very significant number of employees will be eligible for retirement over the next several years. By December 31, 2015, 25 percent of all merit employees will be eligible for retirement. In specific job categories, those numbers are even greater. For example, by December 31, 2015, 58 percent of County non-public safety senior managers will be eligible for retirement and 34 percent of mid-level management will be eligible. In the public safety agencies the numbers are even higher. In the Police Department by the end of calendar 2015, 82 percent of senior managers and 83 percent of mid-level managers will be eligible for retirement. To address this somewhat staggering trend, the County plans to re-tool and strengthen existing succession planning and knowledge transfer efforts—to build the capacity to support a “promote from within” when appropriate

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philosophy. The County will recruit externally when strategically advantageous and will strengthen recruitment effectiveness by encouraging employee referrals and deepening the County Executive's leadership team's engagement with executive level recruitments. Shifting the performance evaluation focus from "the amount of the pay increase" to better communication and employee development will also help the County address the exit of many tenured County employees.

### Information Technology Initiatives

The County is committed to providing the necessary investment in information technology, realizing the critical role it plays in improving business processes and customer service. Fund 10040, Information Technology Fund, was established to accelerate the redesign of business processes to achieve large-scale improvements in service quality and to provide adequate enterprise-wide technological infrastructure. Consequently, the County is consolidating its investments to accommodate and leverage technological advancements and growth well into the 21st century. Constrained funding will impact the number of new IT projects that can be undertaken in the next year. However, the County continues to explore and monitor all areas of County government for information technology enhancements and/or modifications which will streamline operations and support future savings. In FY 2011, Fairfax County and Fairfax County Public Schools partnered to replace aging legacy financial, procurement, budget and human resource systems with one integrated solution. The County selected and completed the purchase of SAP as the FOCUS software. The Fairfax County Unified System (FOCUS) supports all County government and school employees in their daily operations. County Schools and Government employees welcomed the new system for Finance and Logistics transactions in November 2011. In June 2012, Fairfax County Government employees transitioned to FOCUS HCM (Human Capital Management) for all Human Resources transactions including time entry.

In FY 2014 the FOCUS Business Support Group (FBSG) was formed within the Department of Management and Budget (DMB) to provide central support for all agencies.

An increase of \$4.44 million is required to meet additional funding requirements for Information Technology projects in FY 2015. The General Fund support for information technology projects was held artificially low during the last several years as a result of budget constraints. In FY 2015, funding of \$10.36 million is provided for initiatives that meet one or multiple priorities established by the Senior Information Technology Steering Committee. These initiatives include a mix of projects that provide benefits for both citizens and employees and that adequately balance new and continuing initiatives with the need for securing and strengthening the County's technology infrastructure. Funded projects will support initiatives in general County services, public safety, human services and enterprise technology security and infrastructure. Although many initiatives meet more than one of the technology priorities, for simplicity, projects have been grouped into only one priority area.

### Strategic Planning Links to the Budget

The annual budget includes links to the comprehensive strategic initiatives described above. To achieve these links, agency budget narratives include discussions of County Vision Elements and agency strategic planning efforts; program area summaries include cross-cutting efforts and benchmarking data; and the Key County Indicator presentation in this section demonstrates how the County is performing as a whole. As a result, the budget information is presented in a user-friendly format and resource decisions are more clearly articulated to Fairfax County residents.

- ▶ **Agency Narratives:** Individual agency narratives identify strategic issues, which were developed during the agency strategic planning efforts, link core services to the Vision Elements and expand the

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use of performance measures to clearly define how well the agency is delivering a specific service. Agency narratives are included in budget Volumes 1 and 2.

- ▶ **Program Area Summaries:** Summaries by Program Area (such as Public Safety, Health and Welfare, Judicial Administration) provide a broader perspective of the strategic direction of several related agencies and how they are supporting the County Vision Elements. This helps to identify common goals and programs that may cross over departments. In addition, benchmarking information is included on program area services to demonstrate how the County performs in relation to other comparable jurisdictions. Program area summaries are included in budget Volumes 1 and 2.
- ▶ **Key County Indicators:** The Key County Indicator presentation provides several performance measurement indicators for each Vision Element. The presentation gives the reader a high-level perspective on how the County is doing as a whole to reach its service vision. The presentation of Key County Indicators will continue to be refined to ensure that the measures best represent the needs of the community. A detailed presentation and discussion of the FY 2013 Key County Indicators is included following this discussion.
- ▶ **Schools:** The Fairfax County Public Schools provide an enormous contribution to the community and in an effort to address the County's investment in education and the benefits it provides, a list of Fairfax County School Student Achievement Goals are included following the Key County Indicator presentation.

### Next Steps

The development of the County's leadership philosophy and emphasis on strategic planning is an ongoing process that will continue to be refined in the coming years. The County budget is extremely well received within the County and nationally. As a measure of the quality of its budget preparation, Fairfax County was awarded the Government Finance Officers Association's Distinguished Budget Presentation Award by meeting rigorous criteria for the budget as a policy document, financial plan, operations guide, and communications device for the 29<sup>th</sup> consecutive year. In August 2013, Fairfax County was one of only 28 jurisdictions to receive ICMA's highest recognition for performance measurement, the "Certificate of Excellence." The County will continue to build on this success for future budget documents in order to enhance the accountability, transparency, and usefulness of the budget documents.

## Key County Indicators

### Introduction

The Key County Indicator presentation communicates the County's progress on each of the Vision Elements through key measures. The Indicators were compiled by a diverse team of Fairfax County senior management and agency staff through a series of meetings and workshops. Indicators were chosen if they are reliable and accurate, represent a wide array of County services, and provide a strong measure of how the County is performing in support of each Vision Element. The County also compiles Benchmarking data,


#### **Key County Indicators—How is Fairfax County performing on its seven Vision Elements?**

- ✓ Maintaining Safe and Caring Communities
- ✓ Practicing Environmental Stewardship
- ✓ Building Livable Spaces
- ✓ Maintaining Healthy Economies
- ✓ Connecting People and Places
- ✓ Creating a Culture of Engagement
- ✓ Exercising Corporate Stewardship

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providing a high-level picture of how Fairfax County is performing compared to other jurisdictions of its size. Benchmarking data is presented within the program area summaries in budget Volumes 1 and 2.

The following presentation lists the Key County Indicators for each of the Vision Elements, provides actual data from FY 2011, FY 2012, and FY 2013, and it includes a discussion of how the Indicators relate to their respective Vision Elements. In addition, the Corporate Stewardship Vision Element includes FY 2014 and FY 2015 estimates in order to present data related to the current budget. For some indicators, FY 2012 is the most recent year in which data are available, and FY 2013 Actuals will be included in the following year's budget document. All of the indicator data are for Fairfax County only, listed by Fiscal Year, unless otherwise noted in the text.

 **Maintaining Safe and Caring Communities:** The needs of a diverse and growing community are met through innovative public and private services, community partnerships and volunteer opportunities. As a result, residents feel safe and secure, capable of accessing the range of services and opportunities they need, and are willing and able to give back to their community.

Key County Indicators	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual
Ratio of Violent Group A Offenses to 100,000 County Population (Calendar Year)	83.48	74.61	82.78
Clearance rate of Violent Group A Offenses (Calendar Year)	57.81%	58.33%	52.05%
Percent of time Advanced Life Support (ALS) transport units on scene within 9 minutes	88.0%	85.0%	86.7%
Fire suppression response rate for engine company within 5 minutes	60.0%	56.0%	52.4%
Percent of low birth weight babies (under 5 lbs 8 oz)	7.0%	6.9%	NA <sup>1</sup>
Immunizations: completion rates for 2 year olds	69.0%	71.0%	62.0%
Virginia Department of Education (VDOE) On-Time Graduation Rate	91.40%	91.30%	92.00%
Children in foster care per 1,000 in total youth population	1.18	1.33	NA <sup>2</sup>
Percent of seniors, adults with disabilities and/or family caregivers who express satisfaction with community-based services that are provided by Fairfax County to help them remain in their home/community	93.0%	93.0%	94.5%
Percent of restaurants operating safely	97.5%	97.5%	98.9%

<sup>1</sup> Prior year actuals on the percent of low birth weight babies are provided by the Annie E. Casey Foundation, and FY 2012 is the most recent data available in time for budget publication.

<sup>2</sup> Prior year actuals on Children in foster care per 1,000 in total youth population are provided by the American Community Survey (ACS) of the United States Census Bureau, and FY 2011 is the most recent data available in time for budget publication.

Fairfax County is one of the nation's safest jurisdictions in which to live and work. In FY 2013, the Fairfax County ratio of "Violent" Group A Offenses result of 82.78 incidences per 100,000 residents continues to reflect one of the lowest violent crime rates of any large jurisdiction in the United States.

The County also showed relatively consistent case clearance rate of "Violent" Group A Offenses, which is an index of four major crimes (homicide, forcible rape, robbery, and aggravated assault). The annual Fairfax County case clearance rate of 52.05 percent was higher



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than preceding year's national average. (Note: Aggravated Assault, Homicide Offenses and Forcible Rapes are calculated by the number of victims. Robbery is calculated by the number of reported offenses).

The Fairfax County Fire and Rescue Department Advanced Life Support (ALS) and fire unit measures are standards set by the National Fire Protection Association (NFPA). The five minute fire suppression response standard of the NFPA was met 52.4 percent of the time in FY 2013. Advanced Life Support transport units arrived on the scene within 9 minutes or 86.7 percent of the time in FY 2013.

The health and well-being of children in Fairfax County is evident in the low percentage of children born with **low birth weight** and the high **immunization completion rates** for two-year-olds. (Note: Prior year actuals on the percent of low birth weight babies are provided by the Annie E. Casey Foundation, and FY 2012 is the most recent data available in time for budget publication). The County's FY 2012 incidence rate of 6.9 percent of low birth weight babies compares favorably against the state average of 8.2 percent. The FY 2013 immunization completion rate of 62.0 percent for two-year olds represents a nine percentage point decrease from FY 2012. The Health Department will strive to achieve completion rates of 80.0 percent in FY 2014 and FY 2015. It is noted that by the time of school entry, many children are adequately immunized, although they may have lacked these immunizations at the age of two. Fairfax County also funds numerous programs to help children stay in school and provides recreational activities in after-school programs. These services contributed to the County's FY 2013



**The Fairfax County Health Department is committed to protecting the health of County residents by ensuring restaurants operate safely.**

**Virginia Department of Education (VDOE) On-Time Graduation rate** of 92.0 percent. In FY 2012, the **ratio of children in foster care per 1,000** in the total population of children 0–17 years old was 1.33. Fairfax County remains committed to further decreasing the number of children in foster care as well as reducing the time spent in foster care through intensive prevention and early intervention efforts and a stronger emphasis on permanent placements of children in foster care who are unable to return safely to their families. (Note: Prior year actuals on Children in foster care per 1,000 in total youth population are provided by the American Community Survey (ACS) of the United States Census Bureau, and FY 2012 is the most recent data available in time for budget publication).

The County continues to be successful in **caring for older adults and persons with disabilities by helping them stay in their homes** as indicated by the 94.5 percent combined satisfaction rating for two support programs: Adult Day Health Care (ADHC) and Congregate Meals programs. ADHC satisfaction was 99.0 percent in FY 2013. Department of Family Services staff solicited input from Congregate Meal clients, including the growing ethnic client population, and continued to work with food vendors to revise food options accordingly. Client satisfaction increased from 86.0 percent to 90.0 percent in FY 2013. It should be noted that in FY 2011, the methodology changed for calculating congregate meal satisfaction by only collecting general quality data.

Fairfax County is committed to protecting the health of its residents, and in FY 2013, 98.9 percent of **restaurants operated safely**. This measure reflects restaurants that do not present a health hazard to the public and are determined to be safe at the time of inspection, otherwise the operating permit would be suspended and the restaurant would be closed. Studies have shown that high risk establishments, (those with complex food preparation; cooking, cooling and reheating) which are approximately 50 percent of



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Fairfax County restaurants, should be inspected at a greater frequency than low risk establishments (limited menu/handling) to reduce the incidence of food borne risk factors. The Food and Drug Administration (FDA) recommends that high risk establishments be inspected three times a year, moderate risk twice a year and low risk once a year. Therefore, the Food Safety Program transitioned to a risk based inspection process in FY 2009.



**Building Livable Spaces:** Together, we encourage distinctive “built environments” that create a sense of place, reflect the character, history, and natural environment of the community, and take a variety of forms – from identifiable neighborhoods, to main streets, to town centers. As a result, people throughout the community feel they have unique and desirable places to live, work, shop, play, and connect with others.

Key County Indicators	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual
Acres of parkland held in public trust	38,507	40,648	40,694
Miles of trails and sidewalks maintained by the County	647	649	656
Annual number of visitations to libraries, park facilities and recreation and community centers	11,485,816	11,418,849	11,214,421
Value of construction authorized on existing residential units	\$132,306,916	\$115,979,269	\$118,603,613
Annual percent of new dwelling units within business or transit centers as measured by zoning approvals	75.0%	75.0%	96.0%
Percent of people in the labor force who both live and work in Fairfax County	54.1%	51.5%	54.2%
Number of affordable rental senior housing units	3,119	3,119	3,119

Many of the indicators above capture some aspect of quality of life for Fairfax County residents and focus on the sustainability of neighborhoods and the community. The amount of **acres of parkland held in public trust** is a preservation of open space that enhances the County’s appeal as an attractive place to live. This indicator measures parkland in the County held by the Fairfax County Park Authority, the Northern Regional Park Authority, state and federal governments, and other localities. In FY 2013, there was an upward adjustment in acres due to revised calculations in Fairfax County and Vienna. This adjustment brought the FY 2013 total acreage to 40,694. In addition, the availability of trails and sidewalks supports pedestrian friendly access, and accessibility for non-motorized traffic. This indicator is measured by the **miles of trails and sidewalks** that are maintained by the Department of Public Works and Environmental Services (DPWES). A GIS-based walkway inventory now provides a more accurate estimate of miles. By the end of FY 2013, DPWES maintained 656 miles of trails and sidewalks. In addition to miles maintained by the County, approximately 1,658 miles are maintained by the Virginia Department of Transportation (VDOT) and approximately 326 miles are contained within



*The County maintains 649 miles of trails and sidewalks in addition to the nearly 1,640 miles of trails and sidewalks maintained by the Virginia Department of Transportation within Fairfax County’s boundaries.*

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County parks. In addition, approximately 1,140 miles of walkway are maintained by private homeowners associations. The number of walkways in the County contributes to the sense of community and connection to places. The County will continue to improve pedestrian access and develop walkways through the use of funding support from a variety of sources, including bond funding and the commercial and industrial real estate tax for transportation.

Availability and **use of libraries, parks and recreation facilities** is often used as a "quality-of-life" indicator and is cited as a major factor in a family's decision for home location and a company's decision for site location. In the fall of 2004, the voters approved a Public Library Bond Referendum totaling \$52.5 million for library projects. Funding provided for the new Burke Centre and Oakton libraries and the renovation of four of the oldest libraries, including Richard Byrd, Martha Washington, Thomas Jefferson and Dolley Madison libraries. These new libraries and the library renovations are now complete. Based on the favorable construction market and savings in the renovation projects, design work for the renovation and expansion of the Woodrow Wilson Library began in February 2011. Renovations are expected to be complete in the fall of 2014. In addition, on November 6, 2012, the voters approved a bond referendum in the amount of \$25 million to renovate the next four priority library facilities. These libraries include Pohick, Tysons Pimmit, Reston and John Marshall. The renovations will provide for upgrades to all of the building systems, including roof and HVAC replacement, which have outlived their useful life and will be designed to accommodate current operations and energy efficiency. In addition, the renovations will provide a more efficient use of the available space, meet customers' technological demands and better serve students and young children. The quiet study areas and group study rooms will be improved, the space to accommodate a higher number of public computers will be increased, and wireless access will be enhanced.

Resident investment in their own residences reflects the perception of their neighborhood as a "livable community." In FY 2011 and FY 2012, data reflected a decline in the homeowner-reported **value of construction authorized on existing residential units**. FY 2013 data indicates that this negative trend has reversed and that the housing market has begun to strengthen. It is projected that the total value of issued construction permits will rise in the future as the housing market continues to strengthen.


The measure for the **percent of dwelling units within business or transit centers as measured by zoning approvals** provides a sense of the quality of built environments in the County and the County's annual success in promoting mixed use development. The Comprehensive Plan encourages built environments suitable for work, shopping and leisure activities. The County requires Business Centers to include additional residential development to facilitate an appropriate mix of uses. In FY 2013, 96 percent of the new proffered residential units were within business or transit centers. This large proportion is attributed to the approval of over 8,700 new residential units in Tysons during FY 2013. Further, it is important to note that over 2,700 new residential units were approved in business or transit centers other than Tysons during FY 2013. Thus far, approximately 97.6 percent or 2,589 of the 2,653 new residential units approved through the second quarter of FY 2014 are located within business or transit centers. Such a large proportion is attributed to the approval of two large mixed-use development zoning cases within Tysons and a mixed use development project along the Dulles Corridor near Route 28. It is anticipated that additional pending rezoning cases within Tysons, Reston and other transit centers will be approved during the remainder of FY 2014.

The **percentage of employed people who both live and work in Fairfax County** is currently above 54 percent and may be linked to both quality of life and access to mixed use development in the County. Additional residential development in business centers also increases the potential for the members of the workforce to live in proximity to their place of work. In addition, the County is actively promoting the

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creation and preservation of affordable dwelling units to support those who both live and work within the County.

Continued production of affordable senior housing by the Fairfax County Redevelopment and Housing Authority (FCRHA) and others, as well as FCRHA preservation efforts, are helping to offset the loss of affordable senior rental units on the market. As of the close of 2013, there was an inventory of 3,119 affordable senior housing units, including both publicly and privately owned rental apartment complexes.

 **Connecting People and Places:** Transportation, technology, and information effectively and efficiently connect people and ideas. As a result, people feel a part of their community and have the ability to access places and resources in a timely, safe and convenient manner.

Key County Indicators	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual
Number of times County information and interactive services are accessed electronically (millions)	13.6	20.4	29.9
Library materials circulation per capita	12.0	11.8	11.5
Percent of library circulation represented by materials in languages other than English	1.4%	1.4%	1.4%
Percent change in transit passengers	1.17%	3.00%	(3.01%)

An important measure of a community's quality of life is whether or not its residents can easily and conveniently access information, services and activities that are of interest. Fairfax County Government provides a wide range of resources and interactive platforms for people to access. For many years, Fairfax County has been a national leader in providing online services for people to conduct transactions such as paying taxes, requesting debris pickup and reserving library books. The County is now expanding these key resources to its mobile platform in response to a general shift in the public's usage patterns toward smartphones and tablet devices. Fairfax County also has a robust and nationally-known social media program that encourages interaction with and sharing of County information so residents can serve as information ambassadors to friends, neighbors and co-workers who may not otherwise have access (this is especially important during emergencies). By using tools like Facebook, Twitter, YouTube and an emergency blog, Fairfax County delivers a high quality experience for residents on those platforms with relevant, timely and actionable information. The County also interacts directly with residents and reaches people in ways that were not possible a few short years ago. These efforts are paying dividends both for the exchange of information and improving awareness of County resources. For example, recent surveys of County Facebook page fans and County Twitter followers showed that 82 percent of respondents on Facebook and 79 percent of respondents on Twitter said Fairfax County's use of those tools has helped them learn more about their local government, programs and services. Evidence of the County's success in providing useful and convenient access to information and services can also be found in the FY 2013 measure of nearly 30 million total interactions with key County online platforms (website visits, mobile website visits, number of website searches, emergency blog views, Facebook daily total reach, YouTube video views, Flickr photo views and SlideShare presentation views). These numbers will continue to grow as the County invests more time on additional platforms to reach people in an increasingly fragmented communications world.

For residents of Fairfax County who do not have access to a computer at home or at work, or who do not possess the technical skills or are not able to utilize technology due to language barriers, the County utilizes other methods and media to connect them with information and services. Libraries, for example,

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are focal points within the community and offer a variety of brochures, flyers and announcements containing information on community activities and County services. The utilization of Fairfax County libraries is demonstrated by the **library materials circulation per capita**, which was 11.5 in FY 2013. This high circulation rate indicates the availability of an extensive selection of materials and a desire for library resources among Fairfax County residents. In addition, interest in library resources can be seen in the number of unique visitors to the Library's website, which totaled 4,342,332 in FY 2013. For additional information on benchmarks, please refer to the Parks and Libraries Program Area Summary in Volume 1.

As previously mentioned, Fairfax County is becoming an increasingly diverse community in terms of culture and language. As of 2009, 35.0 percent of Fairfax County residents spoke a language other than English at home. In an attempt to better serve the non-English speaking population, the Fairfax County Public Library has dedicated a portion of its holdings to language appropriate materials for this portion of the community. In FY 2013, 1.4 percent of library circulation was represented by materials in languages other than English. With a circulation of more than 13 million items by Fairfax County Public Library (FCPL) in FY 2012, the 1.4 percent reported for the circulation of non-English materials represents a significant number of materials being used by a multi-language population.

Another important aspect of connecting people and places is actually moving them from one place to another. The County operates the FAIRFAX CONNECTOR bus service; provides FASTRAN services to seniors; and contributes funding to Metro and the Virginia Railway Express (VRE). The **percent change in transit passengers** measures the impact of County efforts as well as efforts of Metro and the VRE. The County experienced a slight decrease in Fairfax County transit passengers in FY 2013, from 51.4 million in FY 2012 to 49.8 million in FY 2013. This decrease was, in large part, attributable to a 4.2 percent decrease in annual Metrorail trips originating in Fairfax County, from 29.9 million in FY 2012 to 28.6 million in FY 2013.

In FY 2015, the County will continue its support of Metro Operations and Construction, CONNECTOR bus service, and the VRE subsidy. Additional General Fund support is required for the projected Metro jurisdictional subsidy and for critical CONNECTOR services. For more information, please see Fund 30000, Metro Operations and Construction, and Fund 40000, County Transit Systems, in Volume 2.

While transportation funding and improvements to date have been largely a state function, the County also has supported a large portion of local transportation projects in an effort to reduce congestion and increase safety. The County continues to broaden its effort to improve roadways, enhance pedestrian mobility, and support mass transit through funding available from the 2007 Transportation Bond Referendum and from the commercial and industrial real estate tax for transportation. This tax was first adopted by the Board of Supervisors in FY 2009, pursuant to the General Assembly's passage of the Transportation Funding and Reform Act of 2007 (HB 3202). The FY 2014 budget includes a rate of 12.5 cents per \$100 of assessed value, which is projected to provide approximately \$50.5 million in support of capital and transit projects, including continued support of CONNECTOR bus service from the West Ox Bus Operations Center, and funding of new bus services and increased frequencies. Starting in FY 2014, the County will annually benefit from approximately \$125 million annually in regional revenues dedicated to transportation as a result of the State Transportation funding plan approved during the 2013 Session by the General Assembly (HB 2313). On January 28, 2014, the Board approved a list of nearly 230 priority local roadway and transit projects that will require various amounts of staff management, oversight, and review over the foreseeable future. Fund 40010, County and Regional Transportation Projects, provides funding and support for the implementation of projects and services funded with the State Transportation funding plan (HB 2313).

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**Maintaining Healthy Economies:** Investments in the work force, jobs, and community infrastructure and institutions support a diverse and thriving economy. As a result, individuals are able to meet their needs and have the opportunity to grow and develop their talent and income according to their potential.

Key County Indicators	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual
Total employment (Total All Industries, All Establishment Sizes, equaling the total number of jobs in Fairfax County)	585,181	597,533	595,882
Growth rate	0.7%	2.1%	-0.3%
Unemployment rate (not seasonally adjusted)	4.5%	4.2%	4.0%
Commercial/Industrial percent of total Real Estate Assessment Base	19.70%	19.64%	20.77%
Percent change in Gross County Product (adjusted for inflation)	1.1%	0.6%	1.4%
Percent of persons living below the federal poverty line (Calendar Year)	5.8%	6.8%	5.8%
Percent of homeowners that pay 30.0 percent or more of household income on housing (Calendar Year)	31.6%	29.0%	27.4%
Percent of renters that pay 30.0 percent or more of household income on rent (Calendar Year)	44.2%	45.7%	46.8%
Direct (excludes sublet space) office space vacancy rate (Calendar Year)	13.8%	14.4%	14.9%

Maintaining a healthy economy is critical to the sustainability of any community. In addition, many jurisdictions have learned that current fiscal health does not guarantee future success. Performance in this area affects how well the County can respond to the other six Vision Elements. The above eight indicators shown for the Healthy Economies Vision Element were selected because they are perceived as providing the greatest proxy power for gauging the overall health of Fairfax County's economy.

**Total employment** illustrates the magnitude of Fairfax County's jobs base. After increasing 2.1 percent in FY 2012, the total number of jobs in the County was essentially flat in FY 2013. For context, there are more jobs in Fairfax County than there are people in the entire state of Wyoming. While related to the number of jobs, the **unemployment rate** is also included because it shows the proportion of the County's population out of work. Fairfax County enjoys a relatively low unemployment rate in comparison to state and national trends. While the County's estimated unemployment rate was 4.0 percent in 2013, the Commonwealth of Virginia experienced 5.5 percent unemployment (not seasonally adjusted) in the same period. The strength of the County's economy is even more apparent when compared to the national unemployment rate of 7.4 percent in 2013.

The **Commercial/Industrial percent of total Real Estate Assessment Base** is a benchmark identified by the Board of Supervisors, which places priority on a diversified revenue base. The target is 25 percent of the assessment base. From FY 2001 to FY 2007, the Commercial/Industrial percentage declined from 25.37 percent to 17.22 percent, in part due to vacant office space early in this period and further exacerbated by the booming housing market attributable to record low mortgage rates that resulted in double-digit residential real estate assessment increases for several consecutive years. This imbalance increased the burden on the residential component to finance government services. Starting in FY 2008, when the housing market began to slow down, the Commercial/Industrial percentage increased for three consecutive years, reaching 22.67 percent in FY 2010 as a result of declining residential values. When nonresidential values declined a record 18.29 percent, the Commercial/Industrial percentage declined 2.97 percentage points to 19.70 percent in FY 2011 and another 0.06 percentage points in FY 2012. It rose to 20.77 percent in FY 2013, before it dropped again slightly in FY 2014 to 19.96 percent of the total Real Estate Assessment Base. The Commercial/Industrial percentage of the County's FY 2015 Real Estate Tax base is 19.01 percent, a decrease of 0.95 percentage points from the FY 2014 level.

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**Gross County Product (GCP)** is an overall measure of the County's economic performance. The percentage change in the GCP indicates whether the economy is expanding or contracting. Economic growth in the County improved in 2013. Based on preliminary estimates from IHS Global Insight, GCP, adjusted for inflation, increased at a rate of 1.4 percent in 2013, up from just 0.6 percent in 2012.

While it was recognized that **percent of persons living below the federal poverty line** is an imperfect measure due to the unrealistic level set by the federal government, i.e., \$23,550 for a family of four, it is a statistic that is regularly collected and presented in such a way that it can be compared to other jurisdictions, as well as tracked over time to determine improvement. In relative terms, Fairfax County's 5.8 percent poverty rate in FY 2013 is better than most, yet it still translates to over 64,000 persons living below the federal poverty level. *(Note: Census data are reported based upon the calendar year (CY) rather than the fiscal year and are typically available on a one-year delay. FY 2013 data represent CY 2012 data.)*

The next two measures, **percent of homeowners that pay 30 percent or more of household income on housing** and **percent of renters that pay 30 percent or more of household income on rent**, relate the cost of housing to income and provide an indication of the relative affordability of living in Fairfax County. That capacity has an effect on other aspects of the County's economy. For example, if housing is so expensive that businesses cannot attract employees locally, they may choose to relocate from Fairfax County, thus resulting in a loss of jobs. In FY 2013, 27.4 percent of homeowners paid 30 percent or more of their household income on housing, while a substantially greater number of renters, 46.8 percent, paid 30 percent or more of their household income on rent. *(Note: Census data are reported based upon the calendar year rather than the fiscal year and are typically available on a one-year delay. FY 2013 data represent CY 2012 data.)*

Finally, the **direct (excludes sublet space) office space vacancy rate** reflects yet another aspect of the health of the business community. In the last couple of years, the direct vacancy rate has remained elevated in historical terms, and at year-end 2013 was 14.9 percent, the highest on record since 1991. Including sublet space, the overall office vacancy rate was 17.1 percent, up from 16.7 percent at year-end 2012. The increase in the vacancy rate is attributed to federal budget issues. Government contractors have consolidated operations throughout the Washington area and retooled operations in order to operate in an economic environment less dependent on government procurement spending. Total leasing activity in 2013 rose to 11.6 million square feet, an increase over the 2012 level of 10.7 million square feet. Lease rates for new space are adjusting to market conditions. Many tenants are taking advantage of favorable rates and others are looking to capitalize on market conditions by consolidating operations in newer space near Metro. The Tysons market is uniquely positioned to take advantage of this trend with more than 26 million square feet of new office space in the pipeline.

Fairfax County devotes considerable resources to attracting and maintaining businesses that will contribute to the revenue base through income and jobs, which helps to ensure a healthy local economy. It should be noted that income growth does not affect Fairfax County tax revenues directly because localities in Virginia do not tax income; however, revenues are indirectly affected because changes in income impact the County's economic health.

## Strategic Linkages



**Practicing Environmental Stewardship:** Local government, industry and residents seek ways to use all resources wisely and to protect and enhance the County's natural environment and open space. As a result, residents feel good about their quality of life and embrace environmental stewardship as a personal and shared responsibility.

Key County Indicators	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual
Unhealthy Air Days recorded on Virginia Department of Environmental Quality (DEQ) monitors located in Fairfax County based on the EPA Air Quality Index (Calendar Year)	11	12	1
Overall Level of Stream Quality as a weighted index of overall watershed/stream conditions on a scale of 5 (Excellent) to 1 (Very Poor)	2.88	2.33	2.78
Percent of Tree Coverage in County	41%	50%	50%
Number of homes that could be powered as a result of County alternative power initiatives (1)	64,650	69,352	69,352
Solid Waste Recycled as a percentage of the waste generated within the County (Calendar Year) (1)	47%	51%	51%

(1) FY 2013 indicators are estimates. Actual data is based on calendar years and will be available in the Spring 2014.

The Environmental Stewardship Vision Element demonstrates the County's continued commitment to the environment. Rapid growth and development since the 1980's created new challenges for environmental preservation and stewardship. In recent years, Fairfax County has sought greater integration of environmental issues into all levels of agency decision-making and a proactive approach in preventing environmental problems and associated costs. Success in this area continues to be demonstrated by the County's Solid Waste Management Program and the Department of Vehicle Services, having earned the Virginia Department of Environmental Quality's designation as Environmental Enterprises, or E2, in accordance with Virginia's Environmental Excellence Program. The Wastewater Management Program achieved an Exemplary Environmental Enterprise (E3) rating. These designations are given if a facility has a record of significant compliance with environmental laws and requirements and can demonstrate its commitment to improving environmental quality and evaluating the facility's environmental impacts. In addition, in FY 2006, the County was presented with a National Association of Counties Achievement Award (NACo) for its efforts to improve air quality.

On June 21, 2004, the Board of Supervisors adopted the Environmental Excellence 20-year Vision Plan (Environmental Agenda). The Environmental Agenda is organized into six areas: growth and land use; air quality and transportation; water quality; solid waste; parks, trails and open space; and environmental stewardship. The underlying principles of the Environmental Agenda include: the conservation of limited natural resources being interwoven into all governmental decisions; and the County commitment to provide the necessary resources to protect the environment. By adopting the Environmental Agenda, the Board of Supervisors endorsed the continued staff effort to support the Environmental Stewardship Vision Element. In addition, the Environmental Coordinating Committee developed the Environmental Improvement Program (EIP) to support the Board's Environmental Agenda. The EIP is a tactical plan with concrete strategies, programs and policies that directly support the goals and objectives of the



***In FY 2006 and FY 2007, the County was presented with National Association of Counties (NACo) Achievement Awards for its efforts to improve air quality and for its Environmental Improvement Program.***

## Strategic Linkages

Board's Environmental Agenda. In FY 2007, the County was presented with a NACo achievement award for its Environmental Agenda and EIP Programs.

Fairfax County partnered with a select group of counties across the United States and the Sierra Club to create a template for local governments to begin reducing their greenhouse gas emissions in favor of more environmentally friendly practices. This "Cool Counties" initiative was inaugurated at the NACo annual conference in July 2007. It identifies specific strategies and actions for the nation's 3,000 counties to adopt as part of the regional, national and global effort to pursue smarter, cleaner energy solutions. A number of "Cool County" strategies have already been implemented in Fairfax County, including the purchase of hybrid vehicles (now totaling approximately 116 vehicles, resulting in a savings of over 60,000 gallons of gas per year). DVS has also undertaken a Diesel Exhaust Retrofit project, in which it retrofitted 1,012 school buses and 113 heavy duty trucks with exhaust after-treatments that reduce particulate emissions. In addition, on March 31, 2008, the Fairfax County Board of Supervisors approved a resolution pledging to implement greenhouse gas emission reduction actions as part of the National Capital Region's Cool Capital Challenge.

Fairfax County continues to promote green building initiatives in both public and private facilities and has been recognized nationally for environmental construction initiatives. The U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system includes several tiers. The goal for County projects greater than 10,000 square feet is silver certification. Currently, Fairfax County has achieved nine gold certifications (Virginia Department of Transportation Administration Building (construction managed by the County), Crosspointe Fire Station, Great Falls Fire Station, JoAnne Jorgenson Health Laboratory, Gartlan Center for Community Mental Health Facility, I-66 Transfer Station Operations Center, Martha Washington Library, Dolley Madison Library and Richard Byrd Library); five silver certifications (Burke Center Library, Oakton Library, Wolftrap Fire Station, Shelter Care II and Thomas Jefferson Library); and one certified building (Fairfax Center Fire Station). Fairfax County also received Green Globe certifications from the Green Building Initiative's environmental assessment and rating system for two commercial buildings which include Foundations (formerly known as Girls Probation House) and Hanley Family Shelter. Other initiatives include, the utilization of teleworking (Fairfax County has more than 1,000 employees telework an average of one day a month). The Facilities Management Department continues to implement energy savings strategies in County facilities which include the installation of energy management control systems, heating, ventilating, air conditioning and efficient lighting controls, resulting in significant energy savings. DPWES is also undertaking a Water Reuse Project to use reclaimed water from the plant for irrigation purposes.

In addition, in October 2009, the County received approval for a U.S. Department of Energy, Energy Efficiency and Conservation Block Grant (EECBG) as a result of the American Recovery and Reinvestment Act (ARRA). Funding of \$9,642,800 was approved for specific EECBG projects, each of which is aligned with the EECBG program's defined purposes and eligible activities. Some of the projects included: heating, ventilation and air conditioning systems; energy management control systems; lighting and lighting control systems; an enterprise server consolidation project which will reduce power demands in the County's data centers by approximately 90 percent; PC power management; and a comprehensive greenhouse gas emissions inventory of County operations. These projects are now complete. The Fairfax County Department of Information Technology received the "Green 15" award for its PC power management initiative that automatically shuts down over 14,000 County computers after working hours, resulting in electricity savings for the County. Other on-going environmental initiatives are detailed below, include minimizing unhealthy air days, enhancing stream quality, expanding tree coverage, exploring alternative forms of energy, and recycling.



## Strategic Linkages

In support of the regional goal of attaining the federal standard for ozone levels, Fairfax County is committed to minimizing **unhealthy air days** as measured and defined by all criteria pollutants. The Environmental Protection Agency (EPA) has set National Ambient Air Quality Standards for these criteria pollutants: ground-level ozone, particulate matter including both coarse and fine particulates (PM<sub>10</sub> and PM<sub>2.5</sub>), lead, carbon monoxide, sulfur dioxide, and nitrogen dioxide. The EPA Air Quality Index for the criteria pollutants assigns colors to levels of health concern, code orange indicating unhealthy for sensitive groups; code red – unhealthy for everyone; purple - very unhealthy; and maroon - hazardous. The Key County Indicator on unhealthy air days includes all of these color levels. In 2005, EPA revoked the one-hour ozone standard and completed the transition from the one-hour standard to a more stringent eight-hour ozone standard. Fairfax County, along with the metropolitan Washington region, continued its area designation “moderate non-attainment” of the eight-hour ground-level ozone standard. Fairfax County has implemented air pollution strategies including the previous purchase of wind energy credits, reducing County vehicle emissions through the purchase of hybrid vehicles, diesel retrofits and the use of ultra-low sulfur fuel, not allowing refueling of County vehicles except emergency vehicles on Code Red Days, transportation strategies including previous free FAIRFAX CONNECTOR bus rides on Code Red Days, teleworking, not allowing mowing of grass at County properties on Code Red Days, use of low Volatile Organic Compound (VOC) paints, County building energy efficiency programs, tree canopy and planting activities, green building actions, community outreach and maintaining standards and procedures that promote healthy air. On April 28, 2008, EPA announced that the Metropolitan Washington DC, MD, VA area met the 1996 one-hour ozone National Ambient Air Quality Standard by the required attainment date and changed the area designation to “marginal”. The number of unhealthy air days in FY 2011 was 11, with a slight increase to 12 in FY 2012 and a decline to 1 in FY 2013 as reported by the Virginia DEQ. EPA was proposing another revision to lower the ozone standard further to 0.06-0.07 ppm as recommended by the Clean Air Scientific Advisory Committee and they planned to adopt the exact standard in August 2010; however, EPA has extended the timeline. In the fall of 2011, EPA stated they will continue the on-going 5 year review of the updated science in compliance with the Clean Air Act before making any recommendations for changes to the standard. This was scheduled to be completed in 2013; however, EPA did not announce any changes in 2013. The County’s Environmental Coordinating Committee continues to examine the adequacy of current air pollution measures and practices, education and notification processes, and codes and regulations to make further progress. Fairfax County continues its membership with Clean Air Partners, a volunteer, non-profit organization chartered by the Metropolitan Washington Council of Governments (COG) and the Baltimore Metropolitan Council (BMC). Since FY 2005, the County has participated as a media sponsor for the group’s public awareness campaign. It is noted that in FY 2010, the County’s air monitoring program was eliminated due to budget reductions; however, the monitoring responsibility was turned over to DEQ.

**Stream quality** in Fairfax County may affect residents’ recreational use of streams and other water bodies as well as the quality of our drinking water. Monitoring the health of our waterways and preparing watershed management plans provide a head start for the County in satisfying the federal and state regulatory requirements as dictated by the County’s MS4 permit and Total Maximum Daily Loads (TMDLs) already established for several streams. A Chesapeake Bay TMDL was also established in December 2010 with the goal of restoring the Chesapeake Bay and eventually removing it from the national list of impaired bodies of water. Between 2005 and 2011, Fairfax County developed 13 watershed management plans for the County’s 30 watersheds in order to restore the health of local streams, meet regulatory requirements and help satisfy restoration goals for water quality and living resources for the Chesapeake Bay. All 13 plans have been adopted by the Board of Supervisors. These plans provide a systematic project framework for establishing restoration goals, implementation strategies, and prioritization of the most cost-effective projects that will help restore and protect our

## Strategic Linkages

streams and watersheds countywide. Hard copies of the plans may be found in their respective Board of Supervisor's office and local libraries. Additional information on watershed management planning may be found at [www.fairfaxcounty.gov/DPWES/watersheds/](http://www.fairfaxcounty.gov/DPWES/watersheds/). Since 2004, a stratified random sampling procedure has been used to assess and report the ecological conditions in the County's streams.

A stream quality indicator (SQI) was developed from the annual benthic macroinvertebrate monitoring data to establish overall watershed/stream conditions countywide. The SQI is an index value ranging from 5 to 1, with the following qualitative interpretations associated with the index values: 5 (Excellent), 4 (Good), 3 (Fair), 2 (Poor) to 1 (Very Poor). The SQI continued to fluctuate over the last ten years between 2.0 at its low and 2.88 at its highest level as the County strives to meet the goal of a future average **stream quality index value** of 3 or greater (Fair to Good stream quality). Fluctuations in the SQI score is to be expected as sites are selected randomly and could result in more good or bad sites being selected year to year. Long-term trend analysis of the SQI scores should average out these fluctuations. The EPA recognized Fairfax County as a Charter 2003 Clean Water Partner for its leadership role in the protection of the Chesapeake Bay (April 2003). Fairfax County continues to work collaboratively with other area jurisdictions toward the common goal of a cleaner Chesapeake Bay.

**Tree coverage** contributes to healthy air, clean water, preservation of habitat for birds and other wildlife, and quality and enjoyment of the environment by County residents. County planning and land development processes emphasize tree preservation and integrate this concern into new land development projects when possible. Tree coverage in the County is expressed as the percent of the County's land mass covered by the canopies of trees. Annual estimates of tree coverage in the County for individual years are premised on statistical analyses and knowledge of recent development activities in the County. Satellite image analysis of tree canopy coverage is conducted every five years to 10 years with staff estimating annual changes based on interim surveys. Recent improvements in remote sensing technologies have greatly increased the ability to detect small scattered pockets of tree canopy. Recent analysis conducted by the University of Vermont's Geospatial Laboratory utilizing state-of-the-art urban tree canopy detection techniques has estimated that the County has a tree canopy level of approximately 50 percent which is significantly higher than previous estimates of 40 to 45 percent. Staff is in the process of verifying the accuracy of this new tree canopy analysis data. If the analysis proves accurate, then the County's has exceeded its 30-year canopy goal of 45 percent; however, these higher canopy levels do not lessen the need to protect and manage tree and forest resources through strong conservation programs. Fairfax County will continue to lose tree canopy to land development in the future and land development processes must continue to ensure the preservation of this valuable asset in order to sustain the delivery of its numerous environmental and socio-economic benefits. Future tree canopy goals will require the community to plant over 2 million trees over the next 30-years and continue the protection and management of existing native forest communities. In recent years, the County has partnered with several non-profit organizations that leverage the use of volunteers, and provide significant opportunities for community involvement and environmental awareness associated with tree planting projects. These tree planting projects are also consistent with the overall Stormwater goals to re-establish native plant buffers and increase the natural absorption of Stormwater runoff associated with ground imperviousness.

Alternative power initiatives highlight County efforts to contribute to lowering pollution through the generation, procurement and/or use of cleaner, more efficient energy sources. These initiatives go to the heart of environmental stewardship. County **alternative power initiatives** are expressed as the equivalent number of homes that could be powered by energy realized from alternative sources, such as the energy from the County's Energy/Resource Recovery Facility (E/RRF) and from methane recovery at the County's closed landfills. Locally, average energy use per home equals 800 Kilowatt-hours (kWh) per

## Strategic Linkages

month. Over the last several years, the number of homes powered by alternative power initiatives has increased to 69,352 homes in FY 2012.

Solid waste management is a key environmental responsibility of Fairfax County. Fairfax County manages trash and recycling according to the solid waste hierarchy that prefers reduction, reuse and recycling before incineration or landfilling. The County's Solid Waste Management Program (SWMP) has responsibility for providing a system for municipal solid waste generated as documented in the 20-Year Solid Waste Management Plan approved by the Board of Supervisors in May 2004. This plan, mandated by state law and administered by the Virginia Department of Environmental Quality (DEQ), documents the County's integrated management system and provides long-range planning for waste disposal and recycling for the next 20 years. Fairfax County's waste is disposed of in a state-of-the-art Waste-to-Energy (WTE) facility that combusts about 3,000 tons of waste per day generated in the County. Power generated through the combustion of waste is sold to Dominion Virginia. Revenue is generated by the sale of electricity to the power company and for each ton of waste delivered to either of the County's two solid waste disposal complexes located in Fairfax and Lorton. Revenue generated is used to support the County's solid waste management program that receives no funding from the Fairfax County General Fund.

Fairfax County's integrated Solid Waste Management Program is responsible for setting parameters for the collection, transport, recycling and/or disposal of waste generated in the county. This is accomplished through the County's solid waste ordinance, Chapter 109.1, which regulates all aspects of the management of municipal solid waste. The County's solid waste program provides opportunities for both residents and businesses to properly manage waste that they generate. The SWMP operates facilities for residents to properly dispose of hazardous waste generated within in residential properties such as fluorescent lamps, rechargeable batteries and obsolete electronic equipment such as computers and televisions. Residents can recycle motor oil, antifreeze and used cooking oil at the county's two solid waste management complexes. There are eight unmanned recycling drop-off centers throughout the County where residents or businesses can deliver their recyclables for processing and eventual sale. Fairfax County continues to administer and enforce requirements to recycle paper and cardboard from all residential and nonresidential properties, including multi-family residential properties. The County's recycling rate is calculated on a calendar year basis according to state regulations and is due to the Virginia Department of Environmental Quality on April 30 of each calendar year. The annual countywide estimated recycling rate of 51 percent (for calendar year 2012) exceeds the state-mandated requirement of 25 percent.



**Creating a Culture of Engagement:** Individuals enhance community life by participating in and supporting civic groups, discussion groups, public-private partnerships, and other activities that seek to understand and address community needs and opportunities. As a result, residents feel that they can make a difference and work in partnership with others to understand and address pressing public issues.

Key County Indicators	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual
Volunteerism for Public Health and Community Improvement (Medical Reserve Corps and Volunteer Fairfax)	20,770	22,735	29,742
Volunteer hours leveraged by the Consolidated Community Funding Pool	511,824	488,600	464,380
Residents completing educational programs about local government (includes Citizens Police Academy and Fairfax County Youth Leadership Program)	261	95	93

## Strategic Linkages

Key County Indicators	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual
Percent of registered voters who voted in general and special elections	49.1%	32.3%	80.5%
Percent of Park Authority, Fairfax County Public Schools, and Community and Recreation Services athletic fields adopted by community groups	31.0%	29.1%	29.0%

**Volunteerism** for Public Health and Community Improvement is strongly evident in two local programs: the **Medical Reserve Corps (MRC) and Volunteer Fairfax**. Fairfax County benefits greatly from citizens who are knowledgeable about and actively involved in community programs and initiatives. Nationally, the MRC consists of more than 200,000 volunteers organized into 989 individual units, whose purpose is to build strong, healthy, and prepared communities. At the local level, over 3,000 medical and non-medical volunteers are enrolled in the Fairfax MRC. Volunteers participate in trainings, exercises and response activities to augment local resources used for protecting Fairfax residents health prior to, during, and after a public health emergency.

During FY 2013 Fairfax MRC volunteers participated in a number of trainings and exercises, as well as several real-world emergencies and planned events. Eighty-six Fairfax MRC volunteers dedicated nearly 300 hours in support of the 57<sup>th</sup> Presidential Inauguration, Point of Testing sites associated with the tuberculosis investigation at Robert E. Lee High School, local and regional exercises, and outreach events throughout the County. Over 600 volunteers participated in a variety of trainings related to the National Incident Management System (NIMS), the Incident Command System (ICS), radiological emergency response, shelter operations, and mass fatality incident response. These volunteers donated 2,898 hours in service to the County while participating in these activities. Additionally, over 200 new volunteers were recruited through a direct mailing to healthcare professionals, and over 40 new members completed their basic training requirements.

Throughout fiscal year 2013, the Fairfax MRC focused on gaining a better depiction of its volunteer numbers. Over 1,000 volunteers who were no longer involved in the program were removed from the roster. The Fairfax MRC piloted the County's new online Volunteer Management System (VMS), and has fully integrated the system into its operations.

Current and future MRC program efforts are focused on codifying and better capturing program resources, enhancing volunteer skills and capabilities by increasing the number of volunteers that have completed their required training, increasing volunteer engagement, and updating programmatic policies and procedures. The Fairfax MRC will continue to engage volunteers with meaningful training and exercise opportunities to better prepare them to support the Fairfax County Health Department in responding to natural and man-made disasters and emergencies.

**Volunteer Fairfax**, a private, nonprofit corporation (created in 1975) to promote volunteerism through a network of over 900 nonprofit agencies, has mobilized people and other resources to meet regional community needs. Volunteer Fairfax connects individuals, youth, seniors, families and corporations to volunteer opportunities, honors volunteers for their hard work and accomplishments, and educates the nonprofit sector on best practices in volunteer and nonprofit management. Through various programs and services, Volunteer Fairfax has referred or connected 26,575 individuals in FY 2013 which equates to 54,226 hours volunteers contributed to Fairfax County with a value of \$1.3 million.

Volunteerism not only reflects a broad-based level of engagement with diverse organizations and residents throughout Fairfax County, but also greatly benefits citizens through the receipt of expertise and assistance at minimal cost to the County. As indicated by the number of volunteer hours garnered

## Strategic Linkages

by the **Consolidated Community Funding Pool** (CCFP), there is a strong nucleus and core of volunteers who feel empowered to freely participate in vital community programs, and they make a difference in the community. Numbers fluctuate from year to year since new and revamped programs are funded every two years. The decrease in volunteerism in FY 2013 is due in part to a reduction in programs funded by CCFP from 112 in FY 2012 to 108 in FY 2013.

In addition to its many volunteer opportunities, Fairfax County has designed several programs to educate citizens about local government. The **Citizens Police Academy** is an educational outreach program designed to provide a unique “glimpse behind the badge” as participants learn about police department resources, programs, and the men and women who comprise an organization nationally recognized as a leader in the law enforcement community. Participants learn about the breadth of resources involved in preventing and solving crime and the daily challenges faced by Fairfax County police officers. Academies are ten weeks in length and meet one night a week for 3.5 hours. Classes are a combination of lecture, tour, and hands-on activities. Five-week academies may also be offered at the request of station commanders. The Fairfax County Citizens Police Academy was selected “best in the nation” in 2009 by the National Citizens Police Academy Association (NCPAA). In FY 2013, 65 residents completed this course.

The **Fairfax County Youth Leadership Program** is designed to educate and motivate high school students to become engaged citizens and leaders in the community. This is a very selective program with one to two students from each of the County's 25 high schools represented. The students are chosen based on a range of criteria including student activities and awards, written essays and recommendations. During a one-year period, the program includes a series of monthly sessions about County government, work assignments related to each session, a summer internship in a County agency and a presentation to 8<sup>th</sup> grade civics students. The goal of this initiative is to inspire young people to become citizens who will share their ideas and bring their energy to local government.

Fairfax County has a civic-minded population. Voter participation levels reflect a community that is well informed, engaged, and involved with local government to address community needs and opportunities. The percent of Fairfax County residents voting in recent elections has exceeded national and state averages. The County turnout for the 2012 Presidential Election (FY 2013) was 80.5 percent compared to a national average of 57.5 percent and a statewide average of 66.9 percent. The County's 80.5 percent turnout represents over a ½ million voters -- 444,161 citizens who voted at the polls on Election Day and 92,540 voters who applied for absentee ballots. In addition, nearly 3,000 civic minded citizens and over 450 high school students volunteered at County polling places to conduct the 2012 Presidential Election.

Another aspect of an engaged community is the extent to which residents take advantage of opportunities to improve their physical surroundings and to maintain the facilities they use. The percent of athletic field adoptions – 29.0 percent in FY 2013 – by community groups is solid and evidenced by the consistent community support of approximately one-third of total fields over the recent period. Athletic field adoptions reduce the County's financial burden to maintain these types of public facilities and improve their quality. Analysis indicates that organizations in Fairfax County annually provide over \$4 million in support for facility maintenance and development. In addition to natural turf field maintenance, community organizations continue to develop synthetic turf fields by partnering with the County and funding the development independently. New incentives have recently been put into place to encourage groups to maintain and increase adoptions despite the current economic climate. The Department of Neighborhood and Community Services, Fairfax County Park Authority (FCPA), and Fairfax County Public Schools (FCPS) continue to work with a very involved athletic community to

## Strategic Linkages

design and implement the FCPS diamond field maintenance plan. This plan established an enhanced level of consistent and regular field maintenance at school softball and baseball game-fields. This benefits both scholastic users as well as community groups that are reliant upon use of these fields to operate their sports programs throughout the year.



**Exercising Corporate Stewardship:** Fairfax County government is accessible, responsible, and accountable. As a result, actions are responsive, providing superior customer service and reflecting sound management of County resources and assets.

Key County Indicators	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Estimate	FY 2015 Estimate
Average tax collection rate for Real Estate Taxes, Personal Property Taxes and Business, Professional, and Occupational License Taxes	99.58%	99.35%	99.72	99.32	99.44
County direct expenditures per capita	\$1,091	\$1,126	\$1,142	\$1,219	\$1,214
Percent of household income spent on residential Real Estate Tax	4.47%	4.45%	4.52%	4.67%	4.86%
County (merit regular) positions per 1,000 citizens	11.05	11.13	11.04	11.01	10.97
Number of consecutive years receipt of highest possible bond rating from major rating agencies (Aaa/AAA/AAA)	33	34	35	36	37
Cumulative savings from both County bond sales as compared to the Bond Buyer Index and County refundings (in millions)	\$486.30	\$543.28	\$580.63	\$631.08	\$631.08
Number of consecutive years receipt of unqualified audit	30	31	32	33	34

The Corporate Stewardship Vision Element is intended to demonstrate the level of effort and success that the County has in responsibly and effectively managing the public resources allocated to it. The County is well regarded for its strong financial management as evidenced by its long history of high quality financial management and reporting (See chart above for “**number of consecutive years receipt of highest possible bond rating**” and “**unqualified audit**”). The Board of Supervisors adopted *Ten Principles of Sound Financial Management* on October 22, 1975, to ensure prudent and responsible allocation of County resources. These principles, which are reviewed, revised and updated as needed to keep County policy and practice current, have resulted in the County receiving and maintaining a Aaa bond rating from Moody's Investors Service since 1975, AAA from Standard and Poor's Corporation since 1978 and AAA from Fitch Investors Services since 1997. Maintenance of the highest rating from the major rating agencies has resulted in significant flexibility for the County in managing financial resources generating **cumulative savings from County bond sales and refundings** of \$631.08 million since 1978. This savings was achieved as a result of the strength of County credit compared to other highly rated jurisdictions on both new money bond sales and refundings of existing debt at lower interest rates. This means that the interest costs that need to be funded by County revenues are significantly lower than they would have been if the County was not so highly regarded in financial circles as having a thoughtful and well implemented set of fiscal policies.

This strong history of corporate stewardship was also key to the naming of Fairfax County as “one of the best managed jurisdictions in America” by *Governing* magazine and the Government Performance Project (GPP). In 2001, the GPP completed a comprehensive study evaluating the management practices of 40 counties across the country and Fairfax County received an overall grade of “A-,” one of only two jurisdictions to receive this highest grade. Recent recognitions of sound County management include continuing annual recognition by the Government Finance Officers Association (GFOA) for excellence in

## Strategic Linkages

financial reporting and budgeting, and receipt of the International City/County Management Association (ICMA) 2013 Certificate of Excellence for the County's use of performance data from 15 different government service areas (such as police, fire and rescue, libraries, etc.) to achieve improved planning and decision-making, training, and accountability. Fairfax County was one of 28 jurisdictions that earned this prestigious certificate out of 160 jurisdictions participating in ICMA's Center for Performance Measurement.

The success in managing County resources has been accompanied by the number of **merit regular positions per 1,000 citizens** being managed very closely. Since FY 1992 the ratio has declined from 13.57 to 10.97 in FY 2015. The ratio has declined since FY 2011 due to position eliminations as part of budget reductions to address shortfalls, partially offset by an increase in merit status positions primarily as a result of changes to federal regulations. The long-term decline in the positions to citizen ratio indicates a number of efficiencies and approaches - success in utilizing technology, best management processes and success in identifying public-private partnerships and/or contractual provision of service.

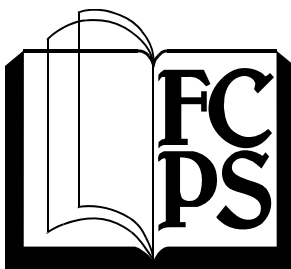
The County consistently demonstrates success in maintaining high **average tax collection rates**, which results in equitable distribution of the burden of local government costs to fund the wide variety of County programs and services beneficial to all residents.

**County direct expenditures per capita** of \$1,214 in FY 2015 reflect a small decrease from FY 2014. Budget shortfalls in recent years have prevented significant growth. Recent budgets have accommodated operating adjustments for new facilities, critical infrastructure requirements, population growth and workload increases with modest expenditure increases. More cost per capita data, showing how much Fairfax County spends in each of the program areas, e.g., public safety, health and welfare, community development, etc., is included at the beginning of each program area section in Volume 1 of the FY 2015 Advertised Budget Plan. The jurisdictions selected for comparison are the Northern Virginia localities as well as those with a population of 100,000 or more elsewhere in the state (the Auditor of Public Accounts for the Commonwealth of Virginia collects this data and publishes it annually). Fairfax County's cost per capita in each of the program areas is highly competitive with others in the state.

The **percent of household income spent on residential Real Estate Tax** increased from FY 2011 to FY 2015, primarily reflecting an increase in Real Estate Taxes per "typical" household due to growth in the mean assessed value of residential properties within the County and an increase in the Real Estate Tax rate. It should be noted that Fairfax County continues to rely heavily on the Real Estate Tax at least in part due to the lack of tax diversification options for counties in Virginia. In FY 2015, real property taxes total **63.2** percent of total General Fund revenues.

# Strategic Linkages

## Fairfax County Public Schools (FCPS) Strategic Governance



### FCPS Overview

- **FY 2014, FCPS' total approved membership is 184,625; nation's 11<sup>th</sup> largest school district.**
- **196 schools and centers.**
- **Full-day kindergarten at all elementary schools.**
- **Needs-based staffing at all schools.**
- **Nearly ninety-five percent of FCPS graduates plan to continue to post-secondary education.**
- **Thomas Jefferson High School of Science and Technology was ranked by *U.S. News and World Report* as the number four gold medal school. Langley High school was also in the top 100 schools nationwide.**

The School Board's Strategic Governance Initiative includes beliefs, vision, and mission statements, and student achievement goals to provide a more concentrated focus on student achievement and to establish clearer accountability. In addition to specifying the results expected for students, the Board has created comprehensive departmental operational expectations that provide a guiding framework for both the Superintendent and staff members to work within. The Strategic Governance Initiative includes those operational expectations as well as student achievement goals as measures of school system success.

### Beliefs

- We Believe in Our Children.
- We Believe in Our Teachers.
- We Believe in Our Public Education System.
- We Believe in Our Community.

### Vision

- Looking to the Future
- Commitment to Opportunity
- Community Support
- Achievement
- Accountability

**FCPS students scored an average of 1663 on the SAT, exceeding both the state and national average for 2013:**

<b>FCPS</b>	<b>1663</b>
<b>VA</b>	<b>1517</b>
<b>Nation</b>	<b>1474</b>

### Mission

Fairfax County Public Schools, a world-class school system, inspires and empowers students to meet high academic standards, lead ethical lives, and be responsible and innovative global citizens.

### Student Achievement Goals

1. Academics
2. Essential Life Skills
3. Responsibility to the Community

### FCPS is Efficient

- **FCPS ranks 6<sup>th</sup> when compared to other local districts in average cost per pupil (FY 2014 WABE Guide).**

Fairfax County Public Schools' beliefs, vision, mission, and student achievement goals are discussed in more detail at:

<http://www.fcps.edu/schlbdbmv.shtml>

School system performance is monitored regularly throughout the year by the School Board to assure that reasonable progress is being made toward achieving the student achievement goals and that the system is complying with the Board's operational expectations.





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# FY 2015

Advertised Budget Plan



# General Fund Statement

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## FY 2015 ADVERTISED FUND STATEMENT

### FUND 10001, GENERAL FUND

	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan <sup>1</sup>	FY 2015 Advertised Budget Plan	Inc/(Dec) Over Revised	% Inc/(Dec) Over Revised
<b>Beginning Balance</b>	\$209,439,502	\$87,778,641	\$182,807,766	\$110,967,311	(\$71,840,455)	(39.30%)
<b>Revenue <sup>2</sup></b>						
Real Property Taxes	\$2,123,406,700	\$2,207,982,016	\$2,216,599,964	\$2,342,831,045	\$126,231,081	5.69%
Personal Property Taxes <sup>3</sup>	353,633,268	336,067,422	354,308,292	368,833,524	14,525,232	4.10%
General Other Local Taxes	530,960,414	526,607,627	521,969,977	502,081,550	(19,888,427)	(3.81%)
Permit, Fees & Regulatory Licenses	38,201,352	36,870,254	38,688,569	39,438,395	749,826	1.94%
Fines & Forfeitures	14,131,523	14,863,219	14,217,784	14,235,071	17,287	0.12%
Revenue from Use of Money & Property	17,511,082	16,936,422	14,963,799	14,221,937	(741,862)	(4.96%)
Charges for Services	72,674,073	72,690,493	74,509,001	76,479,473	1,970,472	2.64%
Revenue from the Commonwealth <sup>3</sup>	301,125,920	306,918,671	307,463,703	306,785,768	(677,935)	(0.22%)
Revenue from the Federal Government	31,152,805	25,676,086	26,576,620	27,473,750	897,130	3.38%
Recovered Costs/Other Revenue	15,297,940	14,935,437	15,030,165	15,324,755	294,590	1.96%
<b>Total Revenue</b>	<b>\$3,498,095,077</b>	<b>\$3,559,547,647</b>	<b>\$3,584,327,874</b>	<b>\$3,707,705,268</b>	<b>\$123,377,394</b>	<b>3.44%</b>
<b>Transfers In</b>						
Fund 20000 Consolidated Debt Service	\$0	\$8,000,000	\$8,000,000	\$0	(\$8,000,000)	(100.00%)
Fund 40000 County Transit Systems	0	4,000,000	4,000,000	0	(4,000,000)	(100.00%)
Fund 40030 Cable Communications	4,270,457	4,145,665	4,145,665	3,148,516	(997,149)	(24.05%)
Fund 40080 Integrated Pest Management	0	138,000	138,000	138,000	0	0.00%
Fund 40100 Stormwater Services	0	1,000,000	1,000,000	1,000,000	0	0.00%
Fund 40140 Refuse Collection and Recycling Operations	0	535,000	535,000	535,000	0	0.00%
Fund 40150 Refuse Disposal	2,500,000	535,000	535,000	535,000	0	0.00%
Fund 40160 Energy Resource Recovery (ERR) Facility	0	42,000	42,000	42,000	0	0.00%
Fund 40170 I-95 Refuse Disposal	0	175,000	175,000	175,000	0	0.00%
Fund 60010 Department of Vehicle Services	0	1,224,931	1,224,931	0	(1,224,931)	(100.00%)
Fund 60030 Technology Infrastructure Services	0	1,500,000	1,500,000	0	(1,500,000)	(100.00%)
Fund 69010 Sewer Operation and Maintenance	0	1,800,000	1,800,000	1,800,000	0	0.00%
Fund 80000 Park Revenue	0	775,000	775,000	775,000	0	0.00%
<b>Total Transfers In</b>	<b>\$6,770,457</b>	<b>\$23,870,596</b>	<b>\$23,870,596</b>	<b>\$8,148,516</b>	<b>(\$15,722,080)</b>	<b>(65.86%)</b>
<b>Total Available</b>	<b>\$3,714,305,036</b>	<b>\$3,671,196,884</b>	<b>\$3,791,006,236</b>	<b>\$3,826,821,095</b>	<b>\$35,814,859</b>	<b>0.94%</b>
<b>Direct Expenditures <sup>2</sup></b>						
Personnel Services	\$695,634,681	\$722,847,458	\$731,828,693	\$745,806,755	\$13,978,062	1.91%
Operating Expenses	334,794,913	333,347,232	372,043,225	347,535,949	(24,507,276)	(6.59%)
Recovered Costs	(41,253,899)	(44,575,824)	(43,613,381)	(44,576,928)	(963,547)	2.21%
Capital Equipment	1,240,331	220,968	1,158,271	190,017	(968,254)	(83.59%)
Fringe Benefits	278,906,707	297,561,471	299,051,727	312,330,626	13,278,899	4.44%
<b>Total Direct Expenditures</b>	<b>\$1,269,322,733</b>	<b>\$1,309,401,305</b>	<b>\$1,360,468,535</b>	<b>\$1,361,286,419</b>	<b>\$817,884</b>	<b>0.06%</b>

## FY 2015 ADVERTISED FUND STATEMENT

### FUND 10001, GENERAL FUND

	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan <sup>1</sup>	FY 2015 Advertised Budget Plan	Inc/(Dec) Over Revised	% Inc/(Dec) Over Revised
<b>Transfers Out</b>						
Fund S10000 School Operating <sup>4</sup>	\$1,683,322,285	\$1,716,988,731	\$1,716,988,731	\$1,751,328,506	\$34,339,775	2.00%
Fund 10010 Revenue Stabilization	1,680,445	0	1,250,797	1,031,348	(219,449)	(17.54%)
Fund 10020 Community Funding Pool	9,867,755	9,867,755	9,867,755	10,611,143	743,388	7.53%
Fund 10030 Contributory Fund	15,683,588	13,370,975	14,370,975	15,361,234	990,259	6.89%
Fund 10040 Information Technology	14,281,579	2,913,280	9,763,280	7,351,260	(2,412,020)	(24.71%)
Fund 20000 County Debt Service	116,853,073	118,797,992	118,797,992	133,742,157	14,944,165	12.58%
Fund 20001 School Debt Service	164,757,064	172,367,649	172,367,649	177,141,176	4,773,527	2.77%
Fund 30000 Metro Operations and Construction	11,298,296	11,298,296	11,298,296	11,298,296	0	0.00%
Fund 30010 General Construction and Contributions	16,554,569	11,933,202	20,376,497	18,718,981	(1,657,516)	(8.13%)
Fund 30020 Capital Renewal Construction	0	0	5,000,000	8,000,000	3,000,000	60.00%
Fund 30050 Transportation Improvements	200,000	0	200,000	0	(200,000)	(100.00%)
Fund 30060 Pedestrian Walkway Improvements	300,000	100,000	300,000	300,000	0	0.00%
Fund 30080 Commercial Revitalization Program	950,000	0	0	0	0	-
Fund 30300 The Penny for Affordable Housing	1,058,750	0	0	0	0	-
Fund 40000 County Transit Systems	36,547,739	34,547,739	34,547,739	34,547,739	0	0.00%
Fund 40040 Community Services Board	109,610,515	109,233,258	110,041,222	112,570,435	2,529,213	2.30%
Fund 40090 E-911	15,256,778	17,051,691	17,279,271	0	(17,279,271)	(100.00%)
Fund 40330 Elderly Housing Programs	2,043,297	1,852,376	1,864,271	1,862,125	(2,146)	(0.12%)
Fund 50000 Federal/State Grants	5,244,241	5,057,965	5,459,853	5,208,464	(251,389)	(4.60%)
Fund 60000 County Insurance	22,094,372	21,017,317	21,030,127	23,226,489	2,196,362	10.44%
Fund 60020 Document Services Division	2,398,233	2,398,233	2,407,383	2,398,233	(9,150)	(0.38%)
Fund 60040 Health Benefits	4,000,000	0	1,600,000	0	(1,600,000)	(100.00%)
Fund 73030 OPEB Trust	28,000,000	28,000,000	28,000,000	28,000,000	0	0.00%
Fund 83000 Alcohol Safety Action Program	171,958	171,958	191,174	410,571	219,397	114.76%
<b>Total Transfers Out</b>	<b>\$2,262,174,537</b>	<b>\$2,276,968,417</b>	<b>\$2,303,003,012</b>	<b>\$2,343,108,157</b>	<b>\$40,105,145</b>	<b>1.74%</b>
<b>Total Disbursements</b>	<b>\$3,531,497,270</b>	<b>\$3,586,369,722</b>	<b>\$3,663,471,547</b>	<b>\$3,704,394,576</b>	<b>\$40,923,029</b>	<b>1.12%</b>
<b>Total Ending Balance</b>	<b>\$182,807,766</b>	<b>\$84,827,162</b>	<b>\$127,534,689</b>	<b>\$122,426,519</b>	<b>(\$5,108,170)</b>	<b>(4.01%)</b>
Less:						
Managed Reserve	\$71,884,864	\$71,727,394	\$73,269,431	\$74,087,892	\$818,461	1.12%
Reserve for State/Federal Reductions and Federal Sequestration Cuts <sup>5</sup>	8,099,768	8,099,768	7,697,880	7,697,880	0	0.00%
Litigation Reserve <sup>6</sup>	5,000,000	5,000,000	30,000,000	30,000,000	0	0.00%
Transportation Reserve <sup>7</sup>	538,344				0	-
Reserve for FY 2014 Budget Development <sup>8</sup>	742,333				0	-
FY 2012 Audit Adjustments <sup>9</sup>	1,513,332				0	-
FY 2013 Audit Adjustments <sup>2</sup>	1,469,450		1,469,450			
Reserve for FY 2014 Third Quarter <sup>10</sup>			15,097,928			
Reserve for Board Consideration <sup>11</sup>				10,640,747	10,640,747	-
<b>Total Available</b>	<b>\$93,559,675</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>-</b>

## FY 2015 ADVERTISED FUND STATEMENT

### FUND 10001, GENERAL FUND

FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan <sup>1</sup>	FY 2015 Advertised Budget Plan	Inc/(Dec) Over Revised	% Inc/(Dec) Over Revised
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<sup>1</sup> FY 2014 Revised Budget Plan revenues reflect a net increase of \$24,481,152 based on revised revenue estimates as of fall 2013. The FY 2014 Third Quarter Review will contain a detailed explanation of these changes. Of the total, \$25,000,000 has been added to the Litigation Reserve and the remaining amount, a decrease of \$518,848, has been taken from the Reserve for FY 2014 Third Quarter.

<sup>2</sup> In order to appropriately reflect actual revenues and expenditures in the proper fiscal year, FY 2013 revenues are increased \$2,084,386 and FY 2013 expenditures are increased \$614,936 to reflect audit adjustments as included in the FY 2013 Comprehensive Annual Financial Report (CAFR). As a result, the FY 2014 Revised Budget Plan Beginning Balance reflects a net increase of \$1,469,450. Details of the FY 2013 audit adjustments will be included in the FY 2014 Third Quarter package. This one-time funding is expected to be utilized as part of the FY 2014 Third Quarter Review and, as a result, is not carried forward into FY 2015.

<sup>3</sup> Personal Property Taxes of \$211,313,944 that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Revenue from the Commonwealth category in accordance with guidelines from the State Auditor of Public Accounts.

<sup>4</sup> The proposed County General Fund transfer for school operations in FY 2015 totals \$1,751,328,506, an increase of \$34,339,775, or 2.0 percent, over the FY 2014 Adopted Budget Plan. It should be noted that the Fairfax County Public Schools Superintendent's Proposed budget reflects a General Fund transfer of \$1,815,133,009, an increase of \$98,144,278, or 5.7 percent, over the FY 2014 Adopted Budget Plan. In their action on the Superintendent's Proposed budget on February 6, 2014, the School Board maintained the Superintendent's request for a \$98.1 million increase in the transfer.

<sup>5</sup> As part the FY 2012 Carryover Review, an amount of \$8,099,768 was set aside in reserve for State/Federal Reductions and Federal Sequestration Cuts. As part of the County Executive's proposed FY 2013 Carryover Review, \$401,888 of this reserve has been utilized to offset federal sequestration reductions for the Head Start and Early Head Start grant programs. Use of the reserve funding is in line with the direction given by the Board of Supervisors as part of the June 25, 2013 Human Services Committee meeting. As part of their deliberations on the FY 2013 Carryover Review, the Board of Supervisors earmarked \$1,000,000 of this reserve for potential requirements within the Housing Blueprint/Bridging Affordability program as a result of the use of \$1,000,000 in Blueprint funding for the Housing Choice Voucher (HCV) Reserve.

<sup>6</sup> As part of the FY 2012 Carryover Review, an amount of \$5,000,000 was set aside in reserve to address the impact of a number of potential refunds resulting from pending tax appeals. As a result of revised projections of the timing of the litigation requirements, this reserve has been increased by \$25,000,000 to \$30,000,000.

<sup>7</sup> As part of the FY 2012 Carryover Review, an amount of \$538,344 was set aside in reserve for transportation requirements. This reserve was utilized to balance the FY 2014 budget.

<sup>8</sup> As part of the FY 2012 Carryover Review, an amount of \$742,333 was set aside in reserve for FY 2014 budget development. This reserve was utilized to balance the FY 2014 budget.

<sup>9</sup> As a result of FY 2012 audit adjustments, an amount of \$1,513,332 was available to be held in reserve in FY 2013 and was utilized to balance the FY 2014 budget.

<sup>10</sup> As part of the FY 2013 Carryover Review, an amount of \$15,616,776 was set aside in reserve for FY 2014 requirements or FY 2015 budget development. As a result of revised FY 2014 revenue estimates, this reserve has been reduced by \$518,848 to \$15,097,928. It is expected that this one-time funding will be utilized as part of the FY 2014 Third Quarter Review and, as a result, is not carried forward into FY 2015.

<sup>11</sup> As part of the FY 2015 Advertised Budget Plan, an amount of \$10,640,747 has been set aside in reserve for Board consideration during their deliberations on the FY 2015 budget.

## FY 2015 ADVERTISED SUMMARY GENERAL FUND DIRECT EXPENDITURES

# Agency Title	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan	Inc/(Dec) Over Revised	% Inc/(Dec) Over Revised
<b>Legislative-Executive Functions / Central Services</b>						
01 Board of Supervisors	\$4,554,679	\$5,171,389	\$5,226,639	\$5,228,716	\$2,077	0.04%
02 Office of the County Executive	5,729,428	6,420,926	6,605,108	6,618,317	13,209	0.20%
04 Department of Cable and Consumer Services	1,051,877	955,853	984,943	961,598	(23,345)	(2.37%)
06 Department of Finance	9,199,738	8,387,352	9,054,977	8,344,793	(710,184)	(7.84%)
11 Department of Human Resources	7,560,035	7,190,025	7,568,287	7,272,195	(296,092)	(3.91%)
12 Department of Purchasing and Supply Management	4,801,328	4,411,712	4,688,925	4,662,202	(26,723)	(0.57%)
13 Office of Public Affairs	1,164,637	1,261,248	1,329,398	1,277,942	(51,456)	(3.87%)
15 Office of Elections	3,558,962	3,695,935	3,734,406	3,953,177	218,771	5.86%
17 Office of the County Attorney	6,775,253	6,357,795	7,648,129	6,440,565	(1,207,564)	(15.79%)
20 Department of Management and Budget	2,651,424	4,458,126	4,508,991	4,513,052	4,061	0.09%
37 Office of the Financial and Program Auditor	284,278	350,582	354,020	355,690	1,670	0.47%
41 Civil Service Commission	373,517	408,154	410,849	412,561	1,712	0.42%
57 Department of Tax Administration	21,423,473	22,644,049	23,345,271	22,815,098	(530,173)	(2.27%)
70 Department of Information Technology	28,845,475	30,156,498	34,291,181	31,272,777	(3,018,404)	(8.80%)
<b>Total Legislative-Executive Functions / Central Services</b>	<b>\$97,974,104</b>	<b>\$101,869,644</b>	<b>\$109,751,124</b>	<b>\$104,128,683</b>	<b>(\$5,622,441)</b>	<b>(5.12%)</b>
<b>Judicial Administration</b>						
80 Circuit Court and Records	\$10,318,566	\$10,462,252	\$10,638,203	\$10,583,284	(\$54,919)	(0.52%)
82 Office of the Commonwealth's Attorney	2,653,086	2,699,151	2,729,751	3,505,085	775,334	28.40%
85 General District Court	2,049,657	2,208,314	2,245,761	2,241,210	(4,551)	(0.20%)
91 Office of the Sheriff	18,430,508	17,872,861	18,619,665	18,172,243	(447,422)	(2.40%)
<b>Total Judicial Administration</b>	<b>\$33,451,817</b>	<b>\$33,242,578</b>	<b>\$34,233,380</b>	<b>\$34,501,822</b>	<b>\$268,442</b>	<b>0.78%</b>
<b>Public Safety</b>						
04 Department of Cable and Consumer Services	\$660,853	\$664,178	\$672,678	\$671,078	(\$1,600)	(0.24%)
31 Land Development Services	8,856,194	7,594,843	8,290,314	9,533,755	1,243,441	15.00%
81 Juvenile and Domestic Relations District Court	20,717,288	20,843,493	21,437,003	21,357,830	(79,173)	(0.37%)
90 Police Department	170,984,616	175,549,661	181,241,503	178,535,588	(2,705,915)	(1.49%)
91 Office of the Sheriff	41,434,270	44,497,605	45,875,739	45,115,228	(760,511)	(1.66%)
92 Fire and Rescue Department	168,324,397	170,859,601	179,719,363	182,435,350	2,715,987	1.51%
93 Office of Emergency Management	1,661,944	1,822,734	2,337,837	1,909,406	(428,431)	(18.33%)
97 Department of Code Compliance	3,595,916	3,985,898	4,059,715	4,070,680	10,965	0.27%
<b>Total Public Safety</b>	<b>\$416,235,478</b>	<b>\$425,818,013</b>	<b>\$443,634,152</b>	<b>\$443,628,915</b>	<b>(\$5,237)</b>	<b>(0.00%)</b>
<b>Public Works</b>						
08 Facilities Management Department	\$52,827,898	\$51,051,935	\$53,879,398	\$54,560,681	\$681,283	1.26%
25 Business Planning and Support	739,970	771,489	781,022	964,830	183,808	23.53%
26 Office of Capital Facilities	11,925,564	12,653,954	12,887,882	13,103,317	215,435	1.67%
87 Unclassified Administrative Expenses	2,896,545	3,481,562	4,584,768	3,481,562	(1,103,206)	(24.06%)
<b>Total Public Works</b>	<b>\$68,389,977</b>	<b>\$67,958,940</b>	<b>\$72,133,070</b>	<b>\$72,110,390</b>	<b>(\$22,680)</b>	<b>(0.03%)</b>

## FY 2015 ADVERTISED SUMMARY GENERAL FUND DIRECT EXPENDITURES

# Agency Title	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan	Inc/(Dec) Over Revised	% Inc/(Dec) Over Revised
<b>Health and Welfare</b>						
67 Department of Family Services	\$181,733,479	\$184,997,583	\$190,896,165	\$188,943,715	(\$1,952,450)	(1.02%)
68 Department of Administration for Human Services	11,569,375	11,842,653	11,990,604	12,514,712	524,108	4.37%
71 Health Department	51,097,648	51,704,161	55,778,681	52,954,132	(2,824,549)	(5.06%)
73 Office to Prevent and End Homelessness	11,001,061	11,400,964	12,332,988	12,285,581	(47,407)	(0.38%)
79 Department of Neighborhood and Community Services	26,122,726	26,055,775	27,005,788	28,152,113	1,146,325	4.24%
<b>Total Health and Welfare</b>	<b>\$281,524,289</b>	<b>\$286,001,136</b>	<b>\$298,004,226</b>	<b>\$294,850,253</b>	<b>(\$3,153,973)</b>	<b>(1.06%)</b>
<b>Parks and Libraries</b>						
51 Fairfax County Park Authority	\$22,656,251	\$22,909,700	\$23,307,450	\$23,181,926	(\$125,524)	(0.54%)
52 Fairfax County Public Library	26,791,911	27,091,526	28,922,907	27,678,031	(1,244,876)	(4.30%)
<b>Total Parks and Libraries</b>	<b>\$49,448,162</b>	<b>\$50,001,226</b>	<b>\$52,230,357</b>	<b>\$50,859,957</b>	<b>(\$1,370,400)</b>	<b>(2.62%)</b>
<b>Community Development</b>						
16 Economic Development Authority	\$7,193,593	\$7,259,183	\$7,288,083	\$7,304,912	\$16,829	0.23%
31 Land Development Services	11,579,098	13,320,328	14,536,595	13,010,087	(1,526,508)	(10.50%)
35 Department of Planning and Zoning	9,297,435	9,931,555	10,696,977	10,296,221	(400,756)	(3.75%)
36 Planning Commission	674,420	646,007	652,841	683,964	31,123	4.77%
38 Department of Housing and Community Development	5,151,327	6,230,225	6,299,628	6,371,623	71,995	1.14%
39 Office of Human Rights and Equity Programs	1,414,313	1,506,522	1,521,267	1,520,906	(361)	(0.02%)
40 Department of Transportation	7,394,483	7,481,627	8,871,475	7,600,210	(1,271,265)	(14.33%)
<b>Total Community Development</b>	<b>\$42,704,669</b>	<b>\$46,375,447</b>	<b>\$49,866,866</b>	<b>\$46,787,923</b>	<b>(\$3,078,943)</b>	<b>(6.17%)</b>
<b>Nondepartmental</b>						
87 Unclassified Administrative Expenses	\$83,866	(\$600,000)	(\$500,021)	\$0	\$500,021	(100.00%)
89 Employee Benefits	279,510,371	298,734,321	301,115,381	314,418,476	13,303,095	4.42%
<b>Total Nondepartmental</b>	<b>\$279,594,237</b>	<b>\$298,134,321</b>	<b>\$300,615,360</b>	<b>\$314,418,476</b>	<b>\$13,803,116</b>	<b>4.59%</b>
<b>Total General Fund Direct Expenditures</b>	<b>\$1,269,322,733</b>	<b>\$1,309,401,305</b>	<b>\$1,360,468,535</b>	<b>\$1,361,286,419</b>	<b>\$817,884</b>	<b>0.06%</b>

# FY 2015

Advertised Budget Plan



## General Fund Revenue Overview

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# General Fund Revenue Overview

## SUMMARY OF GENERAL FUND REVENUE AND TRANSFERS IN SUMMARY OF GENERAL FUND REVENUE AND TRANSFERS IN

Category	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan <sup>1</sup>	FY 2015 Advertised Budget Plan	Change from the FY 2014 Revised Budget Plan	
					Increase/ (Decrease)	Percent Change
Real Estate Taxes - Current and Delinquent	\$2,123,406,700	\$2,207,982,016	\$2,216,599,964	\$2,342,831,045	\$126,231,081	5.69%
Personal Property Taxes - Current and Delinquent <sup>2</sup>	564,947,212	547,381,366	565,622,236	580,147,468	\$14,525,232	2.57%
Other Local Taxes	530,960,414	526,607,627	521,969,977	502,081,550	(19,888,427)	(3.81%)
Permits, Fees and Regulatory Licenses	38,201,352	36,870,254	38,688,569	39,438,395	749,826	1.94%
Fines and Forfeitures	14,131,523	14,863,219	14,217,784	14,235,071	17,287	0.12%
Revenue from Use of Money/Property	17,511,082	16,936,422	14,963,799	14,221,937	(741,862)	(4.96%)
Charges for Services	72,674,073	72,690,493	74,509,001	76,479,473	1,970,472	2.64%
Revenue from the Commonwealth and Federal Governments <sup>2</sup>	120,964,781	121,280,813	122,726,379	122,945,574	219,195	0.18%
Recovered Costs / Other Revenue	15,297,940	14,935,437	15,030,165	15,324,755	294,590	1.96%
<b>Total Revenue</b>	<b>\$3,498,095,077</b>	<b>\$3,559,547,647</b>	<b>\$3,584,327,874</b>	<b>\$3,707,705,268</b>	<b>\$123,377,394</b>	<b>3.44%</b>
Transfers In	6,770,457	23,870,596	23,870,596	8,148,516	(15,722,080)	(65.86%)
<b>Total Receipts</b>	<b>\$3,504,865,534</b>	<b>\$3,583,418,243</b>	<b>\$3,608,198,470</b>	<b>\$3,715,853,784</b>	<b>\$107,655,314</b>	<b>2.98%</b>

<sup>1</sup> FY 2014 revenue estimates were increased a net \$24.5 million as part of a fall 2013 review of revenues. Explanations of these changes can be found in the following narrative. The *FY 2014 Third Quarter Review* may contain further adjustments as necessary.

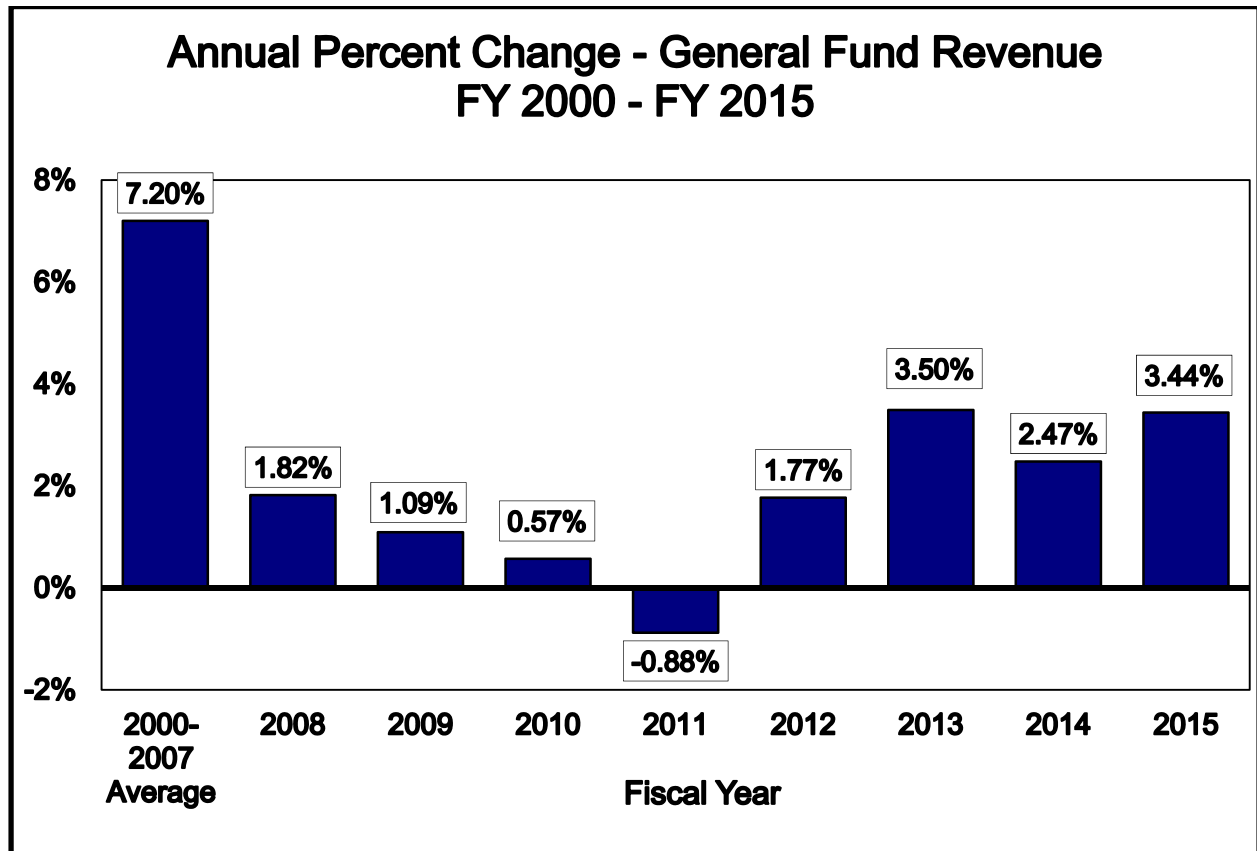
<sup>2</sup> The portion of the Personal Property Tax reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 is included in the Personal Property Tax category for the purpose of discussion in this section.

As reflected in the preceding table, FY 2015 General Fund revenues are projected to be \$3,707,705,268, an increase of \$123,377,394, or 3.4 percent, over the *FY 2014 Revised Budget Plan*. The net increase is primarily the result of a \$126.2 million increase in current Real Estate Taxes based on rising assessments and no change in the Real Estate tax rate of \$1.085 per \$100 of assessed value. In addition, Personal Property Taxes are expected to increase \$14.5 million due to an increase in vehicle and business levy. Offsetting these increases is a decrease of \$19.9 million in Other Local Taxes primarily the result of a revised methodology for determining the General Fund share of the Communications Sales and Use Tax receipts. These adjustments are discussed in the following pages.

Incorporating Transfers In, FY 2015 General Fund receipts are anticipated to be \$3,715,853,784. The Transfers In to the General Fund total \$8.1 million and reflect \$3.1 million from Fund 40030, Cable Communications, \$1.8 million from Fund 69010, Sewer Operation and Maintenance, \$1.0 million from Fund 40100, Stormwater Services, and \$2.2 million from various other funds for indirect support provided by the County's General Fund agencies.

## General Fund Revenue Overview

The following chart shows General Fund revenue growth since FY 2000. From FY 2000 through FY 2007, total General Fund revenue growth increased at an average annual rate of 7.2 percent. Real estate assessments rose each year and experienced annual double digit growth from FY 2002 through FY 2007. These assessment increases were partially offset with decreases in the Real Estate Tax rate from \$1.23 per \$100 of assessed value in FY 2002 to \$0.89 per \$100 of assessed value in FY 2007. General Fund revenue growth decelerated to 1.8 percent in FY 2008 as the housing market experienced an abrupt turnaround. Revenue growth in FY 2009 and FY 2010 was modest, rising 1.1 percent and 0.6 percent, respectively. Residential real estate values fell 3.38 percent in FY 2009 and 12.55 percent in FY 2010. Due to the economic downturn, other major revenue categories including Personal Property, Sales Tax and Business, Professional and Occupational License Taxes (BPOL) also dropped in FY 2010. General Fund revenue fell in FY 2011, decreasing 0.9 percent as both residential and nonresidential property values declined. Total real estate values fell 9.2 percent and the real estate tax was raised 5 cents to \$1.09 per \$100 of assessed value, a level that kept the tax bill of the typical homeowner essentially level with FY 2010.



FY 2012 General Fund revenue increased a modest 1.8 percent mainly due to an increase in Real Estate Tax revenue, resulting from a moderate increase in assessments partially offset by a 2-cent reduction in the Real Estate Tax rate to \$1.07 per \$100 of assessed value. Growth accelerated somewhat in FY 2013 due to continued moderate real estate growth and an increase in Personal Property Tax levy. As a result of a moderate increase in FY 2014 Real Estate Tax assessments and projected growth in other revenue categories, FY 2014 revenue is expected to increase 2.5 percent. General Fund revenue in FY 2015 is projected to increase 3.4 percent primarily due to an increase in current Real Estate Taxes resulting from a 5.77 percent increase in total assessed real property.

# General Fund Revenue Overview

## *Economic Indicators*

The U.S. economy grew at an estimated rate of 3.2 percent during the fourth quarter of 2013. Consumer spending was especially strong, adding 2.3 percentage points to the total growth estimate. In addition, growth in exports contributed to the gain, a trend that is expected to continue into 2014. Federal spending, on the other hand, subtracted a full percentage point from economic growth during the fourth quarter due to the October shutdown and the effects of the spending sequester. With a budget deal, federal spending is not expected to be as much of a drag on economic growth in 2014. Most economists anticipate the economy to expand approximately 3.0 percent in calendar year 2014, with a slight up-tick in growth in calendar year 2015.

Nationwide, employment gains continued in 2013. On average, 182,000 jobs per month were added during 2013, about the same as in 2012, when job growth averaged 183,000 per month. Job growth slowed in December and January, adding just 75,000 and 113,000 job, respectively. The especially weak job performance in December was attributed to significant winter storms throughout the country. The unemployment rate in January was 6.6 percent, the lowest level in five years; however, there is concern that recent declines in the unemployment rate are partially due to the long-term unemployed giving up on looking for work.

Home prices nationwide recorded strong gains in 2013. According to the S&P/Case-Shiller home price index, home prices nationwide were up 13.7 percent for the 12 months ending November 2013. This was the strongest November performance since 2005. Home prices in the Washington Metropolitan area posted a 7.8 percent gain during the same period. The pace of home price appreciation is expected to slow somewhat during 2014 due to rising interest rates.

Economic growth in the County improved in 2013. Based on preliminary estimates from IHS Global Insight, Gross County Product (GCP), adjusted for inflation, increased at a rate of 1.4 percent in 2013, up from just 0.6 percent in 2012. The County's unemployment rate remains well below the state and national level at 3.6 percent as of December 2013, a decline from 4.0 percent in December 2012.

Total annual employment in Northern Virginia in 2013 is 1.37 million, an increase of 16,700 jobs, or 1.2 percent, over 2012 based on preliminary estimates. The increase represents a solid gain; however, employment figures were not quite as strong as in 2012, when 23,500 jobs were created. Industry sectors that created new jobs include Hospitality, Retail, and Financial Activities. The number of federal jobs in Northern Virginia fell by 800, while employment in Professional Business Services, which includes most federal contractors, dropped by 1,100 jobs during the year.

## *Local Housing Market*

The local housing market continued to recover in 2013. Based on information from the Metropolitan Regional Information System (MRIS), the average sales price of homes sold in Fairfax County in 2013 rose 7.9 percent from \$492,480 in 2012 to \$531,136. The average home selling price is still 2.2 percent below that of the market peak of \$543,271 in 2005. MRIS also reported that 14,981 homes sold in the County in 2013, up 8.4 percent over 2012, but on par with the average number sold during the previous seven years. Homes that sold during 2013 were on the market for an average of only 36 days, down 28 percent from the 50-day average in 2012. The 2013 rate is the fastest pace since the housing market peaked in 2005, when the average home sold in just 21 days. The number of serious mortgage delinquencies continues to decline. As of the third quarter of 2013, 0.9 percent of prime loans and 5.0 percent of subprime loans in Fairfax County were 90 or more days past due, compared to 1.0 percent and 5.8 percent, respectively, in the third quarter of 2012. The share of subprime loans to total mortgages fell below 2 percent in the third

## General Fund Revenue Overview

quarter of 2013, down from a high of 7.1 percent at the end of 2008.

### *Local Nonresidential Market*

According to the Economic Development Authority, the commercial office market in the County remained sluggish during much of 2013, primarily due to federal budget issues. At year-end 2013, the direct vacancy rate was 14.9 percent, up from 14.4 percent at the close of 2012. This is the highest level since 1991 when it was 16.8 percent. Including sublet space, the overall office vacancy rate was 17.1 percent, up from 16.7 percent at year-end 2012. Government contractors have consolidated operations throughout the Washington area and retooled operations in order to operate in an economic environment less dependent on government procurement spending. Total leasing activity in 2013 rose to 11.6 million square feet, an increase over the 2012 level of 10.7 million square feet. Lease rates for new space are adjusting to market conditions. Many tenants are taking advantage of favorable rates and others are looking to capitalize on market conditions by consolidating operations in newer space near Metro. The Tysons market is uniquely positioned to take advantage of this trend with more than 26 million square feet of new office space in the pipeline.

At the close of 2013, there were nine buildings totaling nearly 1.0 million square feet under construction. More than 69 percent of the new office space under construction is speculative development. This interest in speculative development reflects confidence in the stability of the Fairfax County office market. However, as vacancy rates continue to increase there could be concern that this space will not be easily leased. Speculative development has been focused along Metro's Silver Line, which is scheduled to open in Tysons and Reston early in 2014. However, Merrifield continues to see development as does Springfield and the Route 1 corridor.

### *Fee and Charges Review*

A review of the County's fees and charges in the General Fund was conducted during the fall of 2013. Fees and user charges were compared to state maximum rates and to those of surrounding jurisdictions. As a result of this review, an increase to the Emergency Medical Services (EMS) Transport Fee structure has been proposed that is anticipated to generate an additional \$1.0 million in FY 2015. In addition, Animal Shelter boarding and adoption fees are proposed to increase, generating an additional \$0.1 million. A more detailed discussion of these adjustments can be found in the following narrative.

### *Revenue*

Current and Delinquent Real Estate Tax revenue comprises more than 63 percent of total County General Fund revenues. FY 2015 Real Estate property values were established as of January 1, 2014 and reflect market activity through calendar year 2013. The Real Estate Tax base is projected to increase 5.77 percent in FY 2015, and is made up of a 4.84 percent increase in total equalization (reassessment of existing residential and nonresidential properties), and an increase of 0.93 percent for new construction.

The FY 2014 and FY 2015 General Fund revenue estimates discussed in this section are based on a review of Fairfax County economic indicators, actual FY 2013 receipts, and FY 2014 year-to-date collection trends. In 2013, the uncertainty regarding sequestration put Fairfax County in a particularly vulnerable economic situation. Revenue sources that respond quickly to economic changes were impacted by the uncertainty. FY 2014 Sales Tax receipts are currently rising just 0.7 percent, the lowest rate in four years. Transient Occupancy Tax collections fell in FY 2013, the first drop in three years and continued to fall through the end of calendar year 2013. The impact on County Business, Professional and Occupational License (BPOL) revenue will not be known until businesses file returns in March 2014. Late in 2013, a federal budget agreement was reached that eliminated \$45 billion in forced budget cuts ("the sequester")

# General Fund Revenue Overview

which were set to hit in January and another \$18 billion scheduled for 2015. The budget deal is expected to reduce consumers and businesses' concerns over the coming year. Based on analysis of forecasted economic activity and trends, revenue categories are expected to experience moderate growth through FY 2015.

## MAJOR REVENUE SOURCES

The following major revenue categories discussed in this section comprise 98.3 percent of total FY 2015 General Fund revenue. Unless otherwise indicated, comparative data are presented relative to the *FY 2014 Revised Budget Plan*. The revenue estimates for all General Fund Revenue categories are shown in the Summary Schedule of General Fund Revenues in the section of this volume entitled "Financial, Statistical and Summary Tables."

Category	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan <sup>1</sup>	FY 2015 Advertised Budget Plan	Change from the FY 2014 Revised Budget Plan	
					Increase/ (Decrease)	Percent Change
Real Estate Tax - Current	\$2,114,366,872	\$2,203,290,102	\$2,207,638,949	\$2,333,870,030	\$126,231,081	5.72%
Personal Property Tax						
Current <sup>2</sup>	514,451,205	548,087,778	555,361,644	569,886,876	14,525,232	2.62%
Paid Locally	344,013,118	336,773,834	344,047,700	358,572,932	14,525,232	4.22%
Reimbursed by Commonwealth	211,313,944	211,313,944	211,313,944	211,313,944	0	0.00%
Business, Professional and Occupational						
License Tax - Current	156,170,308	160,698,900	156,170,308	157,732,010	1,561,702	1.00%
Local Sales Tax	166,893,847	171,377,177	167,774,109	169,451,850	1,677,741	1.00%
Recordation/Deed of Conveyance Taxes	33,655,517	28,968,635	28,465,957	28,465,957	0	0.00%
Gas & Electric Utility Taxes	45,533,092	45,330,492	45,330,492	45,330,492	0	0.00%
Communications Sales Tax	47,933,955	48,526,451	46,802,582	23,189,500	(23,613,082)	(50.45%)
Vehicle License Fee	26,424,324	26,612,402	26,612,402	26,872,899	260,497	0.98%
Transient Occupancy Tax	18,990,201	20,768,589	18,026,269	18,386,794	360,525	2.00%
Bank Franchise Tax	16,954,511	15,153,475	15,153,475	15,153,475	0	0.00%
Cigarette Tax	8,329,640	9,051,472	7,951,980	7,912,220	(39,760)	(0.50%)
Permits, Fees and Regulatory Licenses	38,201,352	36,870,254	38,688,569	39,438,395	749,826	1.94%
Investment Interest	13,297,996	12,585,530	10,631,656	9,909,316	(722,340)	(6.79%)
Charges for Services	72,674,073	72,690,493	74,509,001	76,479,473	1,970,472	2.64%
Revenue from the Commonwealth and Federal Governments <sup>2</sup>	120,964,781	121,280,813	122,726,379	122,945,574	219,195	0.18%
<b>Total Major Revenue Sources</b>	<b>\$3,394,841,674</b>	<b>\$3,521,292,563</b>	<b>\$3,521,843,772</b>	<b>\$3,645,024,861</b>	<b>\$123,181,089</b>	<b>3.50%</b>

<sup>1</sup> FY 2014 revenue estimates were increased a net \$24.5 as part of a fall 2013 review of revenues. Explanations of these changes can be found in the following narrative. The *FY 2014 Third Quarter Review* may contain further adjustments as necessary.

<sup>2</sup> The portion of the Personal Property Tax reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 is included in the Personal Property Tax category for the purpose of discussion in this section.

# General Fund Revenue Overview

## REAL ESTATE TAX-CURRENT

FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised	Increase/ (Decrease)	Percent Change
\$2,114,366,872	\$2,203,290,102	\$2,207,638,949	\$2,333,870,030	\$126,231,081	5.7%

The FY 2015 Advertised Budget Plan estimate for Current Real Estate Taxes is \$2,333,870,030 and represents an increase of \$126,231,081, or 5.7 percent, over the *FY 2014 Revised Budget Plan*. The increase is the result of the rise of the Real Estate Tax base of 5.77 percent. The proposed FY 2015 General Fund Real Estate tax rate is \$1.085 per \$100 of assessed value, the same as in FY 2014.

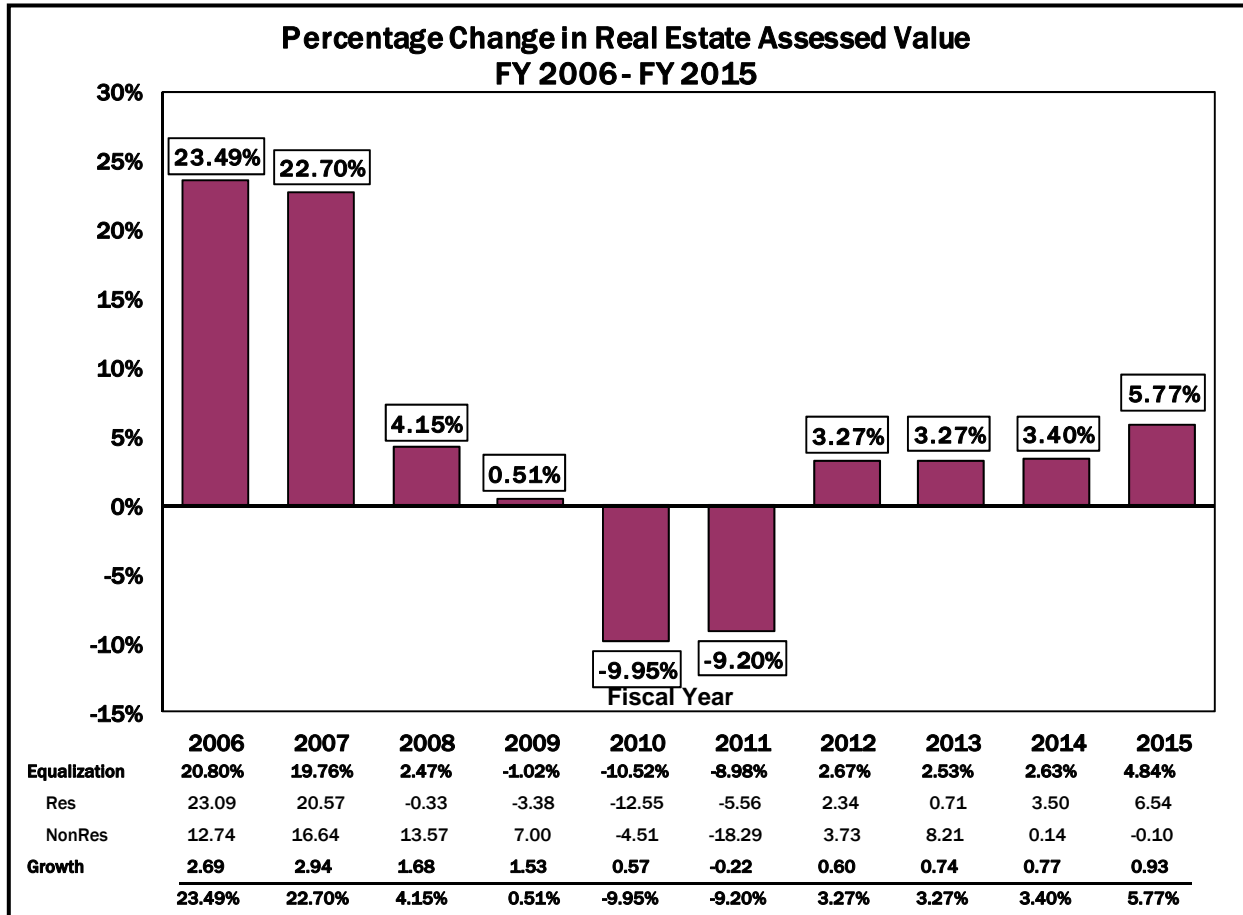
The FY 2015 value of assessed real property represents an increase of 5.77 percent, as compared to the FY 2014 Real Estate Land Book, and is comprised of an increase in equalization of 4.84 percent and an increase of 0.93 percent associated with new construction. The FY 2015 figures reflected in this document are based on final assessments for Tax Year 2014 (FY 2015), which were established as of January 1, 2014. In addition to the revenue shown in the table above, the projected value of one-half penny on the Real Estate Tax rate (\$10.93 million) is allocated to The Penny for Affordable Housing Fund. Throughout FY 2015, Real Estate Tax revenues will be adjusted as necessary to reflect changes in exonerations, tax abatements, and supplemental assessments, as well as any differences in the projected collection rate of 99.65 percent.

The FY 2015 **Main Assessment Book Value** is \$219,021,273,450 and represents an increase of \$11,948,128,650, or 5.77 percent, over the FY 2014 main assessment book value of \$207,073,144,800. FY 2015 marks the fourth consecutive year in which the main assessment book value increased, after the significant decreases experienced in FY 2010 and FY 2011. However, compared to the peak value experienced in FY 2009, FY 2015 assessments are down \$10.6 billion, or 4.6 percent.

From FY 2005 through FY 2007, the assessment base experienced double digit advances. Deceleration began in FY 2008, when the assessment base rose just 4.15 percent, and continued in FY 2009 with a modest increase of 0.51 percent. Following the financial crisis and a general decline in economic conditions, the FY 2010 assessment base declined 9.95 percent, which was the largest drop on record. The assessment base decreased for a second consecutive year in FY 2011, declining 9.20 percent. Since then, it has increased 3.27 percent in FY 2012, 3.27 percent in FY 2013, and 3.40 in FY 2014.

# General Fund Revenue Overview

The following chart shows changes in the County's assessed value base from FY 2006 to FY 2015.



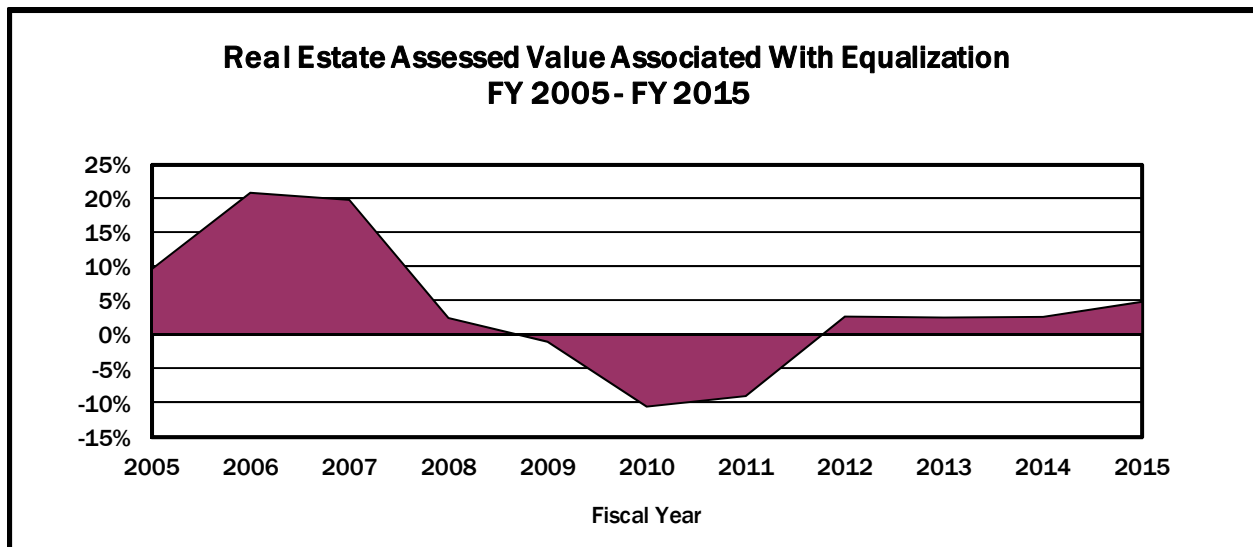
The overall change in the assessment base is comprised of **equalization** and **normal growth**. For reporting purposes, individual properties are identified as being in either the equalization category or the growth category, but not both. Equalization properties are those whose values change due to market fluctuations. Growth is a category of properties whose value changes are also influenced by new construction, remodeling or rezonings. Once growth factors are identified, *the entire property value* is shown in the growth category, even though the property is also influenced by equalization. The FY 2015 assessment base reflects a total equalization increase of 4.84 percent and an increase of 0.93 percent associated with the growth component. As a result of changes in equalization and growth, the residential portion of the total assessment base increased from 74.42 percent in FY 2014 to 75.32 percent in FY 2015. The table below reflects changes in the Real Estate Tax assessment base from FY 2009 through FY 2015.

# General Fund Revenue Overview

## Main Real Estate Assessment Book Value and Changes (in millions)

Assessed Base Change Due To:	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>Equalization</b>	<b>(\$2,332.0)</b>	<b>(\$24,171.5)</b>	<b>(\$18,570.1)</b>	<b>\$5,015.3</b>	<b>\$4,904.1</b>	<b>\$5,259.4</b>	<b>\$10,026.1</b>
<b>% Change</b>	(1.02%)	(10.52%)	(8.98%)	2.67%	2.53%	2.63%	4.84%
<b>Residential</b>	(3.38%)	(12.55%)	(5.56%)	2.34%	0.71%	3.50%	6.54%
<b>Nonresidential</b>	7.00%	(4.51%)	(18.29%)	3.73%	8.21%	0.14%	(0.10%)
<b>Normal Growth</b>	<b>\$3,502.6</b>	<b>\$1,309.6</b>	<b>(\$457.9)</b>	<b>\$1,123.5</b>	<b>\$1,440.4</b>	<b>\$1,550.4</b>	<b>\$1,922.0</b>
<b>% Change</b>	1.53%	0.57%	(0.22%)	0.60%	0.74%	0.77%	0.93%
<b>Residential</b>	0.77%	0.51%	0.12%	0.37%	0.26%	0.42%	0.51%
<b>Nonresidential</b>	4.11%	0.74%	(1.16%)	1.31%	2.26%	1.79%	2.13%
<b>Total Change</b>	<b>\$1,170.6</b>	<b>(\$22,861.9)</b>	<b>(\$19,028.0)</b>	<b>\$6,138.8</b>	<b>\$6,344.5</b>	<b>\$6,809.8</b>	<b>\$11,948.1</b>
<b>% Change</b>	0.51%	(9.95%)	(9.20%)	3.27%	3.27%	3.40%	5.77%
<b>Total Book</b>	\$229,669.8	\$206,808.0	\$187,780.1	\$193,918.9	\$200,263.3	\$207,073.1	\$219,021.3

**Equalization**, or reassessment of existing residential and nonresidential property, represents an increase in value of \$10,026,128,710, or 4.84 percent, in FY 2015. While residential property values rose, nonresidential decreased slightly in FY 2015. Existing residential property values have increased in each of the last four years, indicating the continued stabilization of the residential housing market. The number of homes sold increased in calendar year 2013 and the average price of homes sold rose. Overall, residential equalization reflects a 6.54 percent increase in FY 2015, compared to a 3.50 percent increase in FY 2014. Changes in the assessment base as a result of equalization are shown in the following graph.





## General Fund Revenue Overview

**Residential equalization** rose at double digit rates from FY 2002 through FY 2007 due to high demand but a limited supply of housing. Strong job growth, the easy availability of credit and profit-led speculation contributed to price appreciation in the local housing market. In FY 2008, FY 2009, FY 2010, and FY 2011, overall residential equalization declined 0.33 percent, 3.38 percent, 12.55 percent, and 5.56 percent, respectively, as the inventory of homes for sale grew and home prices fell in the County, as they did throughout the Northern Virginia area. After falling four consecutive years, the value of residential properties in the County increased in the last four years: 2.34 percent in FY 2012, a slight 0.71 percent in FY 2013, 3.50 percent in FY 2014, and 6.54 percent in FY 2015. The total value of residential properties including new construction in FY 2015 is \$165.0 billion, \$11.5 billion below the peak for residential values experienced in FY 2008. In terms of revenue, this difference is the equivalent to a loss of \$125.1 million at the current tax rate of \$1.085 per \$100 of assessed value.

The County's median assessment to sales ratio is in the low 90 percent range, well within professional standards that assessments should be between 90 percent to 110 percent of the sales prices experienced in a neighborhood.

Overall, single family property values increased 5.82 percent in FY 2015. The value of single family homes has the most impact on the total residential base because they represent nearly 72 percent of the total. The value of condominium properties increased 10.51 percent in FY 2015, while that of townhouse properties rose 8.39 percent. Changes in residential equalization by housing type since FY 2010 are shown in the following table. Changes represented in this chart are for the category as a whole. Individual neighborhoods and properties may have increased or decreased by different percentages based on neighborhood selling prices.

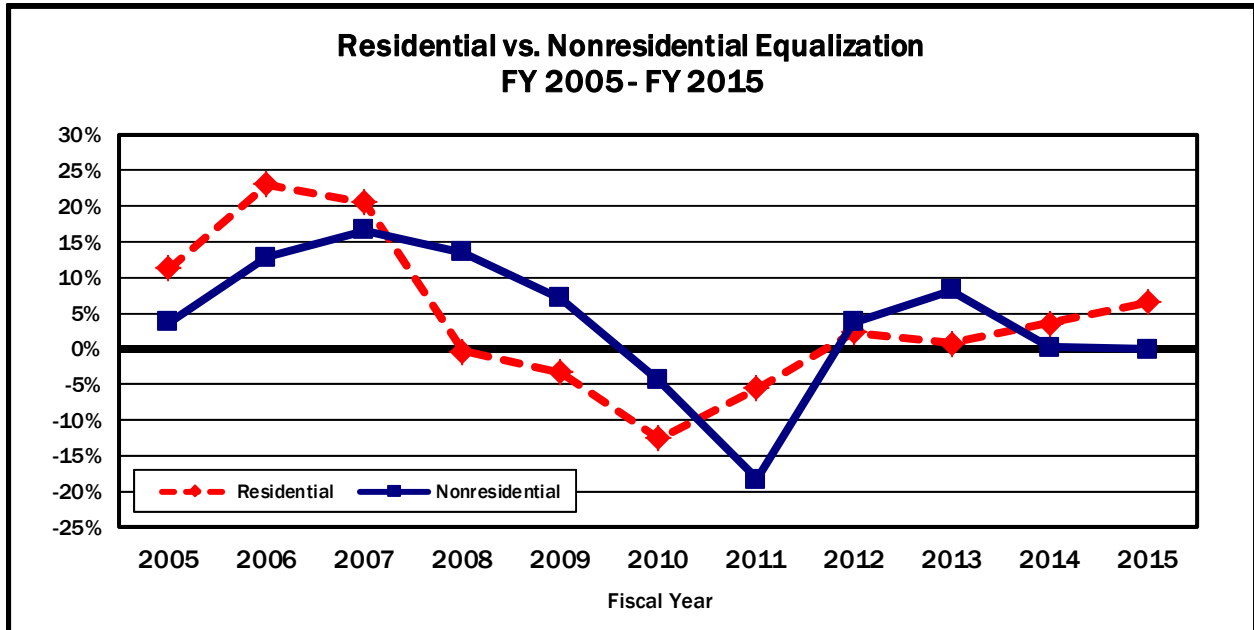
### Residential Equalization Changes

Housing Type/ (Percent of Base)	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Single Family (71.9%)	(11.34%)	(5.50%)	2.10%	0.70%	3.13%	5.82%
Townhouse/Duplex (19.2%)	(16.06%)	(4.44%)	3.73%	1.20%	4.50%	8.39%
Condominiums (8.1%)	(19.51%)	(10.45%)	2.53%	(0.06%)	5.42%	10.51%
Vacant Land (0.5%)	(7.08%)	(6.68%)	(3.50%)	(1.66%)	2.89%	3.38%
Other (0.2%) <sup>1</sup>	(4.99%)	(3.60%)	2.69%	2.56%	4.74%	3.42%
<b>Total Residential Equalization (100%)</b>	<b>(12.55%)</b>	<b>(5.56%)</b>	<b>2.34%</b>	<b>0.71%</b>	<b>3.50%</b>	<b>6.54%</b>

<sup>1</sup> Includes, for example, affordable dwelling units, recreational use properties, and agricultural and forestal land use properties.

As a result of the increase in residential equalization, the mean assessed value of all residential property in the County is \$497,962. This is an increase of \$30,568 over the FY 2014 value of \$467,394. At the Real Estate tax rate of \$1.085 per \$100 of assessed value, the typical residential annual tax bill will rise, on average, \$331.67 in FY 2015 to \$5,402.89.

# General Fund Revenue Overview



After experiencing a record decline of 18.29 percent in FY 2011, **nonresidential equalization** rebounded 3.73 percent in FY 2012, and a strong 8.21 percent in FY 2013. In FY 2014, nonresidential values stayed essentially level with FY 2013, increasing only 0.14 percent. In FY 2015, nonresidential values decreased a slight 0.10 percent. The total value of nonresidential properties including new construction in FY 2015 is \$54.1 billion, \$3.7 billion below the peak for nonresidential values experienced in FY 2009. In terms of revenue, this difference is the equivalent to a loss of \$40.4 million at the current tax rate of \$1.085 per \$100 of assessed value.

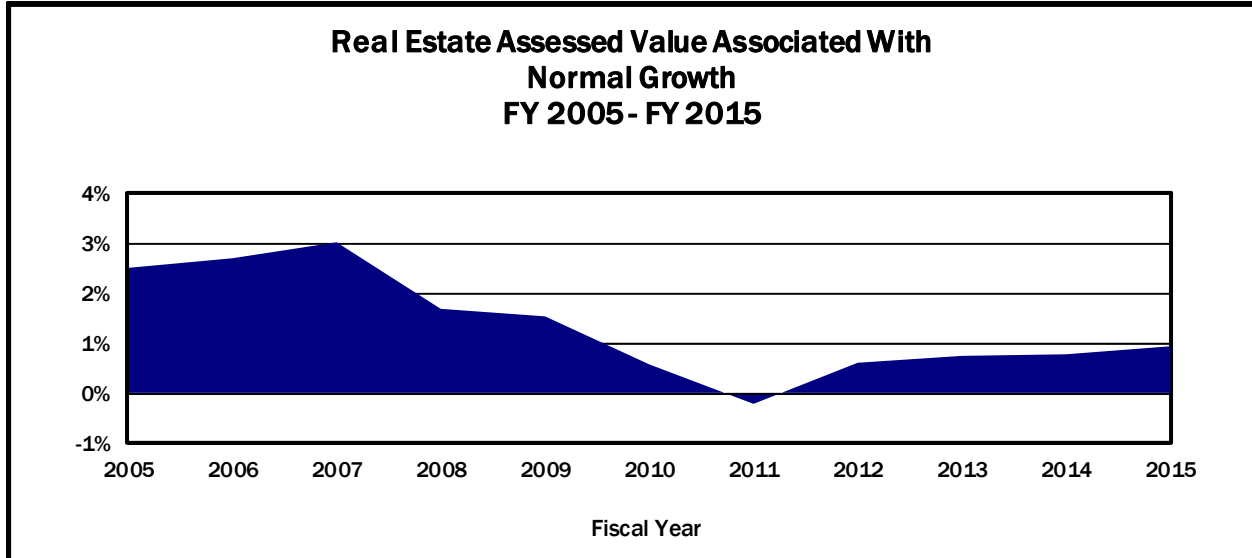
The main cause for the FY 2015 decrease in nonresidential values is the decline in the values of Office Elevator properties. The County’s commercial office market remained sluggish during 2013, primarily due to the federal budget issues and the uncertainty of the national economy that has been weighing down on the local market. The majority of leasing activity involved renewals and consolidations. Office Elevator properties (mid- and high-rises), the largest component of the nonresidential tax base at 35.7 percent, experienced a 2.93 percent decline in FY 2015. Apartment values, which represent 22.7 percent of the total nonresidential base, rose 3.59 percent in FY 2015. Nonresidential equalization changes by category since FY 2010 are presented in the following table.

### Nonresidential Equalization Changes

Category (Percent of Base)	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Apartments (22.7%)	(6.96%)	(12.69%)	14.54%	12.60%	4.90%	3.59%
Office Condominiums (4.1%)	(1.10%)	(7.57%)	(1.53%)	(0.31%)	(0.66%)	(0.07%)
Industrial (6.4%)	(1.08%)	(23.48%)	(0.31%)	6.75%	0.69%	1.77%
Retail (15.6%)	(1.74%)	(16.07%)	1.90%	7.16%	1.18%	1.52%
Office Elevator (35.7%)	(6.62%)	(24.31%)	1.88%	11.34%	(2.41%)	(2.93%)
Office - Low Rise (3.4%)	(3.35%)	(23.86%)	0.49%	7.18%	(1.72%)	(2.41%)
Vacant Land (3.3%)	(3.87%)	(26.53%)	(2.07%)	2.01%	(0.74%)	(1.19%)
Hotels (3.3%)	(7.06%)	(34.03%)	11.35%	3.87%	(3.94%)	(4.82%)
Other (5.5%)	(2.07%)	(12.84%)	2.37%	3.27%	1.17%	2.37%
<b>Nonresidential Equalization (100%)</b>	<b>(4.51%)</b>	<b>(18.29%)</b>	<b>3.73%</b>	<b>8.21%</b>	<b>0.14%</b>	<b>(0.10%)</b>

## General Fund Revenue Overview

The **Growth** component increased the FY 2015 assessment base by \$1,921,999,940, or 0.93 percent, over the FY 2014 assessment book value. New construction increased the residential property base by 0.51 percent and nonresidential properties by 2.13 percent.



In addition to the final equalization and normal growth adjustments in the Main Assessment Book, the following projected adjustments were made to the FY 2015 Real Estate Tax revenue estimate:

**Additional Assessments** expected to be included in the new Real Estate base total \$364.9 million, or a levy increase of \$4.0 million, and include both prorated assessments and additional supplemental assessments. Prorated assessments are supplemental assessments that include assessments which are made during the year for new construction that is completed subsequent to finalizing the original assessment book.

**Exonerations, Certificates and Tax Abatements** are anticipated to reduce the Real Estate assessment base by \$615.6 million in FY 2015, resulting in a reduction in levy of \$6.7 million.

**Mosaic District Community Development Authority (CDA)** was created to assist commercial investment in the Merrifield area of the County. The Mosaic CDA is funded with tax increment financing which reduces the taxable value of property in the district. The reduction is based on the current assessed property value in the CDA compared to the property value in 2007 when the district was created. In FY 2015, the CDA reduces the assessment base by \$356.1 million and the tax levy by \$3.9 million. For more information, see Fund 70040 in Volume 2 of the budget.

**Tax Relief** for the Elderly and Disabled is projected to reduce the Real Estate assessment base in FY 2015 by \$2,424.0 million. The reduction in tax levy due to the Tax Relief program is approximately \$26.3 million at the tax rate of \$1.085 per \$100 of assessed value. In FY 2015, the income limits of the Tax Relief program provide 100 percent exemption for elderly and disabled taxpayers with incomes up to \$52,000; 50 percent exemption for eligible applicants with income between \$52,001 and \$62,000; and 25 percent exemption if income is between \$62,001 and \$72,000. The allowable asset limit in FY 2015 is \$340,000 for all ranges of tax relief. Veterans, who have a 100 percent permanent and total disability related to military service, or their surviving spouse, are eligible for full Real Estate Tax relief regardless of income

## General Fund Revenue Overview

or assets. The table below shows FY 2015 income and asset thresholds for the Tax Relief Program for the Elderly and Disabled.

<b>FY 2015</b>			
<b>Real Estate Tax Relief for the Elderly and Disabled</b>			
	<b>Income Limit</b>	<b>Asset Limit</b>	<b>Percent Relief</b>
Elderly and Disabled	Up to \$52,000	\$340,000	100%
	Over \$52,000 to \$62,000		50%
	Over \$62,000 to \$72,000		25%
100% Disabled Veterans or Surviving Spouse	No Limit	No Limit	100%

The FY 2015 local assessment base of \$215,990,425,338 is derived from the main assessment book and subsequent adjustments discussed above. From this local assessment base, a local tax levy of \$2,343,496,115 is calculated using the proposed real estate tax rate of \$1.085 per \$100 of assessed value. Based on an expected local collection rate of 99.65 percent, revenue from local assessments is estimated to be \$2,335,293,879. In FY 2015, every 0.01 percentage point change in the collection rate on the locally assessed Real Estate Tax levy yields a revenue change of \$0.2 million, while every penny on the tax rate yields \$21.86 million in revenue.

### FY 2015 Estimated Real Estate Assessments and Tax Levy

	Assessed Value	FY 2015 Tax Levy at \$1.085/\$100 of Assessed Value
FY 2014 Real Estate Book	\$207,073,144,800	\$2,246,743,621
FY 2015 Equalization	10,026,128,710	108,783,497
FY 2015 Growth	1,921,999,940	20,853,699
<b>TOTAL FY 2015 REAL ESTATE BOOK</b>	<b>\$219,021,273,450</b>	<b>\$2,376,380,817</b>
Exonerations	(\$500,761,188)	(\$5,433,259)
Certificates	(14,800,359)	(160,584)
Tax Abatements	(100,000,000)	(1,085,000)
Subtotal Exonerations	(\$615,561,547)	(\$6,678,843)
Supplemental Assessments	\$364,880,700	\$3,958,956
Mosaic District TIF	(356,147,860)	(3,864,204)
Tax Relief	(2,424,019,405)	(26,300,611)
<b>Local Assessments</b>	<b>\$215,990,425,338</b>	<b>\$2,343,496,115</b>
Public Service Corporation	\$876,142,949	\$9,506,151
<b>TOTAL</b>	<b>\$216,866,568,287</b>	<b>\$2,353,002,266</b>

## General Fund Revenue Overview

Added to the local assessment base is an estimated \$876,142,949 in assessed value for Public Service Corporations (PSC) property. Using the tax rate of \$1.085 per \$100 of assessed value, the tax levy on PSC property is \$9,506,151. The collection rate on PSC property is expected to be 100.0 percent.

The total assessment base, including Public Service Corporations, is \$216,866,568,287, with a total tax levy of \$2,353,002,266 at the Real Estate Tax rate of \$1.085 per \$100 of assessed value. Estimated FY 2015 revenue from the Real Estate Tax, including receipts from Public Service Corporations, totals \$2,344,800,030. Of this amount, the approximate value of one-half cent on the Real Estate Tax rate, \$10,930,000, has been directed to Fund 30300, The Penny for Affordable Housing Fund.

Total General Fund revenue from the Real Estate Tax is \$2,333,870,030, which reflects an overall collection rate of 99.65 percent. The total collection rates experienced in this category since FY 2000 are shown in the following table:

### Real Estate Tax Collection Rates

Fiscal Year	Collection Rate	Fiscal Year	Collection Rate
2000	99.63%	2008	99.66%
2001	99.53%	2009	99.66%
2002	99.65%	2010	99.71%
2003	99.67%	2011	99.67%
2004	99.61%	2012	99.69%
2005	99.62%	2013	99.71%
2006	99.62%	2014 (estimated) <sup>1</sup>	99.65%
2007	99.64%	2015 (estimated) <sup>1</sup>	99.65%

<sup>1</sup> In FY 2015, every 0.1 percentage point change in the collection rate yields a revenue change of \$2,343,496.

The Commercial/Industrial percentage of the County's FY 2015 Real Estate Tax base is 19.01 percent, a decrease of 0.95 percentage points from the FY 2014 level of 19.96 percent. Commercial/Industrial property values as a percentage of the Real Estate Tax base have decreased as a result of the increase experienced in the residential portion of the Real Estate Tax base and the slight decline in the nonresidential portion. The Commercial/Industrial percentage is based on Virginia land use codes and includes all nonresidential property except multi-family rental apartments, which make up 5.67 percent of the County's Real Estate Tax base in FY 2015. Fairfax County's historical Commercial/Industrial percentages are detailed in the following table:

### Commercial/Industrial Percentages

Fiscal Year	Percentage	Fiscal Year	Percentage
2000	24.32%	2008	19.23%
2001	25.37%	2009	21.06%
2002	24.84%	2010	22.67%
2003	21.97%	2011	19.70%
2004	19.14%	2012	19.64%
2005	18.20%	2013	20.77%
2006	17.36%	2014	19.96%
2007	17.22%	2015	19.01%

# General Fund Revenue Overview

## FY 2014 Real Estate Revenue

The FY 2014 Real Estate Tax estimate was increased \$4.3 million during the fall 2013 revenue review as a result of lower projected exonerations and a decrease in the expected tax relief, as well as final Public Service Corporation assessments by the Commonwealth of Virginia.

### PERSONAL PROPERTY TAX-CURRENT

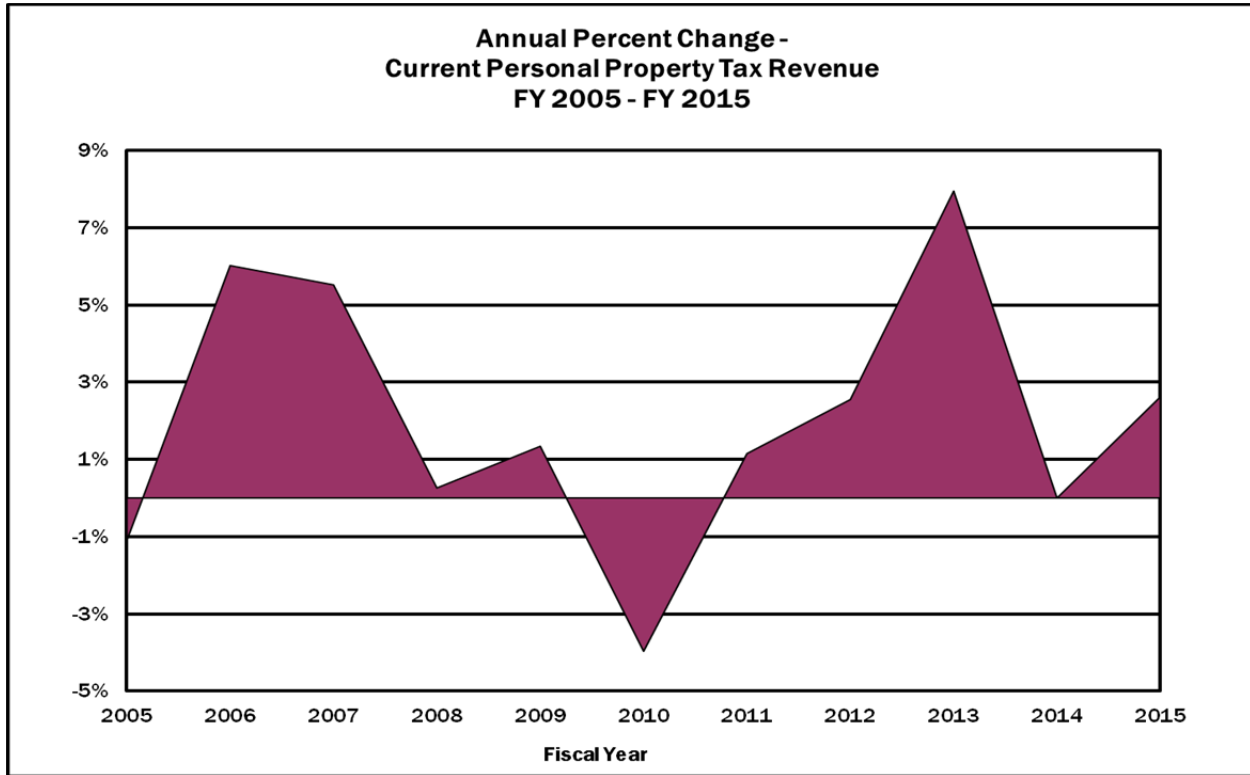
	FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised	Increase/ (Decrease)	Percent Change
<b>Paid Locally</b>	\$344,013,118	\$336,773,834	\$344,047,700	\$358,572,932	\$14,525,232	4.2%
<b>Reimbursed by State</b>	211,313,944	211,313,944	211,313,944	211,313,944	0	0.0%
<b>Total</b>	\$555,327,062	\$548,087,778	\$555,361,644	\$569,886,876	\$14,525,232	2.6%

The FY 2015 Advertised Budget Plan estimate for Personal Property Tax revenue of \$569,886,876 represents an increase of \$14,525,232, or 2.6 percent, over the *FY 2014 Revised Budget Plan*. The increase is due to an increase in the vehicle levy based on a preliminary analysis of vehicles currently in the County valued with information from the National Automobile Dealers Association, as well as an increase in the Business Personal Property levy.

The Personal Property Tax on vehicles represents over 73 percent of the total assessment base in FY 2015. The vehicle component is comprised of two parts, that which is paid locally and that which is reimbursed by the Commonwealth of Virginia to the County as a result of the Personal Property Tax Relief Act (PPTRA) of 1998. The PPTRA reduces the Personal Property Tax paid on the first \$20,000 of the value for vehicles owned by individuals. In FY 1999, the first year of implementation, taxpayers were billed for the entire amount of tax levy and received a refund of 12.5 percent of the tax on the first \$20,000 of the value of their personal vehicle from the Commonwealth of Virginia. Vehicles valued less than \$1,000 were refunded 100 percent. From FY 2000 to FY 2002, the PPTRA reduced the Personal Property Taxes paid by citizens by 27.5 percent, 47.5 percent, and 70 percent, respectively, with an offsetting reimbursement paid to the County by the Commonwealth. Under the original approved plan, taxes paid by individuals were to be reduced by 100 percent in FY 2003. However, due to the Commonwealth's lower than anticipated General Fund revenue growth, the reimbursement rate remained at 70 percent in FY 2003 through FY 2006. The 2004 General Assembly approved legislation that capped statewide Personal Property Tax reimbursements at \$950 million in FY 2007 and beyond. Fairfax County's allocation has been set at \$211.3 million based on the County's share of statewide tax year 2005 collections. Each year County staff must determine the reimbursement percentage based on the County's fixed reimbursement from the state and an estimate of the number and value of vehicles that will be eligible for tax relief. As the number and value of vehicles in the County vary, the percentage attributed to the state will vary. Based on a County staff analysis, the effective state reimbursement percentage was 66.67 percent, 67.0 percent, and 68.5 percent in FY 2007, FY 2008 and FY 2009, respectively. The reimbursement percentage was set at 70.0 percent in both FY 2010 and FY 2011, and at 68.0 percent in FY 2012. Due to a continued increase in vehicle volume and average levy, the FY 2013 and FY 2014 reimbursement percentage was lowered to 63.0 percent. Based on an estimate of the number and value of vehicles that will be eligible for tax relief in FY 2015, the reimbursement percentage has been lowered further to 62.0 percent.

# General Fund Revenue Overview

Annual percentage changes in total Personal Property Tax revenues are shown in the following graph.



In FY 2005, Personal Property Tax revenue fell 1.1 percent from the FY 2004 level as a result of faster depreciation of vehicles and a decrease in the business levy due to reduced equipment purchases. Personal Property recovered and receipts grew 6.0 percent and 5.5 percent in FY 2006 and FY 2007, respectively. As the economy began to slow, Personal Property Tax receipts rose modestly in FY 2008 and FY 2009 at rates of 0.3 percent and 1.3 percent, respectively. In FY 2010, receipts decreased 4.0 percent mainly as a result of a significant decline of 10.8 percent in average vehicle levy reflecting the downturn in the economy in calendar year 2009. FY 2011 Personal Property Tax receipts increased 1.1 percent due to an increase in the average vehicle levy, partially offset with a decrease in business volume and average business levy. FY 2012 Personal Property Tax receipts increased 2.6 percent due to an increase in both the average vehicle and business levies. FY 2013 receipts increased a solid 7.9 percent mainly as a result of a rise of 7.1 percent in total vehicle levy. A reduction in the supply of new vehicles increased prices of both new and used automobiles. The decrease in supply was a result of a decline in U.S. auto production due to the slowdown in the economy and the earthquake and tsunami in Japan, which not only impacted Japanese automakers but also U.S. automakers that rely on parts from Japan. This situation caused the value of many used vehicles to depreciate less than what traditionally has been experienced and resulted in some vehicles actually appreciating over the year. This was not unique to Fairfax County, but was experienced nationwide. Total FY 2014 Personal Property Tax revenue is projected to be level with FY 2013 receipts as there is no longer a lack of vehicle supply and depreciation of vehicles has returned to more normal levels. In FY 2015, receipts are expected to increase 2.6 percent. The vehicle component, which comprises over 73 percent of total Personal Property levy, is expected to increase 3.2 percent based on a preliminary analysis of vehicles in the County valued with information from the National Automobile Dealers Associations (NADA). Total vehicle volume is forecast to increase 0.9 percent in FY 2015, the same rate as in FY 2014.

## General Fund Revenue Overview

Changes in vehicle volume and average vehicle levy since FY 2005 are shown in the following table.

### Fairfax County Personal Property Vehicles

<b>Fiscal Year</b>	<b>% Change in Vehicle Volume</b>	<b>Average Vehicle Levy</b>	<b>% Change in Average Levy</b>
FY 2005	1.4%	\$379	2.7%
FY 2006	(0.9%)	\$411	8.4%
FY 2007	(0.6%)	\$431	4.9%
FY 2008	(0.1%)	\$424	(1.6%)
FY 2009	0.8%	\$434	2.4%
FY 2010	0.1%	\$387	(10.8%)
FY 2011	0.9%	\$397	2.6%
FY 2012	0.7%	\$411	3.5%
FY 2013	0.7%	\$437	6.3%
FY 2014 (est.)	0.9%	\$441	0.9%
FY 2015 (est.)	0.9%	\$451	2.3%

Business Personal Property is primarily composed of assessments on furniture, fixtures and computer equipment. Business levy is impacted by the number of new businesses and whether existing businesses are expanding or contracting. Business levy rose 2.3 percent in FY 2013, but growth is expected to slow to 0.8 percent in FY 2014 due to concerns regarding the federal budget and the sequester cuts. A similar 1.0 percent increase is anticipated in FY 2015.

In accordance with assessment principles and the Code of Virginia, which require that property is taxed at fair market value, the Department of Tax Administration (DTA) reviews the depreciation rate schedule for computer hardware due to the speed with which computer values change. The current schedule depreciates computer equipment 50 percent, one year after acquisition. In subsequent years, the percent of the original purchase price taxed is 35 percent, 20 percent, and 10 percent, in year two, three and four, respectively. After five or more years, computer equipment is valued at 2 percent of its original acquisition price.

Personal Property Tax revenue estimates are based on a tax rate of \$4.57 per \$100 of valuation for vehicles and business property, and a tax rate of \$1.085 per \$100 of valuation for mobile homes and non-vehicle Public Service Corporations properties. The following table details the estimated assessed value and associated levy for components of the Personal Property Tax.



# General Fund Revenue Overview

## FY 2015 Estimated Personal Property Assessments and Tax Levy

Category	FY 2015 Assessed Value	Tax Rate (per \$100)	FY 2015 Tax Levy	Percent of Total Levy
Vehicles				
Privately Owned	\$9,843,042,693	\$4.57	\$370,542,590	64.3%
Business Owned	504,847,409	4.57	17,715,108	3.1%
Leased	1,035,283,798	4.57	34,825,825	6.0%
Subtotal	\$11,383,173,900		\$423,083,523	73.4%
Business Personal Property				
Furniture and Fixtures	\$1,916,900,793	\$4.57	\$87,223,380	15.1%
Computer Equipment	694,821,104	4.57	31,744,538	5.5%
Machinery and Tools	54,467,432	4.57	2,489,162	0.4%
Research and Development	478,260	4.57	21,857	0.0%
Subtotal	\$2,666,667,589		\$121,478,937	21.0%
Public Service Corporations				
Equalized	\$2,508,385,772	\$1.085	\$27,329,712	4.7%
Vehicles	9,661,714	4.57	441,540	0.1%
Subtotal	\$2,518,047,486		\$27,771,252	4.8%
Other				
Mobile Homes	\$19,139,994	\$1.085	\$207,669	0.1%
Other (Trailers, Misc.)	17,493,435	4.57	713,869	0.1%
Subtotal	\$36,633,429		\$921,538	0.2%
Penalty for Late Filing			\$3,188,986	0.6%
<b>TOTAL</b>	<b>\$16,604,522,404</b>		<b>\$576,444,236</b>	<b>100.0%</b>

FY 2015 Personal Property Tax assessments including Public Service Corporations are \$16,604,522,404, with a total tax levy of \$576,444,236. Personal Property Tax revenue collections are projected to be \$569,886,876, of which \$211.3 million will be reimbursed from the state. The collection rate associated with the taxpayer's share is estimated to be 98.0 percent. Total collection rates experienced in this category since FY 2000 are shown in the following table:

### Personal Property Tax Collection Rates

Fiscal Year	Collection Rate	Fiscal Year	Collection Rate
2000	97.3%	2008	98.0%
2001	97.1%	2009	97.9%
2002	96.3%	2010	97.8%
2003	96.8%	2011	97.9%
2004	96.9%	2012	98.2%
2005	97.9%	2013	98.4%
2006	98.1%	2014 (estimated) <sup>1</sup>	98.0%
2007	98.3%	2015 (estimated) <sup>1</sup>	98.0%

<sup>1</sup> Each 0.1 percentage point change in the collection rate on the local tax levy will impact revenues by approximately \$0.3 million, and each penny on the tax rate yields a revenue change of \$1.2 million.

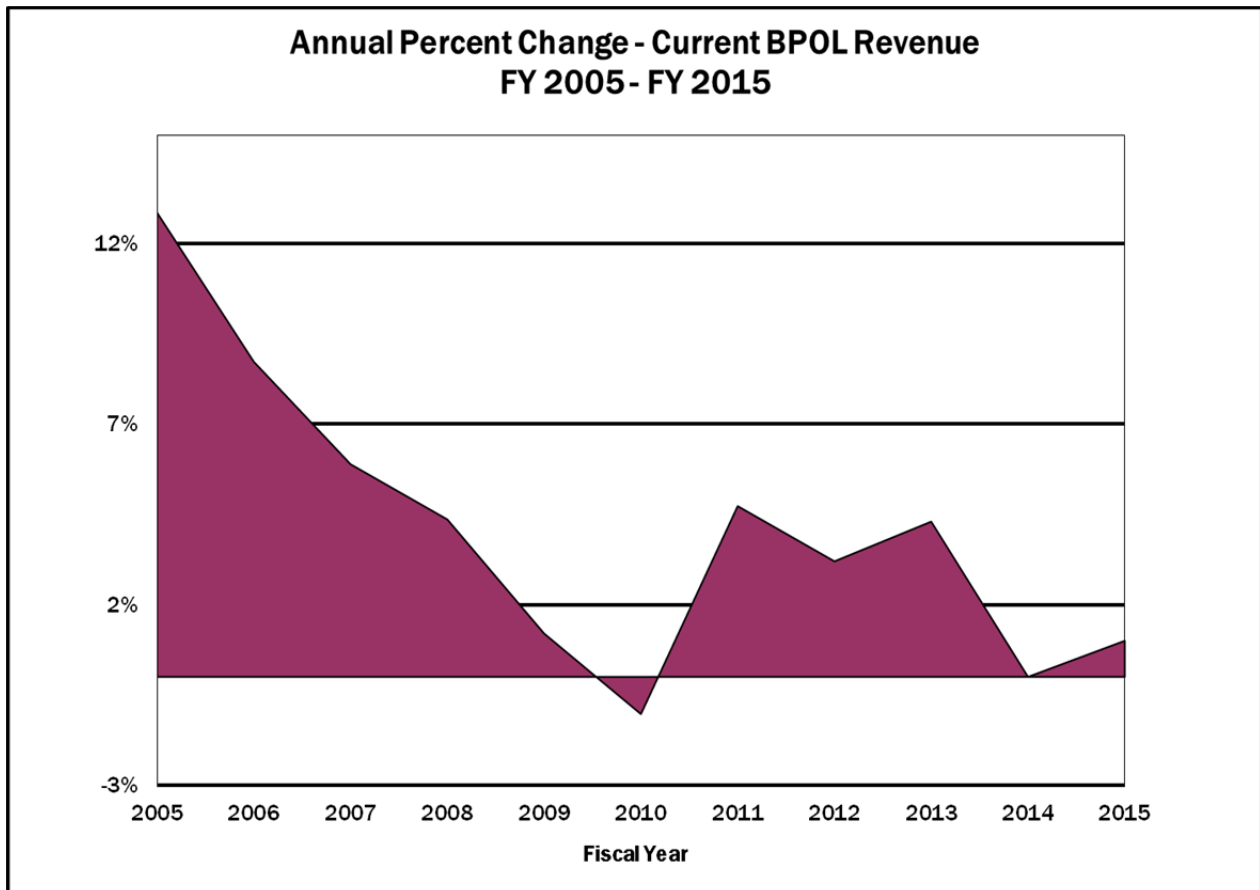
# General Fund Revenue Overview

## BUSINESS, PROFESSIONAL AND OCCUPATIONAL LICENSE TAX-CURRENT

FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised	Increase/ (Decrease)	Percent Change
\$156,170,308	\$160,698,900	\$156,170,308	\$157,732,010	\$1,561,702	1.0%

The FY 2015 Advertised Budget Plan estimate for Business, Professional, and Occupational License Taxes (BPOL) is \$157,732,010 and reflects an increase of 1.0 percent over the *FY 2014 Revised Budget Plan*.

As shown in the chart below, BPOL receipts experienced healthy growth in FY 2005 and FY 2006, averaging 10.8 percent per year. This strong growth reflected increases in federal government procurement spending, as well as the robust housing market. Growth in BPOL receipts moderated to 5.9 percent and 4.4 percent in FY 2007 and FY 2008, respectively. In FY 2009, BPOL receipts were up just 1.2 percent over FY 2008. This modest rate of growth reflected the downturn in the local economy late in 2008. In FY 2010, BPOL receipts, which were based on the gross receipts of businesses in calendar year 2009, fell 1.0 percent. Growth of 4.7 percent in FY 2011 BPOL receipts reflected the improvement in local economic conditions. Receipts increased a moderate 3.2 percent in FY 2012, and 4.3 percent in FY 2013. The combined Consultant and Business Service Occupations categories, which together represent 46 percent of total BPOL receipts, increased 4.1 percent in FY 2013. The Retail category, which represents over 18 percent of total BPOL receipts, rose 3.9 percent in FY 2013. Professional and Specialized Occupations, which include physicians and attorneys, represent over 11 percent of total BPOL and rose 9.2 percent in FY 2013.



## General Fund Revenue Overview

Since County businesses file and pay their BPOL taxes simultaneously on March 1 each year based on their gross receipts during the previous calendar year, there is limited actual data available at this time. Based on actual FY 2013 receipts and an econometric model using calendar year Sales Tax receipts and employment as predictors, the FY 2014 BPOL estimate was lowered \$4.5 million during the fall 2013 revenue review to the same level received in FY 2013. Modest growth of 1.0 percent in BPOL receipts is expected in FY 2015 due to lower federal procurement spending.

### DELINQUENT TAXES - REAL ESTATE/PERSONAL PROPERTY/BPOL

FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised	Increase/ (Decrease)	Percent Change
\$21,806,704	(\$2,773,234)	\$22,462,871	\$22,462,871	\$0	0.0%

The FY 2015 Advertised Budget Plan estimate for Delinquent Taxes represents no change from the FY 2014 Revised Budget Plan. During the fall 2013 revenue review, the FY 2014 estimate for delinquent taxes was increased \$25.2 million. The FY 2014 Adopted Budget Plan had included baseline delinquent collections of \$9.9 million in delinquent Real Estate Taxes, \$9.3 million in delinquent Personal Property Taxes and \$3.2 million in delinquent Business Professional and Occupational Licenses (BPOL), offset by potential refunds totaling \$25 million during FY 2014. These potential refunds result from a significant number of appeals in each of these revenue categories by commercial taxpayers. At this time, the appeals are not expected to be resolved by the end of FY 2014. However, since these appeals are still pending, the County's Litigation Reserve, which was established as part of the FY 2012 Carryover Review at \$5.0 million, has been increased by \$25.0 million. Delinquent Tax receipts in FY 2015 are expected to be level with the FY 2014 estimate.

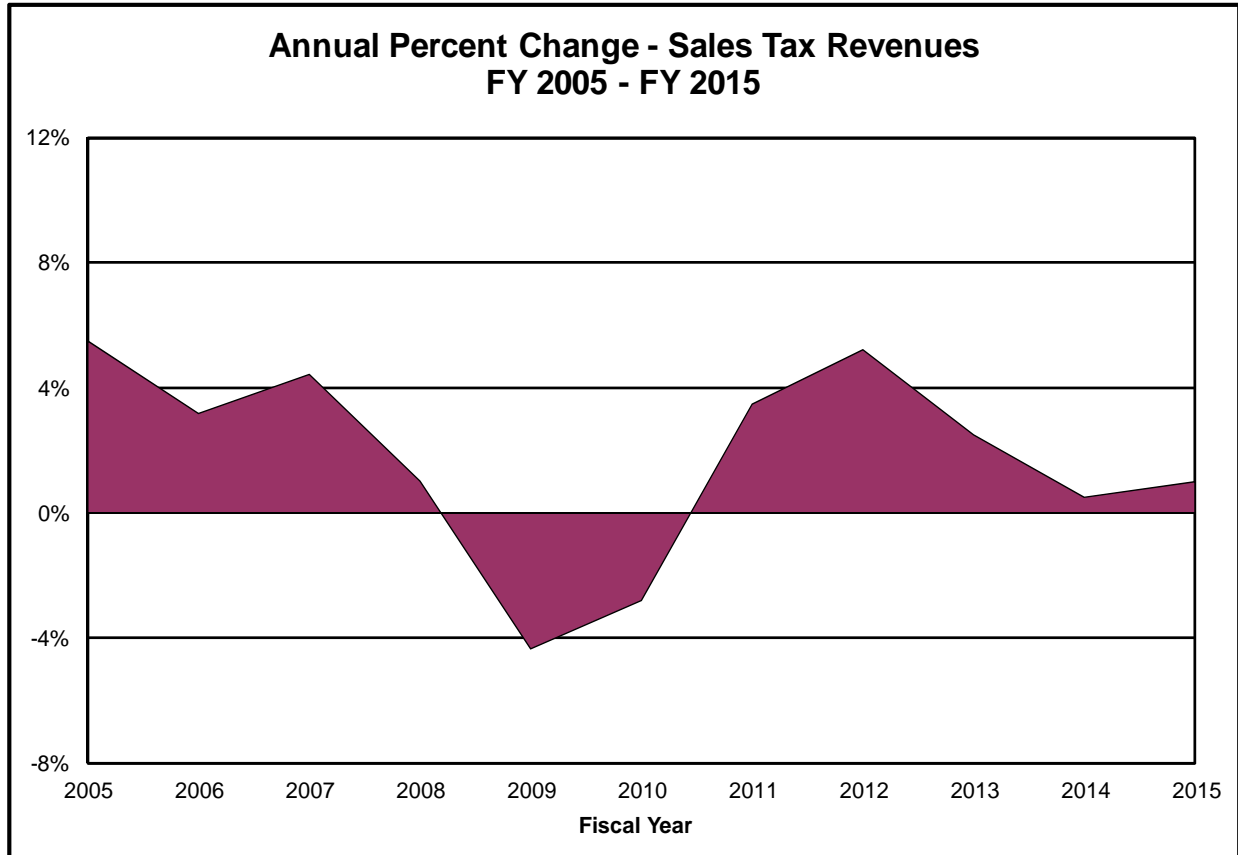
### LOCAL SALES TAX

FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised	Increase/ (Decrease)	Percent Change
\$166,893,847	\$171,377,177	\$167,774,109	\$169,451,850	\$1,677,741	1.0%

The FY 2015 Advertised Budget Plan estimate for Sales Tax receipts of \$169,451,850 reflects an increase of \$1,677,741, or 1.0 percent, over the FY 2014 Revised Budget Plan. The chart below illustrates that the level of Sales Tax receipts has varied with economic conditions. From FY 2005 through FY 2007, Sales Tax receipts experienced moderate growth, increasing at an average annual rate of 4.4 percent. The national recession began in December 2007 and FY 2008 Sales Tax revenue rose just 1.0 percent, followed by a decline of 4.4 percent in FY 2009. This was the first decline since FY 2002 and only the third decrease in over 30 years. Although the national recession was reported to have reached its trough in December 2009, job losses continued and Sales Tax collections fell 2.8 percent in FY 2010. While consumer spending was weak in the first half of FY 2011, it rebounded strongly in the second half, and Sales Tax receipts rose 3.5 percent for the fiscal year, the first increase since FY 2008. Growth continued in FY 2012 with Sales taxes rising 5.2 percent, the strongest rate of growth since FY 2005. In FY 2013, Sales Tax receipts continued to grow but at a more modest rate of 2.5 percent due to consumers' concerns over sequestration. During the fall 2013 revenue review, the FY 2014 estimate was decreased \$3.6 million, reflecting growth of just 0.5 percent over the FY 2013 level. For the first half of FY 2014, sales tax receipts are rising just 0.7 percent. However, monthly receipts have experienced significant variability with collections falling in five of the last six months. The government shutdown and federal furloughs have increased consumer uncertainty. Holiday sales have a significant impact on this category and February receipts for retail purchases made in December will not be received by the County until late February. If

## General Fund Revenue Overview

necessary, any further adjustments to the FY 2014 estimate will be made as part of the *FY 2014 Third Quarter Review*. Sales Tax receipts in FY 2015 are anticipated to rise 1.0 percent over the FY 2014 estimate based on the anticipation that consumer spending will remain restrained throughout FY 2015.



### RECORDATION/DEED OF CONVEYANCE TAXES

FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised	Increase/ (Decrease)	Percent Change
\$33,655,517	\$28,968,635	\$28,465,957	\$28,465,957	\$0	0.0%

The FY 2015 Advertised Budget Plan estimate for Recordation and Deed of Conveyance Taxes of \$28,465,957 represents no change over the *FY 2014 Revised Budget Plan* estimate. The FY 2015 estimate is comprised of \$22,997,632 in Recordation Tax revenues and \$5,468,325 in Deed of Conveyance Tax revenues. Recordation and Deed of Conveyance Taxes are levied in association with the sale or transfer of real property located in the County. Recordation Taxes are also levied when mortgages on property located in the County are refinanced, making Recordation Tax revenues more sensitive to interest rate fluctuations than Deed of Conveyance Taxes. Home values and interest rate projections are used in an econometric model that assists in developing estimates for these categories.

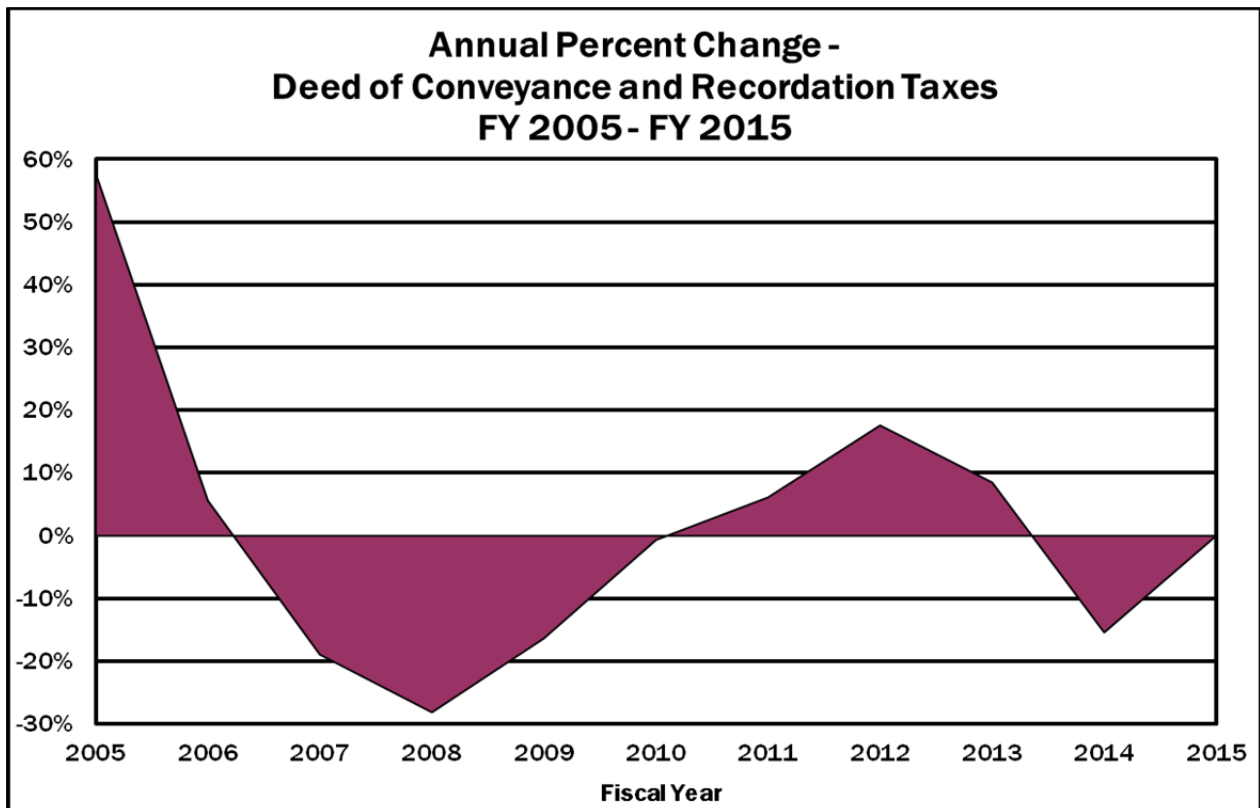
Fairfax County's Deed of Conveyance Tax is assessed at a rate of \$0.05 per \$100. Local Recordation Taxes are set at one-third the State's Tax rate. The County's Recordation Tax rate was raised from \$0.05 to \$0.0833 per \$100 of value in FY 2005 as a result of General Assembly action increasing the State's rate to \$0.25 per \$100. The 2012 General Assembly lowered the State Recordation tax rate on mortgage refinancing transactions from \$0.25 to \$0.18 per \$100 of value effective July 1, 2012; however, all

## General Fund Revenue Overview

refinancing transactions are now taxable, whereas previously refinancing with the same lender was exempt from the tax. The State Recordation Tax rate on home purchases was not reduced and remains at \$0.25 per \$100. As a result of this action, the County's Recordation Tax rate on home purchases remains at \$0.0833 per \$100 of value while the tax rate on mortgage refinancing was reduced from \$0.0833 to \$0.06 per \$100 of value.

During the housing slump, revenue from these categories decreased a combined 18.9 percent in FY 2007, 28.1 percent in FY 2008, 16.4 percent in FY 2009, and a slight 0.7 percent in FY 2010. Primarily due to increased mortgage refinancing activity as a result of historically low mortgage interest rates, revenues increased 6.1 percent in FY 2011, 17.6 percent in FY 2012, and 8.5 percent in FY 2013.

Based on collection trends, the FY 2014 estimate for Recordation Taxes was decreased \$1.3 million, while the FY 2014 estimate for Deed of Conveyance Tax was increased \$0.8 million during the fall 2013 revenue review. The FY 2014 estimate for Recordation Taxes assumes that collections will decrease 18.7 percent from the FY 2013 level primarily due to slower mortgage refinancing activity as a result of higher interest rates. Through December, receipts from Recordation Taxes are down 19.3 percent. The FY 2014 estimate for Deed of Conveyance Tax assumes that collections will increase 1.7 percent over the FY 2013 level due an increase in the number of home sales. The FY 2014 estimates will be reviewed during the *FY 2014 Third Quarter Review* to determine if further adjustments are necessary. The FY 2015 estimate for Recordation and Deed of Conveyance Taxes is level with the FY 2014 estimate. While mortgage refinancing is expected to continue to decrease, the number of home sales is anticipated to rise.



Note: In FY 2005, the Recordation Tax was increased from \$0.05 per \$100 of value to \$0.0833 per \$100 of value.

# General Fund Revenue Overview

## CONSUMER UTILITY TAXES - GAS AND ELECTRIC

FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised	Increase/ (Decrease)	Percent Change
\$45,533,092	\$45,330,492	\$45,330,492	\$45,330,492	\$0	0.0%

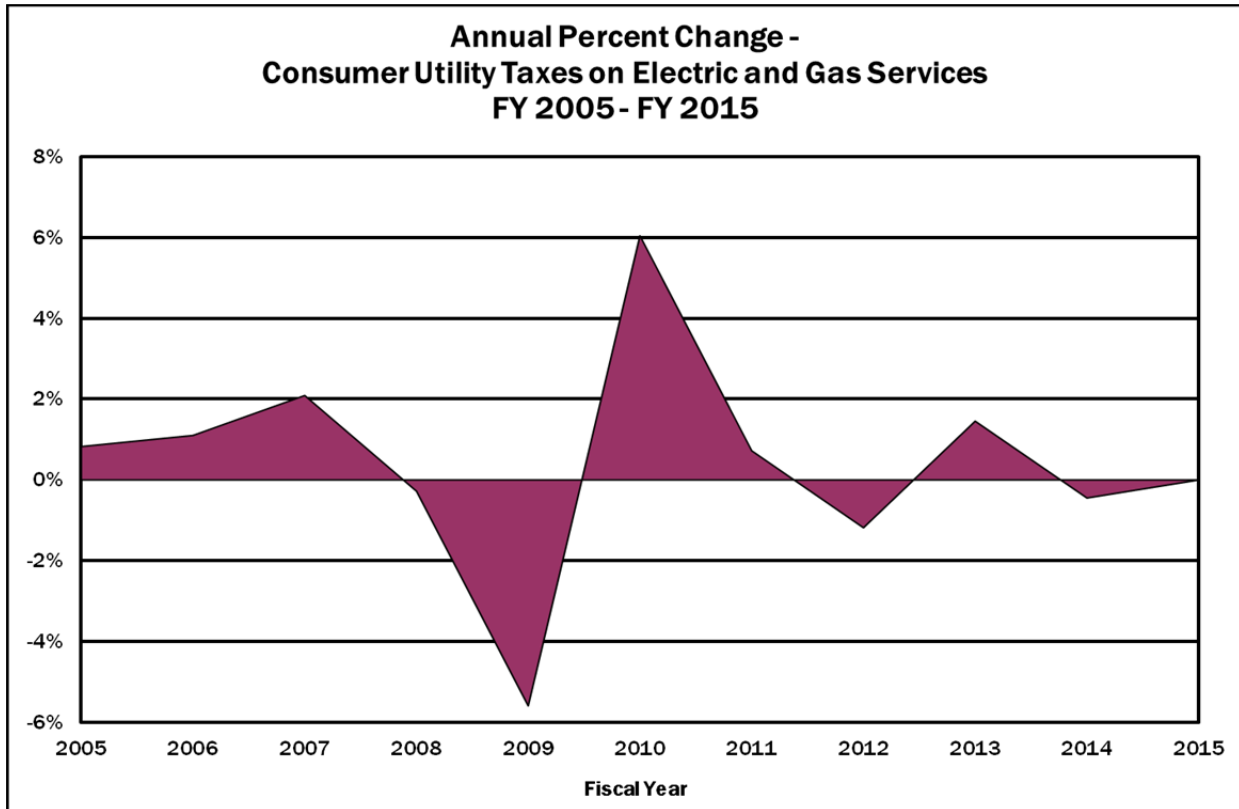
The FY 2015 Advertised Budget Plan estimate for Consumer Utility Taxes on gas and electric services of \$45,330,492 represents no change over the *FY 2014 Revised Budget Plan*. The FY 2015 estimate is comprised of \$36,424,974 in taxes on electric service and \$8,905,518 in taxes on gas service. County residents and businesses are subject to Consumer Utility Taxes based on their consumption of electricity and gas services. Tax rates by customer class are shown in the table below.

## CONSUMER UTILITY TAXES ON ELECTRICITY AND NATURAL GAS

ELECTRICITY		NATURAL GAS	
Electric Power Customer Class	Monthly Tax FY 2001 - FY 2015	Natural Gas Customer Class	Monthly Tax FY 2001 - FY 2015
<b>Residential</b>	\$0.00605 per kWh	<b>Residential</b>	\$0.05259 per CCF
Minimum	+\$0.56 per bill	Minimum	+\$0.56 per bill
Maximum	\$4.00 per bill	Maximum	\$4.00 per bill
<b>Master Metered</b>		<b>Master Metered</b>	
<b>Apartments</b>	\$0.00323 per kWh	<b>Apartments</b>	\$0.01192 per CCF
Minimum	+\$0.56 / dwelling unit	Minimum	+\$0.56 / dwelling unit
Maximum	\$4.00 / dwelling unit	Maximum	\$4.00 / dwelling unit
<b>Commercial</b>	\$0.00594 per kWh	<b>Nonresidential</b>	\$0.04794 per CCF
Minimum	+\$1.15 per bill	Minimum	+\$0.845 per bill
Maximum	\$1,000 per bill	Maximum	\$300 per bill
<b>Industrial</b>	\$0.00707 per kWh	<b>Nonresidential</b>	
Minimum	+\$1.15 per bill	<b>Interruptible</b>	\$0.00563 per CCF
Maximum	\$1,000 per bill	Minimum	+\$4.50 per meter
		Maximum	\$300 per meter

Revenue from Consumer Utility Taxes on gas and electric services from FY 2002 to FY 2008 grew at an average annual rate of 1.4 percent. Receipts in FY 2009 fell 5.6 percent, while receipts in FY 2010 increased 6.0 percent due to an adjustment to align receipts in the proper fiscal year. Absent the adjustment, FY 2010 receipts were essentially level with FY 2008 collections. The FY 2011 receipts rose a slight 0.7 percent, while collections fell 1.2 percent in FY 2012 primarily due to mild winter weather. Receipts in FY 2013 increased 1.5 percent. The FY 2014 estimate reflects a decrease of 0.4 percent from the FY 2013 level. Collections for the first five months of FY 2014 are down 0.6 percent. Receipts in FY 2015 are expected to be level with the FY 2014 estimate based on the collections trends over the past several years that have ranged from negative 1.5 percent to positive 1.2 percent.

## General Fund Revenue Overview



### COMMUNICATIONS SALES TAX

FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised	Increase/ (Decrease)	Percent Change
\$47,933,955	\$48,526,451	\$46,802,582	\$23,189,500	(\$23,613,082)	(50.5%)

The FY 2015 Advertised Budget Plan estimate for the Communications Sales Tax of \$23,189,500 reflects a decrease of \$23,613,082, or 50.5 percent, from the *FY 2014 Revised Budget Plan* due to a change in to the distribution of revenue among funds within the County. The Communications Tax is a statewide tax that was first implemented in January 2007, after the 2006 Virginia General Assembly session approved legislation that changed the way in which taxes are levied on communications services. Based on this legislation, local taxes on land line and wireless telephone services were replaced with a 5 percent statewide Communication Sales Tax. In addition to the communications services previously taxed, the 5 percent Communication Sales Tax applies to satellite television and radio services, internet calling and long-distance telephone charges. As part of this legislation, local E-911 fees were repealed and replaced with a statewide \$0.75 per line fee. These rates were meant to provide revenue neutrality with FY 2006 receipts. All communications taxes are remitted to the state for distribution to localities based on the locality's share of total statewide FY 2006 collections of these taxes. Fairfax County's share is determined by the state and is set at 18.89 percent. Of the total tax, the Cable Franchise portion is directed to Fund 40030, Cable Communications. Prior to FY 2015, the percentage of the remaining revenue was directed to Fund 40090, E-911 and the General Fund based on their relative share of the tax in FY 2006. However, to cover all the expenses in the E-911 Fund, a transfer from the General Fund was still required. To eliminate the need for a General Fund transfer, beginning in FY 2015, more Communications Sales Tax revenue will be directed to Fund 40090, E-911. In FY 2015, total Communications Sales Taxes are projected to be \$80.3 million. Of the total tax, Cable Franchise Fees of \$17.1 million will be directed to

## General Fund Revenue Overview

Fund 40030, Cable Communications. Of the remaining tax, \$40.0 million will be posted in Fund 40090, E-911 and \$23.2 million to the General Fund in FY 2015. The distribution of the tax since FY 2013 is shown below.

### Communications Sales Tax Revenue

Fund	FY 2013	FY 2014	FY 2015
Fund 40030, Cable Communications	\$16,906,911	\$17,616,774	\$17,076,403
Fund 40090, E-911	16,813,968	16,800,000	40,013,082
General Fund	<u>47,933,955</u>	<u>46,802,582</u>	<u>23,189,500</u>
Total	\$81,654,834	\$81,219,356	\$80,278,985

Since its inception, this statewide tax has been fraught with errors in under-reporting by some providers and over-collection by others. The Commonwealth found that revenue during FY 2007 was lower than anticipated due to errors in reporting the tax by two large communications providers which resulted in an under-collection of the statewide tax during FY 2007 and part of FY 2008. These providers remitted back taxes and corrected the errors in FY 2008. In FY 2009, the Virginia Department of Taxation verified that taxes totaling \$21.3 million statewide had been collected by service providers from entities that should have been tax exempt. Therefore, refunds were made over four months spanning FY 2009 and FY 2010. Fairfax County's share of the refunds was \$4.0 million. Due in part to the refunds, Fairfax County's General Fund receipts fell 3.9 percent in FY 2009 and another 3.2 percent in FY 2010. FY 2011 General Fund collections declined an additional 2.6 percent. FY 2012 receipts fell 7.3 percent, as a \$14.3 million statewide refund was processed relating to the erroneous collection of taxes on data services by a wireless provider. The County's share of this refund was \$2.7 million. Even without the refunds, collections in FY 2012 would have been lower possibly due to continued declines in land line telephones. FY 2013 General Fund revenue from the tax was \$47.9 million, an increase of 1.9 percent over FY 2012. This was the first increase since 2008, the first full fiscal year of statewide tax collection. However, based on a 2.4 percent decline in year-to-date receipts, the FY 2014 General Fund estimate for the Communication Sales Tax was reduced \$1.7 million to \$46.8 million during the fall 2013 revenue review. The FY 2015 General Fund estimate reflects a slight decline in total Communications Sales Tax revenue based on collection trends and the redistribution of revenue to Fund 40090, E-911.

### VEHICLE REGISTRATION LICENSE FEE - CURRENT AND DELINQUENT

FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised	Increase/ (Decrease)	Percent Change
\$26,424,324	\$26,612,402	\$26,612,402	\$26,872,899	\$260,497	1.0%

The FY 2015 Advertised Budget Plan estimate for Vehicle Registration Fee revenue of \$26,872,899 reflects an increase of \$260,497, or 1.0 percent over the *FY 2014 Revised Budget Plan*. Fairfax County levies the fee at the maximum rates allowed by the Commonwealth, which are \$33 for passenger vehicles that weigh 4,000 pounds or less and \$38 on passenger vehicles that weight more than 4,000 pounds. In addition, fees are \$18 for motorcycles and \$25 for buses used for transportation to and from church. The County does not require the display of a decal on the vehicle. The FY 2015 estimate represents an increase of 1.0 percent based on the increase in projected vehicle volume and collections of delinquent fees.



## General Fund Revenue Overview

Payment of Vehicle Registration License Fees is linked to the payment of Personal Property Taxes on October 5 each year. Vehicles owned by disabled veterans, members of volunteer fire departments and auxiliary police officers are exempt from the fee.

### TRANSIENT OCCUPANCY TAX

FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised	Increase/ (Decrease)	Percent Change
\$18,990,201	\$20,768,589	\$18,026,269	\$18,386,794	\$360,525	2.0%

The FY 2015 Advertised Budget Plan estimate for Transient Occupancy Tax of \$18,386,794 represents an increase of \$360,525, or 2.0 percent, over the *FY 2014 Revised Budget Plan*. Transient Occupancy Taxes are charged as part of a hotel bill and remitted by the hotel to the County. The Transient Occupancy Tax has been levied at 4 percent since the Virginia General Assembly permitted the Board of Supervisors to levy an additional 2.0 percent Transient Occupancy Tax in FY 2005. A portion, 25 percent, of the additional 2.0 percent must be appropriated to a nonprofit convention and visitors' bureau located in the County. The remaining 75 percent must be used by the County to promote tourism.

FY 2013 Transient Occupancy receipts fell 3.0 percent, the first decline in three years. Business travel was reported to have been down in the region due to federal spending reductions. During the fall 2013 revenue review, the FY 2014 estimate was decreased \$2.7 million, reflecting a 5.1 percent decrease from FY 2013. Collections through December are down 7.2 percent from the reduced FY 2013 level. The FY 2014 estimate will be reviewed during the *FY 2014 Third Quarter Review* to determine if further adjustments are necessary. The FY 2015 estimate reflects growth of 2.0 percent which assumes a modest improvement in tourism and business travel.

### PERMITS, FEES AND REGULATORY LICENSES

FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised	Increase/ (Decrease)	Percent Change
\$38,201,352	\$36,870,254	\$38,688,569	\$39,438,395	\$749,826	1.9%

The FY 2015 Advertised Budget Plan estimate for Permits, Fees, and Regulatory Licenses of \$39,438,395 reflects an increase of \$0.7 million, or 1.9 percent, over the *FY 2014 Revised Budget Plan* estimate. This increase is primarily due to an increase in projected Land Development Services (LDS) fees.

LDS fees for building permits, site plans, and inspection services make up over two-thirds of the Permits, Fees, and Regulatory Licenses category. Changes in LDS fee revenue typically track closely to the current conditions of the real estate market and construction industry, as well as the size and complexity of projects submitted to LDS for review. During the fall 2013 revenue review, the LDS revenue estimate was increased \$1.4 million to \$28.3 million, the same level achieved in FY 2013. Based on an anticipated growth in permitting activity, the FY 2015 projected revenue was increased \$0.6 million, or 2.3 percent, to \$28.9 million.

In addition, various other permits and fees are expected to experience modest growth in FY 2015. For instance, Fire Marshal Fees are projected to generate \$3.8 million in FY 2015, growth of 1.5 percent over FY 2014. Fire Prevention Code Permit revenue is projected to be \$1.5 million, growth of 2.0 percent over the FY 2014 level.

## General Fund Revenue Overview

### INVESTMENT INTEREST

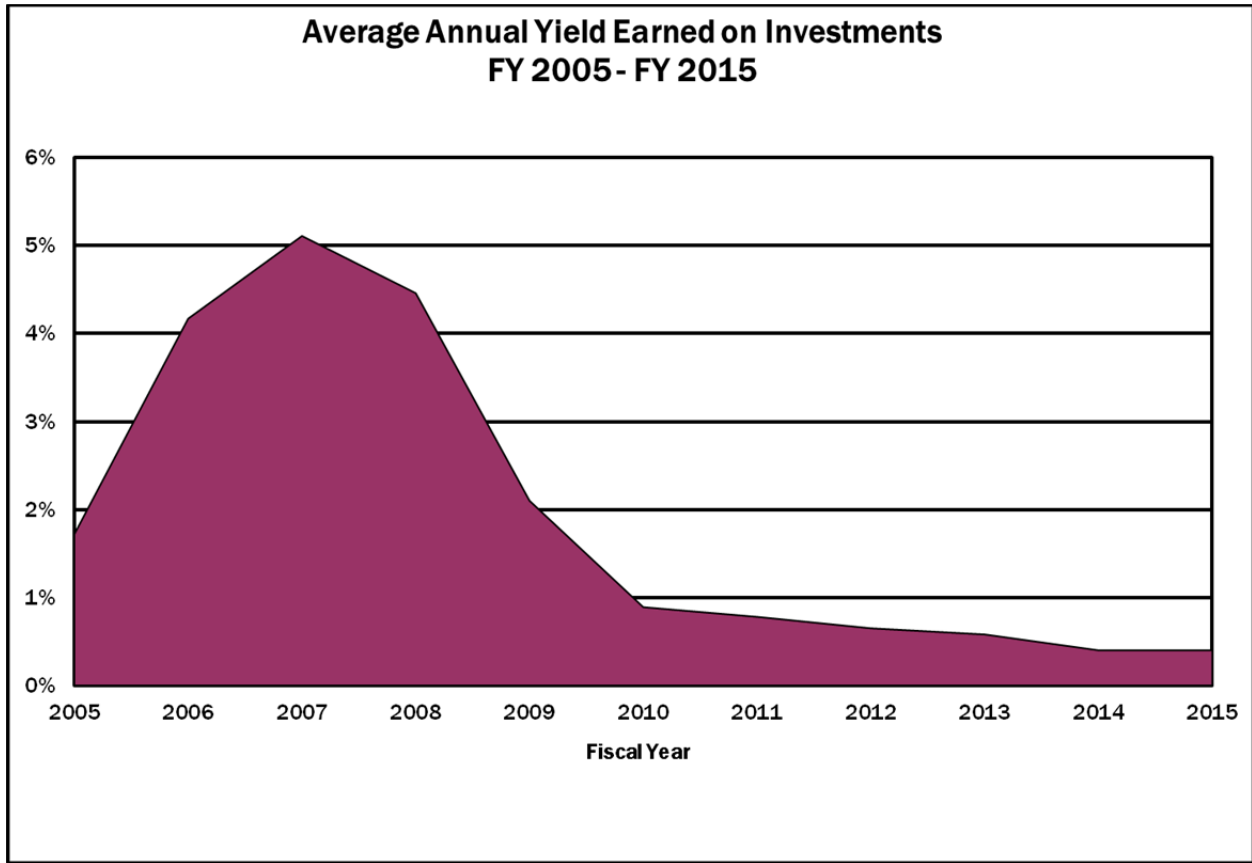
FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised	Increase/ (Decrease)	Percent Change
\$13,297,996	\$12,585,530	\$10,631,656	\$9,909,316	(\$722,340)	(6.8%)

The FY 2015 Advertised Budget Plan estimate for Investment Interest is \$9,909,316 and reflects a decrease of \$0.7 million, or 6.8 percent, from the *FY 2014 Revised Budget Plan*. Revenue from this category is a function of the amount invested, the prevailing interest rates earned on investments, and the percentage of the total pooled investment portfolio attributable to the General Fund. The County's investment managers keep approximately 50 percent of investment holdings in short-term investments for liquidity needs such as meeting County and school payrolls. The remainder, or Core portfolio, is invested with a maximum maturity of one year. These longer-term investments generally earn a higher yield.

Revenue from Interest on Investments is highly dependent on Federal Reserve actions. From 2004 to 2006, the Federal Reserve increased interest rates from 1.0 percent to 5.25 percent in an effort to stem inflation. As a result of higher rates, the annual average yield on County investments was 5.1 percent in FY 2007, and revenue from Interest on Investments was a record high of \$92.1 million. In FY 2008, the County's portfolio generated \$78.2 million for the General Fund, with an average annual yield of 4.46 percent. The federal funds rate has remained unchanged since the end of 2008, when it was set at 0.0 to 0.25 percent, its lowest in history. The yield earned in FY 2009 was 2.1 percent and General Fund revenue from Investment Interest was \$36.5 million. In FY 2010, the County's portfolio generated \$16.8 million for the General Fund, with an average annual yield of 0.89 percent. The yield continued to fall in FY 2011 and FY 2012 to 0.78 percent and 0.60 percent respectively. In FY 2013, the average annual yield was 0.58 percent.

Interest on Investments is anticipated to be \$10.6 million in FY 2014, a decrease of \$2.7 million from the \$13.3 million earned in FY 2013. The projected annual yield is 0.40 percent, a decrease of 18 basis points compared to the FY 2013 yield of 0.58 percent. Based on statements by the Federal Reserve, the federal funds rate is expected to remain near zero as long as the national unemployment rate is elevated and inflation remains low. The FY 2015 Advertised Budget Plan estimate for Investment Interest of \$9.9 million is based on a projected average yield of 0.40 percent, a portfolio size of \$2,729,903,556 and a General Fund percentage net of administrative fees of 70.6 percent. All available resources are pooled for investment purposes and the net interest earned is distributed among the various County funds, based on the average dollars invested from each fund as a percentage of the total pooled investment. Total Interest on Investments for all funds is estimated to be \$10.9 million in FY 2015. The following table shows the yield earned on investments since FY 2005.

## General Fund Revenue Overview



### CHARGES FOR SERVICES

FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised	Increase/ (Decrease)	Percent Change
\$72,674,073	\$72,690,493	\$74,509,001	\$76,479,473	\$1,970,472	2.6%

The FY 2015 Advertised Budget Plan estimate for Charges for Services revenue of \$76,479,473 represents an increase of \$1,970,472 over the *FY 2014 Revised Budget Plan*. This increase is primarily the result of increases in School Age Child Care (SACC) fees, Emergency Medical Services (EMS) Transport fees and Animal Shelter fees.

SACC fees of \$36.5 million comprise 47.7 percent of the total Charges for Services category. In 2015, SACC revenue is projected to grow \$0.5 million over the FY 2014 estimate due to a 1.3 percent base fee adjustment to address salary increases.

In addition, as a result of a review of County fees and charges, increases are proposed for EMS fees and various Animal Shelter fees. EMS transport rates are recommended to increase from the current rate structure which has been effect since FY 2009. Basic Life Support (BLS) transport is recommended to increase from \$400 to \$500; Advance Life Support 1 (ALS-1) transport from \$500 to \$650; Advance Life Support 2 (ALS-2) transport from \$675 to \$800; and the current charge of \$10 per mile transported is recommended to increase to \$12 per mile transported. The proposed EMS Transport fee increases are estimated to generate an additional \$1.0 million in FY 2015. The recommended change to the current EMS Transport fees is to bring the County's rate structure in line with other jurisdictions in Virginia.

## General Fund Revenue Overview

The Animal Shelter boarding fee is proposed to increase from \$10 to \$15, resulting in additional revenue of \$14,465 in FY 2015. The Animal Shelter adoption fees are also proposed to increase in FY 2015. The current rates are \$40 for dogs and \$30 for cats. The proposed new rates will vary by age and range from \$50 to \$175 and result in an estimated \$87,695 in additional revenue.

During the fall 2013 revenue review, the FY 2014 Charges for Services estimate was raised a net \$1.8 million due to increases of \$1.1 million in EMS Transport fee revenue, \$0.8 million in Police Reimbursement revenue, and \$0.6 million in County Clerk fees. These increases are based on prior year actual receipts and current collection trends and are offset with a reduction of \$0.3 million in Courthouse Maintenance fees and Court Security fees, as well as a reduction of \$0.3 million in Recreation Classes fees.

### REVENUE FROM THE COMMONWEALTH/FEDERAL GOVERNMENT<sup>1</sup>

FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised	Increase/ (Decrease)	Percent Change
\$120,964,781	\$121,280,813	\$122,726,379	\$122,945,574	\$219,195	0.2%

<sup>1</sup> Excludes Personal Property Taxes that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998. See the "Personal Property Tax - Current" heading in this section.

The FY 2015 Advertised Budget Plan estimate for Revenue from the Commonwealth and Federal Government of \$122,945,574 reflects a net increase of \$219,195, or 0.2 percent, over the *FY 2014 Revised Budget Plan*. A net increase of \$0.9 million is associated with Public Assistance Programs including an additional \$1.7 million for Self Sufficiency services and \$0.1 million for Domestic and Sexual Violence Services due to increasing caseloads. An increase of \$0.1 million for the Kinship Care program is also anticipated. Each of these increases in revenue is fully offset with expenditure increases. A decrease of \$1.0 million in revenue with a corresponding decrease in expenditures for the Adoption Subsidy program is anticipated due to the maximization of Medicaid as an alternative funding source for these subsidies.

In addition, a decrease of \$0.7 million in federal reimbursement for expenses incurred from holding illegal aliens in the County's Adult Detention Center is due to the uncertainty of federal appropriations for the Criminal Alien Assistance Program.

During the fall 2013 revenue review, the FY 2014 Revenue from the Commonwealth was increased \$0.4 million for Compensation Board related reimbursable salaries based on FY 2013 actual receipts and FY 2014 collection trends. FY 2014 Revenue from the Federal Government was increased \$0.7 million for funds received for the Criminal Alien Assistance Program.



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# FY 2015

Advertised Budget Plan



## General Fund Disbursement Overview

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# General Fund Disbursement Overview

## SUMMARY OF GENERAL FUND DIRECT EXPENDITURES

Category	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan	Increase/ (Decrease) Over Revised	Percent Increase/ (Decrease)
Positions / Full-Time Equivalents	9,686 / 9,525.96	9,652 / 9,497.66	9,707 / 9,565.42	9,712 / 9,579.60	5 / 14.18	0.05% / 0.15%
Personnel Services	\$695,634,681	\$722,847,458	\$731,828,693	\$745,806,755	\$13,978,062	1.91%
Operating Expenses	334,794,913	333,347,232	372,043,225	347,535,949	(24,507,276)	(6.59%)
Recovered Costs	(41,253,899)	(44,575,824)	(43,613,381)	(44,576,928)	(963,547)	2.21%
Capital Equipment	1,240,331	220,968	1,158,271	190,017	(968,254)	(83.59%)
Fringe Benefits	278,906,707	297,561,471	299,051,727	312,330,626	13,278,899	4.44%
<b>Total Direct Expenditures</b>	<b>\$1,269,322,733</b>	<b>\$1,309,401,305</b>	<b>\$1,360,468,535</b>	<b>\$1,361,286,419</b>	<b>\$817,884</b>	<b>0.06%</b>

Details of program and staffing adjustments are provided in the individual agency narratives in Volume 1. Major changes are summarized by category in the narrative description. Additional information is provided in the *Financial, Statistical and Summary Tables* section of this Overview volume.

The FY 2015 Advertised Budget Plan direct expenditure level of \$1,361,286,419 represents an increase of \$817,884 or 0.06 percent over the *FY 2014 Revised Budget Plan* direct expenditure level of \$1,360,468,535. The FY 2015 funding level reflects an increase of \$51,885,114, or 3.96 percent, over the FY 2014 Adopted Budget Plan direct expenditure level of \$1,309,401,305.

### Personnel Services

In FY 2015, funding for Personnel Services totals \$745,806,755, an increase of \$13,978,062, or 1.91 percent, over the *FY 2014 Revised Budget Plan* funding level of \$731,828,693. Personnel Services increased \$22,959,297, or 3.18 percent, over the FY 2014 Adopted Budget Plan funding level of \$722,847,458. The net FY 2015 General Fund agency positions represent an increase of 5/14.18 FTE positions over the *FY 2014 Revised Budget Plan*. For agency-level detail, the FY 2015 Advertised Personnel Services by Agency chart in the Overview Volume under the *Financial, Statistical and Summary Tables* tab breaks out Personnel Services funding by each agency. The changes for each category of Personnel Services expenditures are provided as follows:

- ◆ **Regular Salary** funding (net of Position Turnover) of \$688,182,697 reflects a net increase of \$18,516,570 or 2.77 percent over the FY 2014 Adopted Budget Plan. This increase primarily reflects funding for a 1.29 percent market rate adjustment for all employees in FY 2015, effective July 2014. It should be noted FY 2015 longevity increases for uniformed employees and targeted increases as a result of the County's market study of comparator jurisdictions are also included in this total.
- ◆ **Limited Term** position funding (temporary and part-time employees) reflects an increase of \$3,682,321, or 28.32 percent, over the FY 2014 Adopted Budget Plan, primarily due to a reallocation of the Personnel Services budget in the Department of Family Services associated with the implementation of a new modified staffing model in all School Age Child Care rooms.
- ◆ **Overtime Pay** funding reflects an increase of \$703,414, or 2.00 percent, over the FY 2014 Adopted Budget Plan level, primarily due to compensation adjustments and increases, effective July 2014 in the Police Department and the Fire and Rescue Department.

## General Fund Disbursement Overview

- ◆ **Position adjustments** in the FY 2015 Advertised Budget Plan reflect a net increase of 5/14.18 FTE positions over the *FY 2014 Revised Budget Plan*. This net increase is the result of:
  - 7/7.0 FTE positions in the Department of Neighborhood and Community Services associated with organizing, managing, and supervising activities and programs at the new Providence Community Center, scheduled to open in the fall of 2014;
  - 5/5.0 FTE positions in the Department of Transportation associated with supporting transportation-related programs in FY 2015. Of this total, 1/1.0 FTE position is included for the implementation, monitoring, and updating of the Transportation Division's Disadvantaged Business Enterprise, Small Business Enterprise and Title VI Programs in accordance with Federal Transit Administration requirements; 1/1.0 FTE position will be the primary lead and provide oversight for the Intelligent Transportation Systems (ITS) equipment and software which is being implemented on Fairfax CONNECTOR; 1/1.0 FTE position will handle data management resulting from the implementation of new ITS equipment and software; 1/1.0 FTE position will coordinate several new marketing projects associated with the implementation of Metro's Silver Line Phases I and II, new services to Tysons and Vienna related to the Stringfellow Park and Ride expansion, and stronger marketing for the Tysons Express routes; and 1/1.0 FTE position will focus primarily on research development that has occurred in the area of the transportation projects;
  - 5/5.0 FTE positions in the Office of Capital Facilities associated with stormwater related activity, transportation program projects, and managing Public-Private Education Act projects, expanded partnership arrangements with various agencies and the growth of economic development initiatives;
  - 4/4.0 FTE positions in the Facilities Management Department associated with providing maintenance to address daily service and general maintenance requirements for HVAC systems which include heating, ventilation, air conditioning equipment, chillers, heat-pumps, boilers, furnaces, air conveyance systems, and control systems at the new Merrifield Human Services Center, scheduled to open in September 2014;
  - 3/3.0 FTE positions in the Office of the Commonwealth's Attorney associated with significant workload-related issues as a result of recent law changes, increased preparation time for cases and time spent in trial, requirements for written responses to all motions made by the Defendant in Circuit Court, and the increased number of traffic courtrooms;
  - 3/3.0 FTE positions in the Department of Purchasing and Supply Management required to support additional workload requirements associated with contract rebates and the Surplus and Excess Property Program;
  - 3/3.0 FTE positions in the Office of Elections to provide technical support, outreach, and oversight consistent with recommendations from the Bi-Partisan Election Process Improvement Commission established by the Board of Supervisors subsequent to the 2012 Presidential election; and
  - An additional 9/9.0 FTE positions spread throughout County agencies, including 2/2.0 FTE positions in Juvenile and Domestic Relations District Court to support the Evening Reporting Center, 2/2.0 FTE positions in Land Development Services to support the County's revitalization



## General Fund Disbursement Overview

efforts, 2/2.0 FTE positions in the Police Department to support the renovated Animal Shelter facility, 2/2.0 FTE positions in the Fire and Rescue Department's Fire Prevention Division, and 1/1.0 FTE positions in the Department of Code Compliance's Customer Services Branch.

These adjustments were partially offset by decreases of:

- A net 34/25.32 FTE positions in the Department of Family Services, primarily due to implementation of a new staffing model in the School-Age Child Care Program that will convert regular merit positions to benefits-eligible by attrition.

### Fringe Benefits

In FY 2015, funding for Fringe Benefits totals \$312,330,626, an increase of \$13,278,899, or 4.4 percent, over the *FY 2014 Revised Budget Plan* level of \$299,051,727 and an increase of \$14,769,155, or 5.0 percent, over the FY 2014 Adopted Budget Plan level of \$297,561,471. The increase over the FY 2014 Adopted Budget Plan is primarily due to the following increases, partially offset by net savings in other areas.

- ◆ An increase of \$5,307,073 reflects the impact of employee compensation adjustments, including a 1.29 percent market rate adjustment for all employees in FY 2015, effective July 2014; longevity increases for uniformed employees (including the full-year impact of FY 2014 awards and the partial-year impact of FY 2015 awards), awarded on the employees' anniversary dates; employee pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions; the regrade of the Police Captain job class approved as part of the *FY 2013 Carryover Review*; and an increase of 3.0 percent for all employees on the public safety pay scale F, effective July 2014, as a result of the public safety pay study. These increases impact Social Security and Retirement.
- ◆ An increase of \$3,172,905 in Fringe Benefits is based on funding for new positions added in FY 2015, funding required for the full-year impact of positions added in FY 2014, and to fund previously vacant positions. This increase impacts Health, Dental and Life Insurance, Social Security, and Retirement.
- ◆ An increase of \$2,741,426 in employer contributions to the retirement systems is due to adjustments to the employer contribution rates, partially offset by savings based on year-to-date FY 2014 experience. The employer contribution rates for all three systems are increased based on a change to the amortization schedule to increase the amortization level from 91 percent to 93 percent. The employer contribution rates for the Employees' system and Uniformed system are also required to increase due to a reduction in the Social Security offset for service-connected disability retirees, and the employer contribution rate in the Police Officers system is required to increase due to a reduction in the employee contribution rate from 10.00 percent to 8.65 percent.
- ◆ An increase of \$2,436,334 in Social Security contributions is attributable to anticipated increases based on year-to-date FY 2014 experience.
- ◆ An increase of \$1,540,820 in Health Insurance premiums is due to projected premium increases of 8.0 percent for all health insurance plans, effective January 1, 2015, partially offset by savings based on year-to-date FY 2014 experience.

## General Fund Disbursement Overview

### Operating Expenses

In FY 2015, Operating Expenses total \$347,535,949, a decrease of \$24,507,276, or 6.59 percent, from the *FY 2014 Revised Budget Plan* funding level of \$372,043,225. Operating Expenses increased by \$14,188,717, or 4.26 percent, over the FY 2014 Adopted Budget Plan funding level of \$333,347,232. Major adjustments from the FY 2014 Adopted Budget Plan are as follows:

- ◆ An increase of \$3,604,729 in the Fire and Rescue Department (FRD) includes funding primarily associated with the full year operations of the Wolftrap Fire Station Medic Unit, Engine Company and a Tanker. In addition, funding is included to support a four-year process to gradually increase the annual contributions to the Large Apparatus Replacement Fund and Ambulance Replacement Fund due to increasing cost of vehicles, some fleet growth, and a contribution level that has remained flat since FY 2007, as well as funding for the required Advanced Life Support school in FY 2015.
- ◆ An increase of \$3,380,703 in the Facilities Management Department includes funding primarily associated with the opening of the Merrifield Human Services Center; funding required for annual rent-based adjustments for lease contracts; and funding for custodial, utility, repair and maintenance, and grounds maintenance costs associated with the partial or full year opening of new or expanded facilities in FY 2015, including the Providence Community Center, Woodrow Wilson Library Renovation and Expansion, and Reston Police Station Renovation.
- ◆ An increase of \$1,313,696 in the Department of Neighborhood and Community Services includes funding primarily for the expansion of FASTRAN services supporting up to 25 Adult Day Health Care Medicaid clients previously transported by Logisticare, for a contract rate increase for the community providers of the Neighborhood Initiatives and Middle School After School programs, as well as funding associated with the opening of the Providence Community Center, including computer equipment, office equipment and furniture.
- ◆ An increase of \$968,190 in the Department of Family Services includes funding primarily associated with expanding behavioral health services for youth and families as a result of the recommendations presented to the Human Services Committee of the Board of Supervisors; funding for a contract rate increase for the providers of mandated and non-mandated services; funding associated with the Virginia Initiative for Employment, not Welfare program to provide employment and training services for Temporary Assistance for Needy Families recipients; as well as funding for the implementation of a pilot program integrating employment services into the existing Bridging Affordability framework to target populations identified as high priority in the County. This is partially offset by a decrease primarily associated with the Adoption Subsidy program that is needed in order to align program year funding with actual experience.
- ◆ An increase of \$874,551 in the Office to Prevent and End Homelessness includes funding primarily to provide additional support to the Katherine K. Hanley Townhomes, which will provide permanent supportive housing and services to families with children under age 18 who are headed by a person with disabilities, currently homeless and are determined by an admissions team to have no other housing options; funding for a contract rate increase primarily for providers of contracted homeless services; as well as funding to support Mondloch Place, which provides permanent supportive housing to formerly homeless single adults.

## General Fund Disbursement Overview

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### Capital Equipment

In FY 2015, Capital Equipment funding for General Fund agencies totals \$190,017, a decrease of \$968,254, or 83.59 percent, from the *FY 2014 Revised Budget Plan* funding level of \$1,148,271. Capital Equipment decreased by \$30,951, or 14.01 percent, from the FY 2014 Adopted Budget Plan funding level of \$220,968. The FY 2015 funding of \$190,017 is required to purchase capital fixtures needed to open the Wolftrap Fire Station in July 2014, a passenger van for the new Providence Community Center that is scheduled to open fall 2014, as well as the replacement of existing facilities maintenance equipment, and six snow plows and three sand/salt spreaders that have passed their useful life and are critical for snow removal operations.

### Recovered Costs

In FY 2015, Recovered Costs total \$44,576,928, an increase of \$963,547, or 2.21 percent, over the *FY 2014 Revised Budget Plan* level of \$43,613,381, and an increase of \$1,104 over the FY 2014 Adopted Budget Plan level of \$44,575,824.

## General Fund Disbursement Overview

### SUMMARY OF GENERAL FUND TRANSFERS

The FY 2015 Transfers Out from the General Fund total \$2,343,108,157, an increase of \$40,105,145, or 1.7 percent, over the *FY 2014 Revised Budget Plan* Transfers Out of \$2,303,003,012. These transfers support programs and activities that reflect the Board of Supervisors' priorities.

Major adjustments are summarized below.

	<b>Increase/ (Decrease) Over FY 2014 Revised</b>
Fund S10000, Public School Operating	\$34,339,775
Funds 20000 and 20001, Consolidated Debt Service	19,717,692
Fund 30020, Capital Renewal Construction	3,000,000
Fund 40040, Fairfax-Falls Church Community Services Board	2,529,213
Fund 60000, County Insurance Fund	2,196,362
Fund 10030, Contributory Fund	990,259
Fund 10020, Community Funding Pool	743,388
Fund 83000, Alcohol Safety Action Program	219,397
Fund 40330, Elderly Housing Programs	(2,146)
Fund 60020, Document Services Division	(9,150)
Fund 30050, Transportation Improvements	(200,000)
Fund 10010, Revenue Stabilization Fund	(219,449)
Fund 50000, Federal-State Grant Fund	(251,389)
Fund 60040, Health Benefits Fund	(1,600,000)
Fund 30010, General Construction and Contributions	(1,657,516)
Fund 10040, Information Technology	(2,412,020)
Fund 40090, E-911	(17,279,271)
<b>Total</b>	<b>\$40,105,145</b>

#### **Fund S10000, Public School Operating**

The FY 2015 General Fund transfer to Fund S10000, Public School Operating, is \$1,751,328,506, an increase of \$34,339,775, or 2.0 percent, over the *FY 2014 Revised Budget Plan* transfer of \$1,716,988,731. The greatest share of the County budget is dedicated to Fairfax County Public Schools (FCPS), which underscores that education continues to be the highest priority. The transfer to Public School Operating and School Debt Service represents 52.1 percent of total General Fund Disbursements.

#### **Funds 20000 and 20001, Consolidated Debt Service**

The FY 2015 General Fund transfer to Funds 20000 and 20001, Consolidated Debt Service, is \$310,883,333, an increase of \$19,717,692, or 6.8 percent, over the *FY 2014 Revised Budget Plan* transfer of \$291,165,641. This increase is primarily attributable to scheduled requirements for existing debt service.

#### **Fund 30020, Capital Renewal Construction**

The FY 2015 General Fund transfer to Fund 30020, Capital Renewal Construction, is \$8,000,000, an increase of \$3,000,000 over the *FY 2014 Revised Budget Plan* transfer of \$5,000,000 to complete the backlogged renewal projects begun in FY 2014 and begin new category F projects. Detailed information can be found in the Fund 30020, Capital Renewal Construction, narrative in Volume 2 of the [FY 2015 Advertised Budget Plan](#).

## General Fund Disbursement Overview

### **Fund 40040, Fairfax-Falls Church Community Services Board**

The FY 2015 General Fund transfer to Fund 40040, Fairfax-Falls Church Community Services Board, is \$112,570,435, an increase of \$2,529,213, or 2.3 percent, over the *FY 2014 Revised Budget Plan* transfer of \$110,041,222. The net increase is primarily due to a 1.29 percent market rate adjustment for all employees in FY 2015, a contract rate adjustment to fund individually negotiated contract adjustments, and additional support for the June 2014 special education graduates of Fairfax County Public Schools turning 22 years of age who are eligible for day support and employment services who currently do not have a funding source for such services. Detailed information can be found in the Fund 40040, Fairfax-Falls Church Community Services Board, narrative in Volume 2 of the [FY 2015 Advertised Budget Plan](#).

### **Fund 60000, County Insurance Fund**

The FY 2015 General Fund transfer to Fund 60000, County Insurance Fund, is \$23,226,489, an increase of \$2,196,362, or 10.4 percent, over the *FY 2014 Revised Budget Plan* transfer of \$21,030,127. This increase offsets increased insurance expenditures that have grown \$4,342,793, or 21.8 percent, since FY 2013. Without additional General Fund support, these costs would draw down the Reserve for Catastrophic Occurrences to a level deemed too low given the size of the County. This increase will allow the Reserve for Catastrophic Occurrences to remain funded at the same level as the *FY 2014 Revised Budget Plan*. Detailed information on the County Insurance Fund can be found in the Fund 60000, County Insurance Fund, narrative in Volume 2 of the [FY 2015 Advertised Budget Plan](#).

### **Fund 10030, Contributory Fund**

The FY 2015 General Fund transfer to Fund 10030, Contributory Fund, is \$15,361,234, an increase of \$990,259, or 6.9 percent, over the *FY 2014 Revised Budget Plan* transfer of \$14,370,975. More detail on the Contributory Fund follows the General Fund Disbursement Overview.

### **Fund 10020, Community Funding Pool**

The FY 2015 General Fund transfer to Fund 10020, Community Funding Pool, is \$10,611,143, an increase of \$743,388, or 7.5 percent, over the *FY 2014 Revised Budget Plan* transfer of \$9,867,755. This increase is associated with performance and leverage requirements for nonprofit organizations and provides additional funding to community organizations to meet human service needs in the County.

### **Fund 83000, Alcohol Safety Action Program**

The FY 2015 General Fund transfer to Fund 83000, Alcohol Safety Action Program, is \$410,571, an increase of \$219,397 over the *FY 2014 Revised Budget Plan* transfer of \$191,174. This increase is primarily associated with anticipated increased fringe benefit requirements based on prior year actual fringe benefit costs and a 1.29 percent market rate adjustment for all employees in FY 2015.

### **Fund 40330, Elderly Housing Programs**

The FY 2015 General Fund transfer to Fund 40330, Elderly Housing Programs, is \$1,862,125, a decrease of \$2,146, or 0.1 percent, from the *FY 2014 Revised Budget Plan* transfer of \$1,864,271. This decrease is due to the one-time FY 2014 merit employees bonus adjustment of \$11,895, offset by the 1.29 percent market rate adjustment of \$9,749 for all employees in FY 2015.

### **Fund 60020, Document Services Division**

The FY 2015 General Fund transfer to Fund 60020, Document Services Division, is \$2,398,233, a decrease of \$9,150, or 0.4 percent, from the *FY 2014 Revised Budget Plan* transfer of \$2,407,383. The reduced transfer is due to a one-time compensation adjustment of \$850 for merit employees in FY 2014 paid in November 2013.

## General Fund Disbursement Overview

### **Fund 30050, Transportation Improvements**

There is no FY 2015 General Fund transfer to Fund 30050, Transportation Improvements, reflecting a decrease of \$200,000 from the *FY 2014 Revised Budget Plan* transfer. The General Fund transfer in FY 2014 was associated with the Traffic Calming Program as approved by the Board of Supervisors on September 11, 2012.

### **Fund 10010, Revenue Stabilization Fund**

The FY 2015 General Fund transfer to Fund 10010, Revenue Stabilization Fund, is \$1,031,348, a decrease of \$219,449, or 17.5 percent, from the *FY 2014 Revised Budget Plan* transfer of \$1,250,797. The General Fund transfer to this fund is determined based on the amount of funding required to maintain the reserve at the target level of 3.0 percent of General Fund disbursements.

### **Fund 50000, Federal-State Grant Fund**

The FY 2015 General Fund transfer to Fund 50000, Federal-State Grant Fund, is \$5,208,464, a decrease of \$251,389, or 4.6 percent, from the *FY 2014 Revised Budget Plan* transfer of \$5,459,853. The transfer reflects the anticipated Local Cash Match needed to maximize the County's ability to leverage Federal and State grant funding. The Reserve for Local Cash Match is a projection of the County contributions required for anticipated and unanticipated grant awards. This decrease in Local Cash Match requirements is primarily attributed to a one-time transfer of \$401,888 from the Sequestration Reserve as part of the *FY 2013 Carryover Review* to address a shortfall in the Head Start and Early Head Start grant programs that resulted from a reduction in grant funding from the federal government, as well as adjustments in funding requirements in the Department of Family Services, the Fire and Rescue Department, the Juvenile and Domestic Relations District Court, and the Office to Prevent and End Homelessness.

### **Fund 60040, Health Benefits Fund**

There is no FY 2015 General Fund transfer to Fund 60040, Health Benefits Fund, reflecting a decrease of \$1,600,000 from the *FY 2014 Revised Budget Plan* transfer. The General Fund transfer in FY 2014 funded a reserve for fees that will be charged to the County in FY 2015 under the Patient Protection and Affordable Care Act. The County is required to participate in the Transitional Reinsurance Program for three years, with the fiscal impact beginning in FY 2015. The Transitional Reinsurance Program is intended to stabilize premiums for coverage in the individual market during the first three years health insurance exchanges are available. All health insurance issuers and self-insured group health plans (such as Fairfax County) will be required to submit contributions to support reinsurance payments to issuers that cover high-cost individuals in non-grandfathered individual market plans. The fee is estimated to be approximately \$1.6 million in FY 2015, and is projected to decrease to approximately \$1.1 million in FY 2016 and \$0.7 million in FY 2017, for a total three-year estimated impact of \$3.4 million. Detailed information on the Health Benefits Fund can be found in the Fund 60040, Health Benefits Fund, narrative in Volume 2 of the [FY 2015 Advertised Budget Plan](#).

### **Fund 30010, General Construction and Contributions**

The FY 2015 General Fund transfer to Fund 30010, General Construction and Contributions, is \$18,718,981, a decrease of \$1,657,516, or 8.1 percent, from the *FY 2014 Revised Budget Plan* transfer of \$20,376,497. FY 2015 funding is limited to only the most critical priority projects.

### **Fund 10040, Information Technology**

The FY 2015 General Fund transfer to Fund 10040, Information Technology, is \$7,351,260, a decrease of \$2,412,020, or 24.7 percent, from the *FY 2014 Revised Budget Plan* transfer of \$9,763,280. The net decrease is due to several factors, including one-time FY 2014 funding of \$6.0 million added at carryover to begin to fund election equipment replacement. This funding will support approximately half of the funding required to replace County voting machines. These decreases are partially offset by increases in FY 2015

## General Fund Disbursement Overview

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required to support critical IT projects that meet one or more of the five Senior IT strategic priorities, which include enhancing County security, improving service and efficiency, completing prior investments, maintaining a current and supportable technology infrastructure, and addressing mandated requirements. Detailed information on the Information Technology program may be found in the Fund 10040, Information Technology, narrative in Volume 2 of the [FY 2015 Advertised Budget Plan](#).

### **Fund 40090, E-911**

There is no FY 2015 General Fund transfer to Fund 40090, E-911, reflecting a decrease of \$17,279,271 from the *FY 2014 Revised Budget Plan* transfer. As a result of increasing requirements in this fund, starting in FY 2015 Fairfax County is revising the methodology by which it applies the revenues received through the Communication Sales and Use Tax (CSUT). The CSUT is a statewide tax first implemented in January 2007, after the 2006 Virginia General Assembly session approved legislation that changed the way in which taxes are levied on communications services. Based on this legislation, local taxes on land line and wireless telephone services were replaced with a 5 percent statewide CSUT. Starting in FY 2015, a larger proportion (approaching 65 percent) of CSUT revenues will be applied to Fund 40090, with a commensurate decrease reflected in the proportion of CSUT revenues applied directly to the General Fund. This will eliminate the need for a General Fund Transfer to Fund 40090 and result in a projected FY 2015 CSUT revenue total for Fund 40090 of \$40.0 million. The prioritization of CSUT fees towards the E-911 fund reflects the increasing costs of this system based on staffing and technology requirements.

# Fund 10030

## Summary of Contributory Agencies

### Summary of Contributory Agencies

Fund 10030, Contributory Fund, was established in FY 2001 to reflect General Fund support for agencies or organizations that receive County contributions. FY 2015 funding totals \$15,385,015 and reflects an increase of \$1,990,259 or 14.9 percent over the FY 2014 Adopted Budget Plan funding level of \$13,394,756. The required Transfer In from the General Fund is \$15,361,234. Individual contributions are described in detail in the narrative of Fund 10030, Contributory Fund, in Volume 2 of the FY 2015 Advertised Budget Plan.

Contributory funding is in compliance with the Board of Supervisors' policy to make General Fund appropriations of specified amounts to various nonsectarian, nonprofit, or quasi-governmental entities for the purpose of promoting the general health and welfare of the community. Since public funds are being appropriated, contributions provided to designated agencies are currently made contingent upon submission and review of quarterly, semiannual and/or annual reports. This oversight activity includes reporting requirements prescribed by the County Executive, which require designated agencies to accurately describe the level and quality of services provided to County residents. Various County agencies may be tasked with oversight of program reporting requirements. Contributory agencies that do not file reports as requested, may, at the discretion of the County Executive, have payments withheld until appropriate reports are filed and reviewed.

The following chart summarizes the funding for the various contributory organizations.

Fairfax County	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan
<b>Legislative-Executive Functions/Central Service Agencies:</b>				
Alliance for Innovation	\$6,000	\$0	\$0	\$0
Dulles Area Transportation Association	9,000	15,000	15,000	15,000
Metropolitan Washington Council of Governments	899,965	939,972	939,972	966,044
National Association of Counties	19,049	21,635	21,635	21,635
Northern Virginia Regional Commission	623,862	631,073	631,073	641,629
Northern Virginia Transportation Commission	169,504	173,465	173,465	167,903
Virginia Association of Counties	241,125	245,950	245,950	249,606
Virginia Institute of Government	20,000	0	0	0
Washington Airports Task Force	50,000	50,000	50,000	50,000
<b>Subtotal Legislative-Executive</b>	<b>\$2,038,505</b>	<b>\$2,077,095</b>	<b>\$2,077,095</b>	<b>\$2,111,817</b>
<b>Public Safety:</b>				
Fairfax Partnership For Youth	\$40,350	\$40,350	\$40,350	\$40,350
NOVARIS	9,577	9,577	9,577	9,577
<b>Subtotal Public Safety</b>	<b>\$49,927</b>	<b>\$49,927</b>	<b>\$49,927</b>	<b>\$49,927</b>
<b>Health and Welfare:</b>				
Health Systems Agency of Northern Virginia	\$108,200	\$108,200	\$108,200	\$108,200
Medical Care for Children	237,000	213,300	213,300	237,000
Northern Virginia Healthcare Center/Birmingham Green Adult Care Residence	2,447,789	2,467,960	2,517,960	2,575,761
Volunteer Fairfax	315,247	305,247	305,247	335,772
<b>Subtotal Health and Welfare</b>	<b>\$3,108,236</b>	<b>\$3,094,707</b>	<b>\$3,144,707</b>	<b>\$3,256,733</b>



# Fund 10030

## Summary of Contributory Agencies

Fairfax County	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan
<b>Parks, Recreation and Cultural:</b>				
Arts Council of Fairfax County	\$281,694	\$281,694	\$281,694	\$331,694
Arts Council of Fairfax County - Arts Groups Grants	96,900	96,900	96,900	96,900
Challenge Grant Funding Pool for the Arts	444,125	444,125	444,125	444,125
Dulles Air and Space Museum	100,000	100,000	100,000	100,000
Fairfax Symphony Orchestra	261,032	261,032	261,032	261,032
Fort Belvoir Army Museum	100,000	100,000	100,000	100,000
Lorton Arts Foundation	3,350,000	750,000	750,000	0
Northern Virginia Regional Park Authority	1,979,537	2,080,308	2,080,308	2,114,158
Reston Historic Trust	16,150	16,150	16,150	16,150
Town of Herndon	40,000	40,000	40,000	40,000
Town of Vienna Teen Center	32,300	32,300	32,300	32,300
Wolf Trap Foundation for the Performing Arts	125,938	125,938	125,938	125,938
<b>Subtotal Parks, Recreation &amp; Cultural</b>	<b>\$6,827,676</b>	<b>\$4,328,447</b>	<b>\$4,328,447</b>	<b>\$3,662,297</b>
<b>Community Development:</b>				
Architectural Review Board	\$2,826	\$2,826	\$2,826	\$3,500
Commission for Women	6,916	6,916	6,916	6,916
Convention and Visitors Corporation	2,608,344	2,730,901	2,730,901	2,390,283
Earth Sangha	16,150	16,150	16,150	16,150
Fairfax 2015 World Police and Fire Games	250,000	250,000	1,250,000	2,000,000
Fairfax County History Commission	21,013	21,013	21,013	21,013
Fairfax ReLeaf	41,990	41,990	41,990	41,990
Greater Reston Incubator	24,225	24,225	24,225	24,225
Inova Translational Medicine Institute	0	0	0	1,100,000
Northern Virginia 4-H Education Center	10,000	15,000	15,000	15,000
Northern Virginia Community College	90,636	90,030	90,030	89,635
Northern Virginia Conservation Trust	227,753	227,753	227,753	227,753
OpenDoor Housing Fund	31,776	31,776	31,776	31,776
Southeast Fairfax Development Corporation	183,320	183,320	183,320	183,320
VPI/UVA Education Center	50,000	50,000	50,000	0
Women's Center of Northern Virginia	27,023	27,023	27,023	27,023
<b>Subtotal Community Development</b>	<b>\$3,591,972</b>	<b>\$3,718,923</b>	<b>\$4,718,923</b>	<b>\$6,178,584</b>
<b>Nondepartmental:</b>				
Employee Advisory Council	\$33,000	\$33,000	\$33,000	\$33,000
Fairfax Public Law Library	92,657	92,657	92,657	92,657
<b>Subtotal Nondepartmental</b>	<b>\$125,657</b>	<b>\$125,657</b>	<b>\$125,657</b>	<b>\$125,657</b>
<b>Total County Contributions</b>	<b>\$15,741,973</b>	<b>\$13,394,756</b>	<b>\$14,444,756</b>	<b>\$15,385,015</b>

# FY 2015

Advertised Budget Plan



## Other Funds Overview

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## Other Funds Overview

### OTHER FUNDS OVERVIEW

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

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

Other Funds expenditures are supported through a total available balance of \$9,078,039,720 (excluding the General Fund) and total revenues of \$3,612,672,010 (excluding the General Fund). The revenues are a decrease of \$609,969,290, or 14.45 percent, from the *FY 2014 Revised Budget Plan* and an increase of \$131,862,476, or 3.79 percent, over the FY 2014 Adopted Budget Plan. It should be noted that the decrease from the *FY 2014 Revised Budget Plan* is primarily the result of the carryover of authorized but unissued bonds for capital construction projects, County and regional transportation project revenue, anticipated grant revenue, and various other changes rather than the result of changes in the revenue stream for Other Funds. The increase in revenues over the FY 2014 Adopted Budget Plan is due primarily to increased County and FCPS retirement fund-related revenues, health fund revenues, school operating revenues, and various other revenue changes. Details concerning significant changes in revenue growth are discussed for each specific fund in Volume 2, Capital Construction and Other Operating Funds, in the FY 2015 Advertised Budget Plan. Also, the FY 2015 revenues for Other Funds are summarized by revenue type and by fund type in the *Financial, Statistical and Summary Tables* section of this Overview Volume.

FY 2015 expenditures for Other Funds total \$5,593,505,589 (excluding General Fund direct expenditures), and reflect a decrease of \$1,379,965,546, or 19.79 percent, from the *FY 2014 Revised Budget Plan* funding level of \$6,973,471,135. This decrease is primarily due to the effect of significant carryover for capital construction projects, sewer construction projects, County and regional transportation projects, and grant-funded projects, and should not be perceived as a major change to programs or operations. Excluding adjustments in FY 2014, expenditures increase \$151,497,464, or 2.78 percent, over the FY 2014 Adopted Budget Plan total of \$5,442,008,125. Of this increase, an amount of \$27,903,948 reflects an increase to the Public School Operating Fund and \$32,974,111 reflects a combined increase to the Health Benefits Fund and the Public School Health and Flexible Benefits Fund. In addition, an amount of \$46,361,542 reflects the combined increase in the Employees, Uniformed, Police, and Educational Employees Retirement Funds resulting from a higher number of retirees and higher individual payment levels.

The following is a brief summary of the various funds types. Not included in these discussions are Capital Projects Funds, which are presented in the Capital Projects Overview of this Overview Volume. A complete discussion of funding and program adjustments for all Other Funds is found in Volume 2, Capital Construction and Other Operating Funds in the FY 2015 Advertised Budget Plan. Summary information is provided in the *Financial, Statistical and Summary Tables* section of this Overview Volume. It should be noted that Special Revenue funding for the Fairfax County Public Schools is discussed in further detail in the FY 2015 Superintendent's Proposed Budget.

## Other Funds Overview

### GENERAL FUND GROUP

The General Fund Group consists of four funds in addition to the General Fund and accounts for revenue and expenditures for the Consolidated Community Funding Pool, Contributory, Revenue Stabilization, and Information Technology Funds. It should be noted that prior to the FY 2014 Adopted Budget Plan, all of these funds, except for the Revenue Stabilization Fund, were part of Special Revenue Funds. In FY 2015, General Fund Group expenditures total \$36,355,658 (excluding the General Fund), a decrease of \$34,217,305, or 48.49 percent, from the *FY 2014 Revised Budget Plan* funding level of \$70,572,963 due primarily to the carryover of ongoing IT project funds in the *FY 2014 Revised* funding level. Excluding adjustments in FY 2014, expenditures increased \$6,979,867, or 23.76 percent, over the FY 2014 Adopted Budget Plan level of \$29,375,791, due primarily to increased funding for multi-year IT projects.

### DEBT SERVICE FUNDS

The Consolidated Debt Service Fund accounts for the general obligation bond debt service of the County as well as general obligation bond debt for the Fairfax County Public Schools (FCPS). In addition, debt service expenditures are included for the Economic Development Authority Lease Revenue bonds associated with County government and School facilities and payments for Fairfax County Redevelopment and Housing Authority (FCRHA) Lease Revenue bonds. Revenues for the debt service funds are derived principally from a transfer from the General Fund. It should be noted that debt service on sewer revenue bonds is reflected in the Enterprise Funds. FY 2015 Debt Service expenditures total \$316,009,005.

### SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds from specific sources that are legally restricted to expenditures for a specific purpose. These proceeds include state and federal aid, income derived through activities performed by the Division of Solid Waste, special levies, program activity revenue, and operation of the public school system. In FY 2015, Special Revenue Fund expenditures total \$3,269,922,468, a decrease of \$538,310,676, or 14.14 percent, from the *FY 2014 Revised Budget Plan* funding level of \$3,808,233,144 due primarily to the effect of significant carryover of unexpended project balances in the County and Regional Transportation Projects Fund, the Stormwater Services Fund, and the Public School Operating Fund, as well as the carryover of unexpended grant balances previously approved by the Board of Supervisors in the Federal/State Grants Fund. Excluding adjustments in FY 2014, expenditures increase \$40,162,648, or 1.24 percent, over the FY 2014 Adopted Budget Plan level of \$3,229,759,820.

### INTERNAL SERVICE FUNDS

Internal Service Funds account for services commonly used by most agencies, and for which centralized organizations have been established in order to achieve economies of scale necessary to minimize costs. These internal agencies provide services to other agencies on a cost reimbursement basis. Such services consist of vehicle operations, maintenance, and replacement; insurance coverage (health, workers compensation, automobile liability, and other insurance); data communications and processing; and document services. It should be noted that where possible without degradation of quality, joint County and School service delivery (printing and vehicle maintenance) or joint procurement (health insurance) activities are conducted in order to achieve economies of scale and to minimize costs. FY 2015 Internal Service expenditures total \$765,130,721, an increase of \$16,394,404, or 2.19 percent, over the *FY 2014 Revised Budget Plan* level of \$748,736,317 primarily due to increased benefits paid out of the Public School Health and Flexible Benefits Fund. Excluding adjustments in FY 2014, expenditures increased \$36,970,118, or 5.08 percent, over the FY 2014 Adopted Budget Plan total of \$728,160,603.

## Other Funds Overview

### ENTERPRISE FUNDS

Fairfax County's Enterprise Funds consist of seven funds within the Wastewater Management Program (WWM), which account for the construction, maintenance and operational aspects of the countywide sewer system. The cost of providing sewer service to County citizens and businesses is financed or recovered primarily from user charges. FY 2015 Enterprise Funds expenditures for sewer operation and maintenance and sewer debt service total \$229,793,353, a decrease of \$92,198,218, or 28.63 percent, from the *FY 2014 Revised Budget Plan* total of \$321,991,571 primarily due to the carryover of unexpended project balances in the Sewer Bond Construction Fund to provide funding for future treatment plant requirements. Excluding adjustments in FY 2014, expenditures increased \$899,183, or 0.39 percent, over the FY 2014 Adopted Budget Plan total of \$228,894,170.



**The County's wastewater treatment plant serves an estimated 364,500 households with public sewer service.**

### AGENCY AND TRUST FUNDS

Agency and Trust funds account for assets held by the County in a trustee or agency capacity and include the four pension trust funds administered by the County and Schools, as well as County and Schools trust funds to pre-fund other post-employment benefits. FY 2015 Agency and Trust funds combined expenditures total \$728,547,986, an increase of \$52,876,866, or 7.83 percent, over the *FY 2014 Revised Budget Plan* funding level of \$675,671,120. This increase is primarily due to increases in the four existing retirement funds resulting from a higher number of retirees and higher individual payment levels. Excluding adjustments in FY 2014, combined Agency and Trust funds expenditures increase \$38,710,480, or 5.61 percent, over the FY 2014 Adopted Budget Plan level of \$689,837,506.

# FY 2015

Advertised Budget Plan



## Capital Projects Overview

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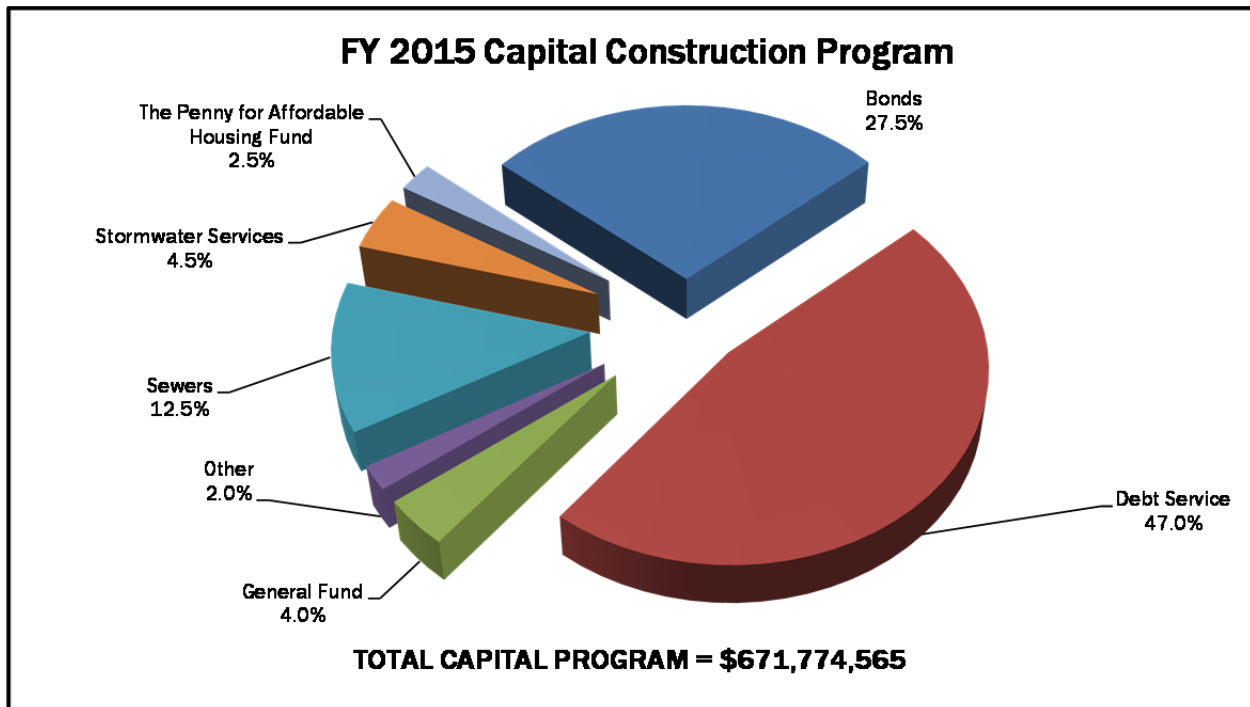
# Capital Projects Overview

## Summary of Capital Construction Program

The Capital Construction Program of Fairfax County is organized to meet the existing and anticipated future needs of the citizens of the County and to enable the County government to provide necessary services. The Capital Construction Program (other than sanitary sewer construction and resource recovery projects) is primarily financed through transfers from the General Fund and the sale of General Obligation Bonds. Supplementing the General Fund and General Obligation Bond monies are additional funding sources including federal and state grants, contributions, and tax revenues from special revenue districts.

The Fairfax County Capital Construction Program includes, but is not limited to: School construction of both new and renovated school facilities, park facilities, transportation improvements, libraries, trails/sidewalks, fire stations, government centers with police substations, stormwater management facilities, athletic field maintenance, the construction of housing units to provide affordable housing opportunities to citizens, commercial revitalization initiatives and the renovation/maintenance of County facilities. In addition, the Program includes contributions and obligations in support of the capital construction.

Funding in the amount of \$671,774,565 is included in FY 2015 for the County's Capital Construction Program. Of this amount, \$316,009,005 is included for debt service and \$355,765,560 is included for capital expenditures. The source of funding for capital expenditures includes: \$27,018,981 from the General Fund; \$184,800,000 in General Obligation Bonds; \$83,693,176 in sewer system revenues; \$16,478,400 in Real Estate revenues supporting the Affordable Housing Program; \$30,107,364 in Stormwater Services revenue; and \$13,667,639 in financing from various other sources. Other sources of financing include, but are not limited to, transfers from other funds, pro rata share deposits, user fees, developer contributions and/or payments.

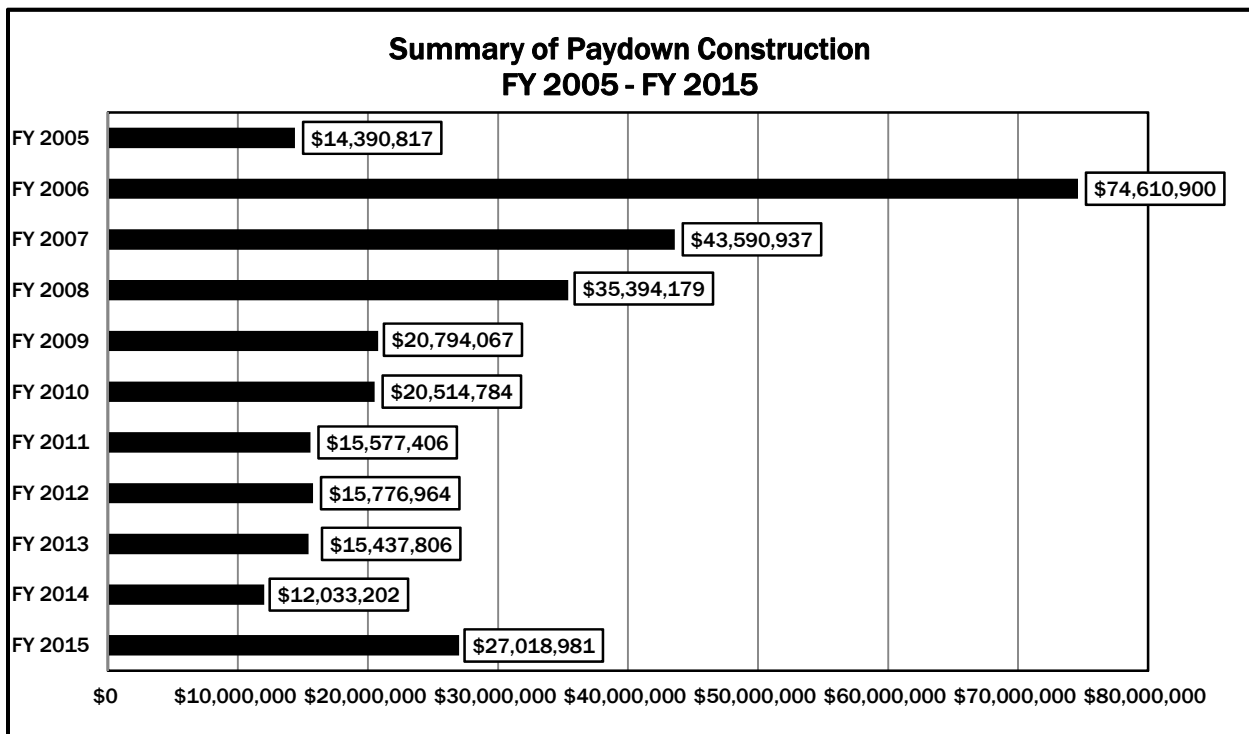


# Capital Projects Overview

## Capital Paydown Program

In FY 2015, an amount of \$27,018,981 has been included for the Capital Paydown Program. This level of funding represents an increase of \$14,985,779 or more than double the FY 2014 Adopted Budget Plan level of \$12,033,202. This increase is primarily associated with a critical need to begin to address both building and infrastructure maintenance requirements. In April 2013, the County and School Board formed a joint committee, the Infrastructure Financing Committee (IFC), to collaborate and review both the County and School’s Capital Improvement Program (CIP) and capital requirements. One of the goals of the Committee is to develop long term maintenance plans for both the County and Schools, including annual requirements and reserves. The committee has been working on a comprehensive review of critical needs and will be formulating recommendations to support the development of a sustainable financing plan to begin to address current and future capital requirements. In anticipation of the IFC recommendations, the FY 2015 Paydown program has been increased to begin to build a program that can support the increasing requirements for building system renewal and transportation infrastructure such as trails, bus shelters, County-owned roads, parks and athletic fields. The increase in paydown benefits all areas of the capital program; however, the largest increases are in capital renewal of building subsystems, ADA compliance, trails maintenance and athletic field maintenance.

This graph below depicts the level of Paydown funding between FY 2005 and FY 2015. With the exception of FY 2006 and FY 2007, Paydown funding has remained at a fairly consistent annual level. The increases in FY 2006 and FY 2007 were attributed to several major projects that were supplemented with General Fund dollars including the McConnell Public Safety and Transportation Operations Center (MPSTOC). In addition, the approximate value of a penny of assessed real estate values was transferred from the General Fund to both the Penny for Affordable Housing Fund and the Stormwater Management Fund. The Penny for Affordable Housing fund is now funded directly by revenue from the Real Estate tax and the Stormwater Management Fund is now funded by a special service district. This change allows the paydown program to more accurately reflect General Fund dollars dedicated to the County’s capital construction program.





## Capital Projects Overview

The chart below also reflects the history of the Paydown program, giving some perspective to the significant areas that have been supported in the last 5 years, including the increases in FY 2015. Many of these areas have remained constant over the years and funding was included for only the most critical of projects. In FY 2015, the Paydown budget is more robust and will begin to address much need maintenance requirements for the County's aging infrastructure.

Paydown Program	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>Capital Renewal Projects <sup>1</sup></b>	\$3,000,000	\$0	\$0	\$0	\$8,000,000
<b>ADA Compliance<sup>2</sup></b>	\$0	\$2,171,700	\$3,000,000	\$0	\$3,950,000
<b>Athletic Field Maintenance and Sports Projects</b>	\$4,297,535	\$4,647,535	\$4,647,535	\$4,647,535	\$5,635,338
<b>Park Maintenance Projects</b>	\$2,182,076	\$1,882,076	\$1,470,076	\$1,270,076	\$1,682,076
<b>On-Going Development Efforts</b>	\$1,959,859	\$2,477,454	\$1,927,383	\$1,302,383	\$1,962,120
<b>Obligations and Payments</b>	\$3,207,936	\$3,418,199	\$3,637,812	\$3,908,208	\$4,194,447
<b>Revitalization Initiatives</b>	\$905,000	\$1,095,000	\$405,000	\$405,000	\$1,060,000
<b>Environmental Initiatives</b>	\$25,000	\$85,000	\$350,000	\$500,000	\$535,000
<b>Total</b>	<b>\$15,577,406</b>	<b>\$15,776,964</b>	<b>\$15,437,806</b>	<b>\$12,033,202</b>	<b>\$27,018,981</b>

<sup>1</sup> No General Fund support was included for capital renewal projects in FY 2012, FY 2013 and FY 2014 based on the Board of Supervisor's approval of a 3-year short-term borrowing program totaling \$35 million for backlogged renewal projects. General Fund support is required in FY 2015.

<sup>2</sup> In FY 2014, funding for ADA Compliance was provided for by a transfer from the Park Improvement Fund and a transfer from the General Fund as part of the FY 2013 Carryover Review.

# Capital Projects Overview

Specifics of the FY 2015 Paydown Program include:

## *County Capital Renewal*

Capital renewal supports the long-term needs of the County's capital assets to maximize the life of County facilities, avoid their obsolescence, and provide for planned repairs, improvements and restorations to make them suitable for organizational needs. Fairfax County will have a projected FY 2015 facility inventory of over 8.8 million square feet of space throughout the County (excluding schools, parks, housing and human services residential facilities). This inventory continues to expand with the addition of newly constructed facilities, the renovation and expansion of existing facilities and the acquisition of additional property. With such a large inventory, it is critical that a planned program of repairs and restorations be maintained. In addition, the age of a major portion of this inventory of facilities is reaching a point where major reinvestments are required in the building subsystems.

Each year, the Facilities Management Department (FMD) prioritizes and classifies capital renewal projects into five categories. Projects are classified as Category F: urgent/safety related, or endangering life and/or property; Category D: critical systems beyond their useful life or in danger of possible failure; Category C: life-cycle repairs/replacements where repairs are no longer cost effective; Category B: repairs needed for improvements if funding is available, and Category A: good condition.

In September 2009, a staff analysis indicated that a backlog of category D and F critical capital renewal projects existed. In order to address this backlog, as part of the [FY 2011 Adopted Budget Plan](#), the Board of Supervisors approved a 3-year plan of short-term borrowing totaling \$35 million. The 3-year plan was designed to eliminate the backlog and enable staff to determine a realistic level of annual funding for the future. The proposed short-term borrowing program for capital renewal was included in the debt capacity estimates in the Capital Improvement Program (CIP) and accommodated within established debt limits for General Fund supported debt.

The Facilities Management Department (FMD) continues to work on some of the \$35 million backlog identified in 2009. Many of these backlogged capital renewal projects required multiple years to complete both design and construction and some are still underway. In addition, current staffing levels, the complexity of some of the projects, ADA upgrade requirements, and staff requirements in other areas have delayed the completion of some renewal projects.

One of the goals of the IFC Committee is to develop long term maintenance plans for both the County and Schools, including annual requirements and reserves. The committee has been working on a comprehensive review of critical needs and will be formulating recommendations to support the development of a sustainable financing plan to begin to address current and future capital requirements. The requirement for County capital renewal is estimated at \$26 million per year. This estimate is based on current assessment data, much of which is nearly 10 years old; as well as industry standards (2 percent of the current replacement value). Based on current staffing levels, the complexity of many of the projects, and the timeline for completing renewal projects, it is estimated that approximately \$15 million per year would be a good goal for maintenance funding. An amount of \$8.0 million has been included in FY 2015 to allow staff to focus on completing the backlogged renewal projects that were begun in FY 2014 and begin new category F projects.

# Capital Projects Overview

## *ADA Compliance*

FY 2015 funding in the amount of \$3,950,000, an increase of General Fund support of \$3,950,000 over the FY 2014 Adopted Budget Plan, is included for the continuation of Americans with Disabilities Act (ADA) improvements. FY 2014 funding for ADA improvements was supported by the Park Improvement Fund and was approved as a transfer from the General Fund as part of the *FY 2013 Carryover Review*. These improvements are required as part of the Department of Justice (DOJ) audit and were identified in the settlement agreement signed by the Board of Supervisors on January 28, 2011. In May and June 2007, the United States Department of Justice conducted an audit of County government facilities and programs to determine compliance with the ADA. The audit of Fairfax County was part of a national audit program, and was not a result of any specific complaints in the County. The DOJ presented the County with the audit results in August 2009. The audit covered 78 buildings in the County and listed approximately 2,100 violations as well as approximately ten program areas which needed improvement in order to comply with the ADA. These violations ranged from updating emergency management procedures, web-based services, and general communication procedures, to improving access to buildings, parking garages, restrooms and elevators. Staff has categorized DOJ identified improvements by color: easy, inexpensive (green); more timely and costly (yellow); and difficult, time consuming, and/or expensive (red). In addition, the County and Parks are required as part of the agreement with the DOJ to perform assessments at all remaining facilities. These assessments are currently being conducted and will result in increased retrofitting requirements. Specific funding levels in FY 2015 include:

- ◆ Funding in the amount of \$1,950,000 is included for the continuation of Park Authority ADA improvements required as part of the Department of Justice audit. The Park Authority has completed 100 percent of the DOJ required building assessments for the remaining facilities that were not part of the audit. Assuming the approval of FY 2015 ADA funding, the Park Authority estimates that an additional \$4.5 million will be required to complete all improvements.
- ◆ Funding in the amount of \$2,000,000 is included for the continuation of ADA improvements at County owned facilities required as part of the Department of Justice audit. FMD has completed approximately 53 percent of the DOJ required building assessments. It is anticipated that the remaining buildings will be assessed within the next one to two years. Once complete, these assessments will result in additional improvements and funding requirements. To date and assuming the approval of the FY 2015 ADA funding, FMD estimates that an additional \$2.3 million will be required for the buildings that have already been assessed. Additional funding for the improvements required as a result of the remaining assessments has not yet been determined and will be required in future years.

## *Athletic Field Maintenance and Sports Projects*

FY 2015 funding in the amount of \$7,103,338 has been included for the athletic field maintenance and sports program. This is an increase of \$1,355,803 or 23.6 percent over the FY 2014 Adopted Budget Plan funding level. This level of funding is supported by a General Fund transfer of \$5,635,338 and revenue generated from the Athletic Services Fee in the amount of \$1,468,000. Of the Athletic Services Fee total, \$250,000 will be dedicated to maintenance of school athletic fields, \$200,000 will be dedicated to synthetic turf field development, \$668,000 will be dedicated to the turf field replacement program, \$275,000 will be dedicated to custodial support for indoor sports organizations, and \$75,000 will partially fund the Youth Sports Scholarship Program. In FY 2015, the athletic services fee is proposed to increase for rectangular field users, from \$5.50 to \$8.00 per participant per sport. In addition, an increase in the post season tournament fees from \$15 to \$50 for County teams and \$100 for non-County teams is recommended.

## Capital Projects Overview

These changes are based on recommendations detailed in the July 2013 Synthetic Turf Task Force Report. The increased revenues of \$368,000 and the increase of \$987,803 in the General Fund Transfer will begin to address increased field maintenance requirements and the replacement requirements associated with Synthetic turf fields. Synthetic turf fields are viewed as crown jewels in a community's athletic field inventory because they provide even playing surfaces and more safety; similar playing conditions to natural turf fields; need no watering or mowing; use no fertilizers or pesticides; can be used year-round and in most weather conditions; do not need to be closed to protect or re-sod the grass; and have a significant life cycle with reduced and easier maintenance requirements. Specific funding levels in FY 2015 include:

- ◆ An amount of \$860,338 supports general maintenance including mowing at over 450 athletic fields (approximately 176 school sites). FY 2015 funding has been increased approximately 8 percent in order to support higher costs associated with increases in the number of lighted athletic fields and synthetic turf fields, and increases in charges for supplies such as seeds, fertilizer, and infield mix, and utilities such as water and electricity. This effort is supported entirely by the General Fund and is managed by the Park Authority.
- ◆ An amount of \$1,000,000 is dedicated to maintenance of diamond fields at Fairfax County Public Schools and supported by revenue generated by the Athletic Services Fee. This program provides twice weekly infield preparation on elementary, middle and high school game fields (110 fields); pre- or post-season infield renovations (200 fields); mowing and turf management on high school fields after June 1<sup>st</sup> (55 fields); and annual maintenance of irrigation systems (37 sites/67 fields). All field maintenance is coordinated between the Park Authority and the Department of Neighborhood and Community Services. Of the total funding, an amount of \$250,000 is included for this program based on the FY 2015 projection of revenue generated from the Athletic Services Fee and \$750,000 is supported by the General Fund.
- ◆ An amount of \$250,000 is included to continue the replacement and upgrading of Fairfax County Public Schools (FCPS) athletic field lighting systems at middle and high schools used by many County organizations. Funding supports a replacement and repair schedule, as well as improvements to bring existing lighting systems up to new standards. The school system's Office of Design and Construction Services ensures lighting standards are maintained and FCPS annually prioritizes funding for field lighting. The cost to replace and repair lighting systems at rectangle and diamond shaped fields has increased from \$200,000 to \$250,000 per field. FY 2015 funding supports the replacement and repair for one field's existing lighting systems. This project is supported entirely by the General Fund and coordinated by the Department of Neighborhood and Community Services.
- ◆ An amount of \$50,000 is included for routine maintenance of girls' softball field amenities on select Fairfax County Public School sites. These amenities, such as dugouts, fencing and irrigation systems, were added or constructed by the County based on recommendations from the citizen-led Action Plan Review Team (APRT) in order to reduce disparities in the quality of fields assigned to boys' baseball and girls' softball organizations. Routine maintenance is necessary both to maintain equity and to ensure safety. For five years, funding of \$200,000 was provided to support Girls' Fast Pitch Field Maintenance improvements to various girls' softball fields throughout the County as requested by the Fairfax Athletic Inequities Reform (FAIR). FY 2015 funding will provide maintenance to the improvements and amenities previously made to girls' softball fields. This project is supported entirely by the General Fund and coordinated by Department of Neighborhood and Community Services.

## Capital Projects Overview

- ◆ An amount of \$200,000 is included to support the development of synthetic turf fields. Fields are chosen through a review process based on the need in the community, projected community use and the field location and amenities. This effort is coordinated between the Park Authority and the Department of Neighborhood and Community Services and funding is provided from revenue generated from the Athletic Services Fee. It should be noted that as part of the *FY 2013 Carryover Review*, a Joint County School initiative was implemented to develop new synthetic turf fields throughout the County. It was estimated that \$12.0 million will be required to fund synthetic turf fields at the 8 remaining high schools in the County that do not currently have such surfaces. Several community funding options exist to reduce that amount to approximately \$9.0 million, and assuming the adoption of those options, an implementation period of 3 years, and joint support of this project by both the County and the Fairfax County Public Schools (FCPS), an amount of \$1.5 million was included to fund the County's FY 2014 contribution. It is anticipated that the County's FY 2015 share will again be funded at year end as part of the *FY 2014 Carryover Review*. The County's Synthetic turf fields enhance the capacity and availability of existing athletic fields and address the identified rectangular field shortage within the County. Synthetic turf fields offer a cost effective way of increasing field use opportunities at existing parks and schools. Funding of \$500,000 had been dedicated to this program annually; however, based on the new joint initiative, all but \$200,000 in athletic services fee revenue has been redirected to the turf field replacement program.
- ◆ An amount of \$1,618,000 is included for the turf field replacement program in FY 2015. Funding of \$668,000 is supported by athletic services fee revenue and \$950,000 is supported by the General Fund. This level of funding represents an increase of \$1,118,000 over the FY 2014 level and will begin to address this growing need and implement the recommendations of the Synthetic Turf Field Task Force. Synthetic turf fields increase community access to athletic fields and provide avenues for participants to increase their levels of physical activity. There are over 130,000 youth and adults who participate annually on rectangular fields that benefit from turf fields. If turf fields are not replaced when needed, they would need to be closed due to safety reasons. Most manufacturers provide an eight-year warranty for a properly maintained synthetic turf field; however, it is a generally accepted practice to assume a life expectancy of the synthetic turf field of no more than ten years. For planning purposes, the County adopted an annual budget estimate of a little more than half of the installation funding, which is a generally accepted practice for the industry. However, based on a projected ten-year replacement cycle and the current 67 field inventory, replacement funding requires a regular financial commitment. Planning considerations related to the replacement of these facilities include analysis of individual field playability based on the differing levels of use, the nature of the Northern Virginia climate, and the importance of required maintenance efforts. Based on the age and number of current and programmed turf fields, a contribution of approximately \$2.1 million annually would be required to fully fund the replacement program. The FY 2015 level will allow the County to continue to plan for the gradual replacement of turf fields as they reach the end of their useful life, without a significant disruption in service.
- ◆ An amount of \$2,700,000 is included for athletic field maintenance efforts, athletic field lighting, and irrigation on 274 Park Authority athletic fields of which 113 are lighted and 121 are irrigated. The fields are used by 174,000 users and 200 user groups. FY 2015 funding has been increased approximately 8 percent in order to support higher costs associated with increases in the number of lighted athletic fields and synthetic turf fields, and increases in charges for supplies such as seeds, fertilizer, and infield mix, and utilities such as water and electricity. This effort is supported entirely by the General Fund and is managed by the Park Authority.

## Capital Projects Overview

- ◆ An amount of \$275,000 is included for custodial support for indoor gyms used by sports organizations. The use of FCPS indoor facilities on the weekend requires FCPS to schedule a school system employee to open and close the facility. Revenue generated from the Athletic Services Fee is used to provide payment for FCPS staff, eliminating the need for indoor sports organizations to pay the hourly rate previously charged. This project is entirely supported by revenue generated from the Athletic Services Fee and is managed by the Department of Neighborhood and Community Services.
- ◆ An amount of \$150,000 is included for the Youth Sports Scholarship Program. The Youth Sports Scholarship Program provides support to youth from low-income families who want to participate in community-based sports programs. Of the total funding, an amount of \$75,000 is included for this program based on the FY 2015 projection of revenue generated from the Athletic Services Fee, and \$75,000 is supported by the General Fund.

### *Park Maintenance Projects*

FY 2015 funding in the amount of \$1,682,076 has been included for Park maintenance of both facilities and grounds. This is an increase of \$212,000 over the FY 2014 Adopted Budget Plan funding level for these projects in order to restore maintenance efforts to the FY 2011 levels. The Park facilities maintained with General Fund monies include but are not limited to: rental properties, historic properties, nature centers, maintenance facilities, sheds, shelters, and office buildings. Park priorities are based on the assessment of current repair needs including safety and health issues, facility protection, facility renewal and improved services. In addition, Park maintenance requirements are generated through scheduled preventative maintenance or from user requests for facility alterations. Without significant reinvestment in building and grounds, older facilities can fall into a state of ever decreasing condition and functionality, resulting in increased maintenance and repair costs in the future. Preventative and repair work is required for roof replacement and repair, HVAC, electrical and lighting systems, fire alarm systems and security systems. Funding is essential to the maintenance and repair of building stabilization, including capital renewal of over 567,053 square feet of buildings. Maintenance is also required on over 580 pieces of grounds equipment. Specific funding levels in FY 2015 include:

- ◆ An amount of \$425,000 is included for general park maintenance at non-revenue supported Park facilities. These maintenance requirements include major non-recurring repairs and stabilization of properties, as well as repairs/replacements and improvements to roofs, electrical and lighting systems, sprinklers, HVAC systems, and the replacement of security and fire alarm systems. In FY 2015, funding is included to repair and replace roofs at prioritized picnic shelters and outdoor public restrooms (\$100,000); replace aged security systems at various sites throughout the County (\$200,000); and replace windows, doors, and siding at picnic shelters, historic sites, and maintenance facilities (\$125,000).
- ◆ An amount of \$787,076 is provided to fund annual requirements for Parks grounds maintenance at non-revenue supported parks. The Park Authority is responsible for the care of a total park acreage of 23,265 acres of land, with 421 park site locations, maintenance and repair of tennis courts, basketball courts, trails, picnic areas and picnic shelters, playgrounds, bridges, parking lots and roadways, and stormwater ponds. This funding is also used for contract mowing of approximately 530 acres of land and arboreal services in response to citizens' requests, as well as addressing multi-year deferred maintenance on the aging park infrastructure.

## Capital Projects Overview

- ◆ An amount of \$470,000 is included to provide corrective and preventive maintenance for over 538,086 square feet at non-revenue supported Park Authority structures and buildings. These repairs include equipment repairs and the scheduled inspection and maintenance of HVAC, plumbing, electrical, security and fire alarm systems. This funding is critical in order to prevent the costly deterioration of facilities due to lack of maintenance.

### *On-Going Development Efforts*

FY 2015 funding in the amount of \$2,362,120 has been included for costs related to on-going development efforts throughout the County, specifically:

- ◆ Funding of \$1,062,120 is included to address only the most critical aspects of property management at the Laurel Hill property. Laurel Hill was transferred to the County by the federal government and includes approximately 2,340 acres of land and 1.48 million square feet of building space. Of the amount funded in FY 2015, \$765,000 will fund the Facilities Management Department's security, maintenance services, grounds maintenance, and support staff. In FY 2014, savings associated with additional mowing services being performed by the Community Labor Force (CLF) were used to offset annual expenses. The Community Labor Force is a safe, low-risk offender labor force, under the supervision of the deputy sheriffs who complete routine maintenance such as grass mowing, landscaping, graffiti removal, and litter control. Full funding has been included in FY 2015. The remaining \$297,120 will fund Park Authority's critical maintenance activities and support staff.
- ◆ An amount of \$50,000 is included to support the maintenance and establishment of geodetic survey control points for the geographic information system (GIS). This project also supports the development and maintenance of an interactive, GIS-based website which will provide convenient and cost effective monumentation information to the County's land development customers.
- ◆ Funding of \$600,000 is included to support the Developer Default program. This project is necessitated by economic conditions surrounding the construction industry that result in some developers not completing required public facilities, including acceptance of roads by the state, walkways and storm drainage improvements. Land Development Services (LDS) will identify projects for resolution in FY 2015, as well as respond to requests to prepare composite cost estimates to complete existing developer default projects. The total FY 2015 funding is supported by \$200,000 in anticipated developer default revenue, \$200,000 in General Fund monies, and \$200,000 in Commercial and Industrial tax revenue transferred from Fund 40010, County and Regional Transportation Projects. The \$200,000 supported by the Commercial and Industrial tax will only be used to complete developer defaults associated with transportation infrastructure improvements that qualify for use of C&I funds. The use of Commercial and Industrial tax funds for this purpose is included based on recommendations from an Internal Audit report associated with Capital Paydown projects.
- ◆ Funding in the amount of \$300,000 is included to meet emergency and critical maintenance requirements for County trails, sidewalks and pedestrian bridges. This amount is an increase over the FY 2014 Adopted Budget Plan funding level and in line with the amount included at the *FY 2013 Carryover Review*. In response to recommendations of the Joint County-Schools Infrastructure Financing Committee, an increased level of support is recommended. On-going critical maintenance includes the correction of safety and hazardous conditions such as the deterioration of trail surfaces, the replacement and/or repair of guardrails and handrails, and the rehabilitation of pedestrian bridges. The Department of Public Works and Environmental Services (DPWES) and the Fairfax

# Capital Projects Overview

County Department of Transportation are responsible for maintaining approximately 229 miles of asphalt trails, 425 miles of concrete sidewalk, and 64 pedestrian bridges. Maintenance service levels have significantly fluctuated for the pedestrian program based on funding constraints. Repairs are performed on a complaint basis only and limited to addressing only emergency and safety related requirements. The Department of Public Works and Environmental Services has nearly completed a condition assessment survey to identify the inventory of maintenance, construction and renovation required on County's pedestrian infrastructure to determine future financial needs.

- ◆ Funding of \$100,000 is included to support the Road Viewers program. This maintenance effort includes upgrading roads for acceptance into the State Secondary Road System. Upgrades include survey, engineering, and construction projects within the Board of Reviewers Program.
- ◆ An amount of \$150,000 is included for Emergency Road Repairs Program and the Road Maintenance Program. Staff will prioritize funding for projects including emergency safety and road repairs to County-owned service drives and County-owned stub streets which are currently not accepted by the Virginia Department of Transportation (VDOT) into the state highway system for maintenance and other on-going road maintenance work. On-going road maintenance includes, but is not limited to, pothole repair, drive surface overlays, sidewalk and curb repairs, traffic and pedestrian signage, hazardous tree removal, grading, snow and ice control, replacement of substandard materials, patching of existing travelways, minor ditching and stabilization of shoulders, slopes and drainage facilities.
- ◆ An amount of \$100,000 is included for the Emergency Directives Program. The Emergency Directives Program was established to provide for abatement services of both emergency and non-emergency directives related to health and safety violations, grass mowing violations, and graffiti removal directives. The funds are used to perform corrective maintenance for code violations under Chapter 46 and Chapter 119 of the Fairfax County Code, in which cited property owners fail to correct.

## *Obligations and Payments*

FY 2015 funding in the amount of \$4,194,447 has been included for costs related to annual contributions and contractual obligations. Specific FY 2015 projects include:

- ◆ Funding of \$941,716 is included for the annual payment associated with the Salona property based on the Board of Supervisors' approval of the purchase of this conservation easement on September 26, 2005. The total cost of the property is \$18.2 million with payments scheduled through FY 2026.
- ◆ Funding of \$750,000 is included for the County's annual contribution to offset school operating and overhead costs associated with School-Age Child Care (SACC) Centers.

Funding of \$2,502,731 is included for Fairfax County's contribution to the Northern Virginia Community College (NVCC). Funding provides for the continued construction and maintenance of various capital projects on college campuses within the NVCC system. The County contribution has been gradually increased to the FY 2015 level of \$2.25 per capita due to the unprecedented growth in the NVCC student enrollment and the corresponding capital program requirements. The NVCC currently serves approximately 78,000 students surpassing all previous expectations of growth and capital planning. It is estimated that the NVCC serves an average of 20 percent of each high school graduating class in addition to increased support for local workers seeking new skills in a tough job market. The NVCC capital plan has recently been adjusted to keep pace with this accelerated



## Capital Projects Overview

enrollment and it is anticipated that capital contributions from the partners will continue to be adjusted gradually to avoid a major commitment from supporting jurisdictions in any given year. The NVCC has indicated that every dollar contributed to the capital program leverages \$29 in state funds back to Northern Virginia. The \$2.25 rate is applied to the population figure provided by the Weldon Cooper Center.

### *Revitalization Program Initiatives*

FY 2015 funding in the amount of \$1,060,000 has been included for revitalization efforts. This funding is supported entirely by the General Fund. Specific funding levels include:

- ◆ Funding of \$600,000 is included to continue routine and non-routine maintenance in five major commercial revitalization areas (Annandale, Route 1, Springfield, McLean and Baileys Crossroads) and ten Commuter Rail and Park-and-Ride lots. This funding level represents an increase of \$195,000 in order to address a growing need for infrastructure maintenance. The maintenance in the commercial revitalization areas includes trash removal and quality control inspections once a week; grass mowing and weed control once every two weeks; edging, bus shelter glass cleaning, and night light inspection once a month; fertilization and shearing once every three months; pest control, leaf removal, and shrub pruning once every four months; mulching and seasonal flower rotation once every six months; and irrigation maintenance as necessary. Funding for maintenance related to the Commuter Rail and Park-and-Ride lots provides for night light inspection and quality control inspections once a month; fertilization and weed control once every three months; and pest control once every four months.
- ◆ An amount of \$460,000 is included for the first full year of costs associated with routine and non-routine maintenance services to the Tyson's Corner and Silver Line project. More specifically, this project will provide funding for recurring landscaping maintenance associated with the Tyson's Corner Silver Line area along the Route 7 corridor, from Route 123 to the Dulles Toll Road. Routine maintenance services include landscape maintenance along the median and both sides of the road, trash removal, snow removal, and stormwater facility maintenance. The primary difference between maintenance requirements related to the Silver Line Metro system stations (Phase I) and other existing Metro stations is the County's maintenance requirement associated with 27 water quality swales under the raised tracks of the Silver Line located in VDOT right-of-way. Typical maintenance for the swales will include litter and sediment removal, vegetation care, and structural maintenance. It is anticipated that additional maintenance responsibilities may be added during the construction of Phase II of the Silver Line.

### *Environmental Initiatives*

FY 2015 funding of \$535,000, an increase of \$35,000 over the FY 2014 Adopted Budget Plan funding level, has been included for environmental initiatives. In response to an Environmental Quality Advisory Council (EQAC) recommendation, beginning in FY 2014, a new project selection process has been implemented. The Environmental Improvement Program Committee developed a more rigorous project selection process to support the Board-adopted Environmental Agenda. The Environmental Excellence 20-year Vision Plan (Environmental Agenda) includes six topic areas: Growth and Land Use; Air Quality and Transportation; Water Quality; Solid Waste; Parks, Trails and Open Space; and Environmental Stewardship. With these topic areas in mind, the Committee developed specific project criteria, solicited requests from County agencies for project proposals, interviewed project teams and ranked each

## Capital Projects Overview

proposal. This new process was approved by EQAC and has resulted in funding for several high quality environmental projects in FY 2015. Specific funding levels include:

- ◆ An amount of \$150,000 is included to continue the Invasive Plant Removal Program. The Park Authority manages this volunteer program, as well as other invasive removal initiatives. These programs restore hundreds of acres of important natural areas, protect tree canopy, and reach thousands of volunteers. Currently more than 7,700 trained volunteer leaders have contributed 26,000 hours of service since the Program's inception in 2005, improving over 1,000 acres of parkland.
- ◆ An amount of \$75,000 is included for Energy Education and Outreach initiatives. This program is intended to increase the awareness of Fairfax County residents and businesses regarding their energy consumption and to encourage them to reduce consumption. Program objectives include educating residents and businesses about home and workplace energy consumption, explaining the energy assessment (audit) process, and encouraging residents and businesses to undertake energy-savings measures.
- ◆ An amount of \$10,000 is included for the Green Purchasing Program. This program is designed to support two interns to assist in clearly specifying environmental attributes during the County's procurement process. Fairfax County has a current inventory of more than 2,400 contracts and emphasizing environmental attributes such as recycling, energy efficiency, durability and reduced toxicity during the procurement process can contribute to the purchase of green products, creating fiscal and environmental savings.
- ◆ An amount of \$30,000 is included for a Watershed Protection and Energy Conservation Matching Grant Program. This program is intended to promote community engagement around sustainability and conservation issues. Specifically, the Watershed Protection and Energy Conservation matching grant pilot program would provide financial incentives to empower homeowners through their associations to implement on-the-ground sustainability projects. The initiative would build on current programs that provide technical assistance, hands-on support, outreach and education to Fairfax County homeowners and residents. Projects would improve water quality, reduce greenhouse gas emissions and conserve energy and water. The current program funding level would support printing and materials, matching grants of \$300 - \$2,500 up to \$10,000 total for all grants and two seasonal paid interns to help run the program and conduct the community survey.
- ◆ An amount of \$170,000 is included for lighting retrofits and upgrades at Fairfax County Park Authority facilities for energy efficiency and conservation. Lighting will be upgraded to LED fixtures and lighting controls will be installed to manage operating hours more efficiently. These energy saving retrofit replacements will reduce approximately 80 percent of energy usage, improve lighting, reduce the Greenhouse gas inventory and contribute to the dark skies initiative.
- ◆ An amount of \$92,000 is included to install Water Smart web-based irrigation controllers utilizing ET (Evapotranspiration) weather technology at 20 Park facilities that have existing irrigation systems with the opportunity to reduce energy use, water consumption and reduce environmental impacts.
- ◆ Finally, an amount of \$8,000 is included to install a Weather Station for efficient water usage at Greendale Golf Course. This system will help measure air temperature, relative humidity, barometric pressure, rainfall, and other weather indicators in order to modify watering requirements. It is estimated that installing this weather station could save 10 million gallons of water per year. Estimated cost savings of more than \$50,000 per year.

# Capital Projects Overview

In addition, an amount of \$58,140 has been provided in Fund 10030, Contributory Fund, to continue partnering with two non-profit agencies to support tree planting efforts throughout the County.

## FY 2015 PAYDOWN PROJECTS

Project	FY 2015 Advertised
<b>ADA Compliance</b>	
GF-000001      ADA Compliance - FMD	\$2,000,000
PR-000083      ADA Compliance – Park Authority	1,950,000
<b>Subtotal</b>	<b>\$3,950,000</b>
<b>Athletic Field Maintenance and Sports Projects</b>	
2G51-001-000      Parks Maintenance at FCPS Athletic Fields	\$860,338
2G51-002-000      Athletic Field Maintenance (Park Fields)	2,700,000
2G51-003-000      Athletic Services Fee-Diamond Field Maintenance	750,000
2G79-220-000      APRT-Amenity Maintenance	50,000
2G79-221-000      Athletic Fields-Sports Scholarships	75,000
PR-000082      Athletic Field Lighting Requirements	250,000
PR-000097      Athletic Services Fee-Turf Field Replacement	950,000
<b>Subtotal</b>	<b>\$5,635,338</b>
<b>Park Maintenance Projects</b>	
2G51-005-000      Park Authority - General Maintenance	\$425,000
2G51-006-000      Park Authority - Grounds Maintenance	787,076
2G51-007-000      Park Authority - Facility Maintenance	470,000
<b>Subtotal</b>	<b>\$1,682,076</b>
<b>On-Going Development Efforts</b>	
2G08-001-000      Laurel Hill Development-FMD	\$765,000
2G25-018-000      Emergency Directive Programs	100,000
2G25-019-000      Survey Control Network Monumentation	50,000
2G25-020-000      Developer Defaults	200,000
2G25-021-000      Emergency Road Repair	150,000
2G25-022-000      Road Viewers Program	100,000
2G25-057-000      Emergency Maintenance of Existing Trails	300,000
2G51-008-000      Laurel Hill Development-Parks	297,120
<b>Subtotal</b>	<b>\$1,962,120</b>
<b>Obligations and Payments</b>	
2G06-001-000      Salona Property	\$941,716
2G25-012-000      School-Age Child Care (SACC)	750,000
2G25-013-000      Northern Virginia Community College	2,502,731
<b>Subtotal</b>	<b>\$4,194,447</b>
<b>Revitalization Initiatives</b>	
2G25-014-000      Maintenance-CRP	\$600,000
2G25-088-000      Tysons Silver Line Maintenance	460,000
<b>Subtotal</b>	<b>\$1,060,000</b>

# Capital Projects Overview

## FY 2015 PAYDOWN PROJECTS

	Project	FY 2015 Advertised
<b>Environmental Initiatives</b>		
2G02-001-000	Environmental Initiatives	\$140,000
2G02-021-000	EAI-Energy Education and Outreach	75,000
2G51-032-000	EAI-Invasive Plant Removal	150,000
2G51-034-000	EAI-Park Lighting and Energy Retrofits	170,000
	<b>Subtotal</b>	<b>\$535,000</b>
<b>Capital Renewal</b>		
2G08-004-000	Parking Lot and Garage Repairs	\$200,000
2G08-006-000	Window Replacement	190,000
GF-000008	Emergency Building Repairs	770,000
GF-000009	Fire Alarm Systems	530,000
GF-000010	Roof Repairs and Waterproofing	1,045,000
GF-000011	HVAC Systems	4,575,000
GF-000012	Emergency Generator Replacement	200,000
GF-000017	Electrical Systems	490,000
	<b>Subtotal</b>	<b>\$8,000,000</b>
	<b>TOTAL PAYDOWN PROGRAM</b>	<b>\$27,018,981</b>

## Capital General Obligation Bond Program

The Board of Supervisors annually reviews cash requirements for capital projects financed by General Obligation bonds to determine the ongoing schedule for construction of currently funded projects as well as those capital projects in the early planning stages. The bond capital program is reviewed annually by the Board of Supervisors in association with the Capital Improvement Program (CIP) and revisions are made to cashflow estimates and appropriation levels as needed. The CIP is designed to balance the need for public facilities as expressed by the countywide land use plan with the fiscal capability of the County to meet those needs. The CIP serves as a general planning guide for the construction of general purpose, school, and public facilities in the County. The County's ability to support the CIP is entirely dependent upon and linked to the operating budget. The size of the bond program in particular is linked to the approved General Fund disbursement level.

The Virginia Constitution requires that long-term debt pledged by the full faith and credit of the County can only be approved by voter referendum. There is no statutory limit on the amount of debt the voters can approve. It is the County's own policy to manage debt within the guidelines identified in the *Ten Principles of Sound Financial Management*. The *Ten Principles* specifically indicate that debt service expenditures as a percentage of General Fund disbursements should remain under 10 percent and that the percentage of debt to estimated market value of assessed property should remain under 3 percent. The County continues to maintain these debt ratios with debt service requirements as a percentage of General Fund disbursements at 8.27 percent, and net debt as a percentage of market value at 1.20 percent as of June 30, 2013.

Continual monitoring and adjustments to the County's CIP have been necessary, as economic conditions have changed. The FY 2015 - 2019 Capital Improvement Program (With Future Years to 2024) was released concurrently with the FY 2015 budget. It should be noted that the operating budget is directly

## Capital Projects Overview

affected by the approval of the capital budget and its capital project components. The operating budget must support the debt service costs of all bond issues related to the capital budget, as well as the operating and maintenance costs for each facility and improvement.

In FY 2015, an amount of \$184,800,000 is included in General Obligation Bond funding. Specific funding levels in FY 2015 include:

- ◆ Funding in the amount of \$155,000,000 is included for various school construction projects financed by General Obligation Bonds. For details, see the [Fairfax County Public School's FY 2015 Superintendent's Proposed Budget](#).
- ◆ Funding in the amount of \$26,800,000 is included to support the 106-mile Metrorail system as well as to maintain and/or acquire facilities, equipment, railcars and buses.
- ◆ Funding of \$3,000,000 is included for the County's annual contribution to the Northern Virginia Regional Park Authority (NVRPA) Capital program. The NVRPA Park system includes 28 parks and over 11,000 acres of land, over 100 miles of trails, numerous historic sites, five waterparks, two family campgrounds, three golf courses, a nature center, botanical gardens, rental cabins and cottages, five marinas, and over 40 miles of protected shoreline along major rivers and reservoirs. In Fairfax County, NVRPA owns over 8,000 acres – most of which protect environmentally sensitive watersheds along the Potomac, Bull Run and Occoquan Rivers. The NVRPA's capital improvement and land acquisition costs are shared by its six member jurisdictions: the counties of Fairfax, Loudoun and Arlington, and the cities of Fairfax, Alexandria and Falls Church. The primary focus of NVRPA's capital program is to continue the restoration, renovation and modernization of existing park facilities, many of which were developed or constructed more than 20 years ago. Other elements of the capital program include land acquisition, the development of interpretive and educational displays and the addition of park features to meet the needs of the public. On November 6, 2012, the voters approved \$12.0 million to sustain the County's capital contribution to the NVRPA for four years. FY 2015 represents the third year of the four-year program.

### Stormwater Management Program

The Stormwater Management Program is essential to protect public safety, preserve property values and support environmental mandates, such as those aimed at protecting the Chesapeake Bay and the water quality of other local jurisdictional waterways. Projects include: repairs to stormwater infrastructure, measures to improve water quality, such as stream stabilization, rehabilitation and safety upgrades of state regulated dams, repair and replacement of underground pipe systems, surface channels, structural flood proofing and Best Management Practices (BMP, site retrofits and improvements. This funding also supports implementation of watershed master plans, increased public outreach efforts, and stormwater monitoring activities as well as operational maintenance programs related to the existing storm drainage infrastructure as it pertains to stormwater conveyance and stormwater quality improvements.

As part of the [FY 2010 Adopted Budget Plan](#), a special service district was created to support the Stormwater Management Program and provide a dedicated funding source for both operating and capital project requirements, as authorized by Va. Code Ann. Sections 15.2-2400. In FY 2015, the stormwater service rate is proposed to increase from \$0.020 to \$0.0225 per \$100 of assessed real estate value. The FY 2015 levy of \$0.0225 will generate \$49.185 million, supporting \$18.078 million for staff and operational costs; \$30.107 million for capital project implementation including, infrastructure reinvestment, regulatory requirements, dam safety, and contributory funding requirements; and \$1.0 million transferred to the General Fund to partially offset central support services such as Human

## Capital Projects Overview

Resources, Purchasing, Budget and other administrative services supported by the General Fund which benefit this fund.

In FY 2015, an amount of \$30,107,364 is included for Stormwater Services capital projects. Specific funding levels in FY 2014 include:

- ◆ Funding in the amount \$5,500,000 is included for the Stormwater Regulatory Program. The County is required by Federal Law to operate under the conditions of a state issued Municipal Separate Storm Sewer System (MS4) Permit. The MS4 Permit allows the County to discharge stormwater from its stormwater systems into state and federal waters. The County currently owns and/or operates approximately 7,000 piped outfalls within the stormwater system that are governed by the permit. The current permit was issued in 2002 and expired in 2007, and the County has been operating under a state issued administrative extension, while the state and the EPA agree to new permit requirements. A draft permit has been prepared for the County which indicates that significant enhancements to all facets of the program will be required. In addition to the requirements outlined in the draft permit conditions, a recent EPA inspection of the County's program identified the need to formalize an industrial and high risk site inspection program for targeted facilities. This is anticipated to require a robust inspection and enforcement program to identify and control pollutants in stormwater discharges from industrial and commercial facilities that the County determines are discharging pollutants in the stormwater. The permit further requires the County to better document the stormwater management facility inventory, enhance public out-reach and education efforts, increase water quality monitoring efforts, provide stormwater management and stormwater control training to all County employees, and thoroughly document all of these enhanced efforts. Arlington County's MS4 permit was finalized in June 2013 and many of the requirements are very similar to the County's draft permit with the addition of several quantifiable program implementation targets. For example, Arlington County will be required to implement at least seven retrofit projects and three outfall restoration projects during the permit term. Staff is currently evaluating County programs to identify potential implementation targets and developing the procedures to implement these additional permit requirements. The Board of Supervisors is currently considering the specific requirements of the new ordinance within the context of the public comment process. While the fiscal impact is dependent on the specific requirements adopted within the ordinance, it is expected that there will be a financial impact based on both increased public water quality facility inventory and the assumption of greater maintenance responsibilities associated with maintenance of private stormwater facilities.
- ◆ Funding in the amount of \$4,500,000 is included for Dam Safety and Facility Rehabilitation. The County currently has over 5,000 Stormwater management facilities in service, and by permit is responsible for inspecting and maintaining both County owned and privately owned facilities. This inventory increased by more than 900 facilities between FY 2011 and FY 2013 and is projected to continually increase as new developments and redevelopment sites are required to install stormwater management controls. In addition, the County is required to provide a facility retrofit program to improve stormwater management controls on all existing stormwater management facilities that were developed and constructed prior to current standards being in place. This program maintains the control structures, including the dams that control and treat the water flowing to County owned facilities. This program also includes the removal of sediment that occurs in both wet and dry stormwater management facilities to ensure that adequate capacity is maintained to treat the stormwater. This program results in approximately 25 retrofit projects annually that require redesign and construction management activities, as well as contract management and maintenance responsibilities.

## Capital Projects Overview

Funding in the amount of \$5,000,000 is included for Conveyance System Rehabilitation. The County owns and operates approximately 1,600 miles of underground stormwater pipe and paved channels with estimated replacement value of over one billion dollars. The County began performing internal inspections of the pipes in FY 2006. Of the initial pipes inspected, over 5 percent were in complete failure with an additional 15 percent of them required immediate repair. Increased MS4 permit regulations apply to these 1,600 miles of existing conveyance systems and 43,000 stormwater structures. Acceptable industry standards indicate that one dollar re-invested in infrastructure saves seven dollars in the asset's life and \$70 dollars if asset failure occurs. The goal of this program is to inspect pipes on a 10-year cycle and rehabilitate pipes and paved channels before total failure occurs.

- ◆ Funding in the amount of \$13,238,494 is included for Stream and Water Quality Improvements. This program funds water quality projects necessary to mitigate the impacts to local streams and the Chesapeake Bay resulting from urban stormwater runoff. This includes water quality projects such as, the construction of stormwater management ponds, implementing low impact development techniques on stormwater facilities, stream restorations and approximately 1,700 water quality projects identified in the completed countywide Watershed Plans. In addition to the new permit requirements, the EPA, who is the federal regulator that oversees the Federal Clean-Water Act, completed an audit of the County's current Stormwater program in June 2011. The full impact of the audit findings has not been finalized. In addition, the Chesapeake Bay Total Maximum Daily Load (TMDL) requirements are the regulatory process by which pollutants entering impaired water bodies are reduced. The Chesapeake Bay TMDL was established by the EPA and requires that MS4 communities, as well as other dischargers, significantly reduce the nitrogen, phosphorous and sediment loads entering waters draining to the Bay by 2025. Compliance with the Bay TMDL will require the County to undertake construction of new stormwater facilities, retrofit existing facilities and properties, and increase maintenance. Preliminary estimates indicate that the projects needed to bring the County's stormwater system into compliance with the Bay TMDL could cost between \$70 to \$90 million, per year. The Bay TMDL facility retrofit requirement is additive to the current design and construction efforts associated with 1,700 Watershed Plan projects and ongoing stream and flood mitigation projects.
- ◆ Funding in the amount of \$900,000 is included for the Emergency and Flood Control Program. This program supports flood control projects for unanticipated flooding events that impact storm systems and flood residential properties. The program will provide annual funding for scoping, design, and minor construction activities related to flood mitigation projects.
- ◆ Funding in the amount of \$371,247 is included for the Stormwater Allocations to Towns project. On April 18, 2012, the State Legislature passed SB 227 which entitles the Towns of Herndon and Vienna to all revenues collected within their boundaries by Fairfax County's stormwater service district. As an alternative, an agreement was developed for a coordinated program whereby the Towns will remain part of the County's service district and the County will return 25 percent of the revenue collected from properties within each town for services that the County and towns provide independently such as maintenance and operation of stormwater pipes, manholes, and catch basins. The remaining 75 percent will remain with the County and the County will take on the responsibility for the Towns' Chesapeake Bay TMDL requirements as well as other TMDL and MS4 requirements. This provides for an approach that is based on watersheds rather than on jurisdictional lines.
- ◆ Lastly, FY 2014 funding of \$597,623 is included for County contributions. Contributory funds in the amount of \$485,064 are provided to the Northern Virginia Soil and Water Conservation District (NVSWCD). The NVSWCD is an independent subdivision of the Commonwealth of Virginia that

## Capital Projects Overview

provides leadership in the conservation and protection of Fairfax County's soil and water resources. It is governed by a five-member Board of Directors, three of whom are elected every four years by the voters of Fairfax County and two who are appointed by the Virginia Soil and Water Conservation Board. Accordingly, the work of NVSWCD supports many of the environmental efforts set forth in the Board of Supervisors' Environmental Excellence 20-year Vision Plan. The goal of the NVSWCD is to continue to improve the quality of the environment and general welfare of the citizens of Fairfax County by providing them with a means of dealing with soil, water conservation and related natural resource problems. It provides County agencies with comprehensive environmental evaluations for proposed land use changes with particular attention to the properties of soils, erosion potential, drainage and the impact on the surrounding environment. NVSWCD has consistently been able to create partnerships and leverage state, federal and private resources to benefit natural resources protection in Fairfax County. In addition, an amount of \$112,559 is provided for the Occoquan Watershed Monitoring Program (OWMP) to ensure that water quality is monitored and protected in the Occoquan Watershed. Given the many diverse uses of the land and water resources in the Occoquan Watershed (agriculture, urban residential development, commercial, and industrial activity, water supply, and wastewater disposal), the OWMP provides a critical role as the unbiased interpreter of basin water quality information.

### The Penny for Affordable Housing Fund

Fund 30300, The Penny for Affordable Housing Fund, formerly known as the Housing Flexibility Fund, was established in FY 2006 and is designed to serve as a readily available local funding source with the flexibility to address emerging local affordable housing needs. For fiscal years 2006 through 2009, the Board of Supervisors dedicated revenue commensurate with the value of one cent from the Real Estate tax rate to the Preservation of Affordable Housing, a major County priority. In FY 2010, the Board of Supervisors reduced annual funding to the The Penny for Affordable Housing Fund by 50 percent in order to balance the FY 2010 budget. From FY 2006 through FY 2014, the fund has provided a total of \$154.4 million for affordable housing in Fairfax County; a total of \$16.5 million is provided in FY 2015.

Over the past years, a total of 2,638 affordable units have been preserved for both homeownership and rental purposes in a variety of large and small projects. Of that number, 252 units are preserved as affordable housing for periods of five years or less, and 2,386 units are preserved for 20 years or longer. A variety of funding sources were used to preserve these units; however, Fund 30300 funds were critical for the preservation efforts associated with five large multifamily complexes that were purchased by private nonprofits and which represent a significant portion of the units preserved: 130 units at Mount Vernon House in Alexandria (Mount Vernon District), 216 units in Madison Ridge in Centreville (Sully District), 148 units in Hollybrooke II and III in the Seven Corners area of Falls Church (Mason District), 90 units in Sunset Park Apartments in Falls Church (Mason District), 319 units in Janna Lee Villages in the Hybla Valley area (Lee District) and 105 units in Coralain Gardens located on Arlington Boulevard (Route 50) in Falls Church (Mason District). Fund 30300 was also instrumental in preserving two large complexes: 180 units at the Crescent apartment complex in Reston (Hunter Mill District) and 672 units at the Wedgewood Apartments complex in Annandale (Braddock District). These projects were purchased by the County and are being managed by the Fairfax County Redevelopment and Housing Authority as part of the low- and moderate-income rental program. Without the availability of Fund 30300, both of these apartment complexes may have been lost as affordable housing.

In FY 2015, Fund 30300 funding of \$16,478,400 is comprised of \$10,930,000 in Real Estate Tax Revenue, \$5,218,400 in operating revenue from the Wedgewood and Crescent Apartments, and \$330,000 in Affordable Housing Partnership Program loan repayments. FY 2015 funding is allocated as follows: \$5,751,750 for Wedgewood for the annual debt service, \$1,953,918 to fund the Bridging



## Capital Projects Overview

Affordability Program portion of the Housing Blueprint, \$3,507,732 for Crescent Apartments for the annual debt service, \$5,000,000 for the Housing Blueprint Project, and \$265,000 for Affordable/Workforce Housing. It should be noted that for Crescent Apartments, the County is finalizing its review of Requests for Proposals (RFP) seeking redevelopment of the Crescent property. However, this process was not completed by March 1, 2013, when the payment for the outstanding principal of \$26.73 million for the five-year Bond Anticipation Note (BAN) became due. On February 5, 2013, the County rolled the BAN (Series 2013) for an additional two year period. The two year term is designed to provide staff adequate time to complete the selection process and the follow on negotiations that would lead to Board approval of the redevelopment plan. In FY 2015, the Series 2013 BAN will be paid off with a permanent financing or additional short term financing plan contingent upon the status of the negotiations of the redevelopment plan.

### Wastewater Management System

The Fairfax County Wastewater Management Program is operated, maintained, and managed within the Department of Public Works and Environmental Services (DPWES), and includes nearly 3,412 miles of sewer lines, 59 pumping stations, and 54 flow metering stations, covering approximately 234 square miles of the County's 407-square-mile land and water area. Treatment of wastewater generated is provided primarily through five regional wastewater collection and treatment plants. One of the five regional plants is the County owned and operated Noman M. Cole, Jr. Pollution Control Plant (NCPCP), which is currently permitted to treat 67



*Photo of the Noman M. Cole Jr. Pollution Control Plant*

million gallons per day (MGD) of flow. By agreement, other regional facilities include the Alexandria Renew Enterprises (AREnew) Treatment Plant, the Upper Occoquan Service Authority Plant, the District of Columbia Blue Plains Plant, Loudoun Water and the Arlington County Plant. Fairfax County utilizes all of these facilities to accommodate a total treatment capacity of 157 MGD.

The Chesapeake Bay water quality program requires reductions in the amount of nutrient pollutants. In December 2004, the state notified the County that the renewal of County's National Pollutant Discharge Elimination System (NPDES) permit would include a requirement that nutrient removal be performed using "State of the Art" technology and meet a waste load allocation (cap) for the nutrients nitrogen and phosphorous. A phased approach has been under way to renovate and upgrade current plant facilities to accommodate these more stringent nutrient discharge requirements. FY 2014 was the first full year of operation of the new Moving Bed Biological Reactors (MBBR) facility for nutrient removal. The Moving Bed Biological Reactors (MBBR) supports the wastewater treatment process that removes nutrients from the wastewater and is the final treatment process that ensures compliance with the plant nutrient discharge limits. Total funding of \$83,693,176 is included in FY 2015. Specific funding levels in FY 2015 include:

## Capital Projects Overview

- ◆ Funding in the amount of \$17,455,299 is included for facility improvements to the DC Water's Blue Plains Treatment Plant to comply with nutrient discharge limits. Projects supporting the Enhanced Nitrogen Removal Program include, providing an additional 40 million gallons of new anoxic reactor capacity for nitrogen removal, a new post aeration facility, pump station, and other new facilities to store and feed methanol and alternative sources of carbon. Construction continues on this project and is scheduled to be completed in 2016. In addition, funding will also provide for the Clean Rivers Project to prevent combined storm and sanitary overflows during major storm events by storing the overflow in tunnels until the plant has capacity to fully treat the water. This project is currently under construction and is scheduled to be completed by summer 2016. The County is responsible for 31 of the 370 mgd or 8.38 percent of capacity at the Blue Plains Treatment Plant.
- ◆ Funding in the amount of \$37,198,399 will fund the County's share of the upgrades to the Alexandria Renew Enterprises Treatment Plant (ARenew). Fairfax County is one of many jurisdictions which participate in the Joint Capital Improvement Program. Funding supports the design and construction of a State of the Art Nitrogen Upgrade Program for nitrogen removal. The State of the Art Nitrogen Upgrade Program will be completed in 6 phases to allow the spread of design and construction costs over an eight-year period. The long range plan was completed in 2008, and 2 of the 6 phases were complete in 2011; the remaining phases will be completed by 2016. FY 2015 funding is included for engineering design, construction management, landscape architecture and engineering services during construction to comply with the nutrient discharge limits. The County is responsible for 32.4 of the 54 mgd or 60 percent of capacity at the Alexandria Renew Enterprises' Treatment Plant.
- ◆ Funding in the amount of \$3,000,000 is provided for the annual appropriation requirement for the County's Extension and Improvement (E&I) Program as approved by the Board of Supervisors on April 12, 2011. This policy adjusts the Connection Charges such that the future cost of the E&I Program is shared equally between the County's Sewer Fund and the property owners seeking public sewer service.
- ◆ Funding in the amount of \$12,428,135 is provided for the systematic rehabilitation of the County's 3,412 miles of sanitary sewer lines. Rehabilitation includes techniques/products such as slip-lining, instituform, and fold and form performed by outside contractors. Funding provides for the recurring repair, replacement and renovation of 20 miles of sewer lines using predominantly "no dig" technologies.
- ◆ Funding in the amount of \$3,600,000 is also included to complete the rehabilitation of Dead Run Force Main and Difficult Run Force Main. In addition, there are nine other force mains scheduled to begin rehabilitation in FY 2015, including Barcroft I, Barcroft II, Langley School, Mt. Vernon Terrance, Wellington I, Ravenwood, Springfield, Wayne Wood I, and Wayne Wood II.
- ◆ Funding in the amount of \$5,121,554 is included for the replacement of equipment and facilities at the Noman M. Cole, Jr. Pollution Control Plant to maintain efficient operations and meet permit requirements. The projects are generally completed by out-house contractors and focus on more complex facility and equipment rehabilitation.
- ◆ Funding in the amount of \$4,582,789 is included for the regularly scheduled repair, renovation, and replacement of pumping station equipment and facilities throughout the County.
- ◆ Funding in the amount of \$307,000 is included for plant upgrades at the Arlington Wastewater Treatment Plant. This funding will support annual repair and rehabilitation work for various facilities

# Capital Projects Overview

as scheduled in Arlington County's Capital Improvement Program. The County is responsible for 3.0 of the 40 mgd or 7.5 percent of capacity at the Arlington Wastewater Treatment Plant.

## Other Financing

Funding in the amount of \$13,667,639 includes \$1,868,000 that is associated with projects discussed above which have multiple funding sources. The remaining \$11,799,639 supports various other projects financed by other sources of revenue. Specific funding levels in FY 2015 include:

### Solid Waste:

- ◆ Funding in the amount of \$1,000,000 in Capital Projects has been included in FY 2015 to continue to upgrade the leachate system at the I-66 Transfer Station. Funding will correct areas which have settled due to waste decomposition, the addition of new landfill gas wells and piping for controlling the landfill migration and groundwater corrective action. The renovation work includes the installation of a low-permeability cap on the existing slopes and improving the stormwater management system.
- ◆ Funding of \$1,000,000 for Capital Projects is included for the continuation of the Methane Gas Recovery Project. This is an on-going project for the installation of the methane gas extraction system at the I-95 Landfill, including collection wells, pipes and gas transportation infrastructure improvements.

### Housing:

- ◆ Funding of \$89,972 is included for the Undesignated Housing Trust Fund project for reallocation to specific projects when identified and approved by both the Fairfax County Redevelopment and Housing Authority (FCRHA) and Board of Supervisors during FY 2015.
- ◆ Funding in the amount of \$550,000 is included for the Land/Unit Acquisition project for reallocation to specific projects when identified and approved by both the Fairfax County Redevelopment and Housing Authority (FCRHA) and Board of Supervisors during FY 2015.

### Other:

- ◆ Funding in the amount of \$500,000 is included to support the Developer Streetlight Program. The County coordinates with Virginia Power for the installation of the streetlights throughout the County. Developers then make direct payments to the County. Upon completion of the installation, the streetlights are incorporated into the Fairfax County Streetlight Program inventory. This program is offset entirely by payments from developers.
- ◆ Funding in the amount of \$130,000 is included for capital improvements at the Reston Community Center (RCC) which include the RCC Theatre Enhancement project and the replacement of the Lake Anne Customer Service Desk with one that is ADA compliant.
- ◆ Funding in the amount of \$804,739 is included for capital improvements at the McLean Community Center (MCC) which include \$684,739 for the Project Management fee and preliminary planning fees of the MCC renovation, \$85,000 for the replacement of the Old Firehouse Teen Center roof, and \$35,000 for the wood flooring in the rehearsal hall.
- ◆ Funding in the amount of \$7,724,928 is included for various school construction projects financed from a state construction grant, Parent Teachers Association/Parent Teacher Organization receipts,

# Capital Projects Overview

and transfers from Fund S31000, Public School Construction Fund. For more details, see the [Fairfax County Public School's FY 2015 Superintendent's Proposed Budget](#).

## Capital Construction and Operating Expenditure Interaction

To maintain a balanced budget, annual revenues are projected and operating and capital construction expenditures are identified to determine the County's overall requirements and funding availability. Funding levels for capital construction projects are based on the merits of a particular project together with the available funding from all financing sources, with primary reliance on General Obligation bonds. The Board of Supervisors annually reviews cash requirements for capital project financing.

The County's capital program has a direct impact on the operating budget, particularly in association with the establishment and opening of new facilities. The Board of Supervisors continues to be cognizant of the effect of the completion of capital projects on the County's operating budget. The cost of operating new or expanded facilities or infrastructure is included in the fiscal year the facility becomes operational. However, in some cases, like the construction of the expanded and renovated Courthouse, the operating impact may be absorbed gradually over several years. For example, costs associated with loose and systems furniture, moving expenses, providing for additional security and staffing, renovating existing courtrooms, implementing new courtroom technology, and setting up an Operations and Maintenance satellite shop with staff dedicated to the courthouse facility are all costs that can be phased in over time, thus spreading the operating impact over a number of years, rather than concentrating costs in the fiscal year the facility opens.

Capital projects can affect future operating budgets either positively or negatively due to an increase or decrease in maintenance costs, or by providing capacity for new programs or services. Such impacts vary widely from project to project and, as such, are evaluated individually. Operating costs resulting from the completion of a capital project differ greatly depending on the type of capital project and construction delays. A new facility, for example, will often require additional staff, an increase in utility costs, and increases in custodial, security and maintenance contracts. Conversely, a capital project that renovates an existing facility may reduce operating expenditures due to a decrease in necessary maintenance costs. For example, funding HVAC and electrical system repair or replacement projects has the potential to reduce operating expenditures by reducing costly maintenance and staff time spent addressing critical system repairs. The same is true for projects such as fire alarms, emergency generators, and carpet replacement, as well as roof repairs. Investing in aging and deteriorating building systems and components can alleviate the need for future expenditures, often resulting in significant cost avoidance. Additionally, if a system failure should occur, there is the potential that a County facility must shut down, suspending services to citizens and disrupting County business. The County's emphasis on capital renewal and preventative maintenance works to ensure these kinds of interruptions are avoided.

The opening of new County facilities results in the widest range of operating costs. For example, equipment and furniture, a book buy, additional staff, and an increase in utility costs may all be necessary to prepare for the opening of a new library or extensive library expansion/renovation. These costs are estimated as the project is developed and included in the appropriate agency budget in the year the facility becomes operational. In the FY 2015 timeframe, a number of new facilities will be completed which will require additional operating funds.

# Capital Projects Overview

## New, Renovated, or Expanded County Facilities in FY 2015

Facility	Fiscal Year Completion	Additional Positions	Estimated Net Operating Costs
<b>FY 2015 New, Renovated, or Expanded Facilities</b>			
Facilities Management Department (FMD) Operational Costs for New Facilities	FY 2015	0/0.0 FTE	\$503,859
Hanley Townhomes	FY 2015	0/0.0 FTE	235,220
FMD Support for Merrifield Human Services Center	FY 2015	4/4.0 FTE	1,579,127
Mondloch Place	FY 2015	0/0.0 FTE	275,000
Providence Community Center	FY 2015	7/7.0 FTE	1,019,937
<b>Total FY 2015 Costs</b>		<b>11/11.0 FTE</b>	<b>\$3,613,143</b>

The following facilities are scheduled to open in FY 2015 or later and may require additional staffing and operating costs beginning in FY 2016. Requests for funding will be reviewed as part of the development of the annual budget in the year the facility becomes operational.

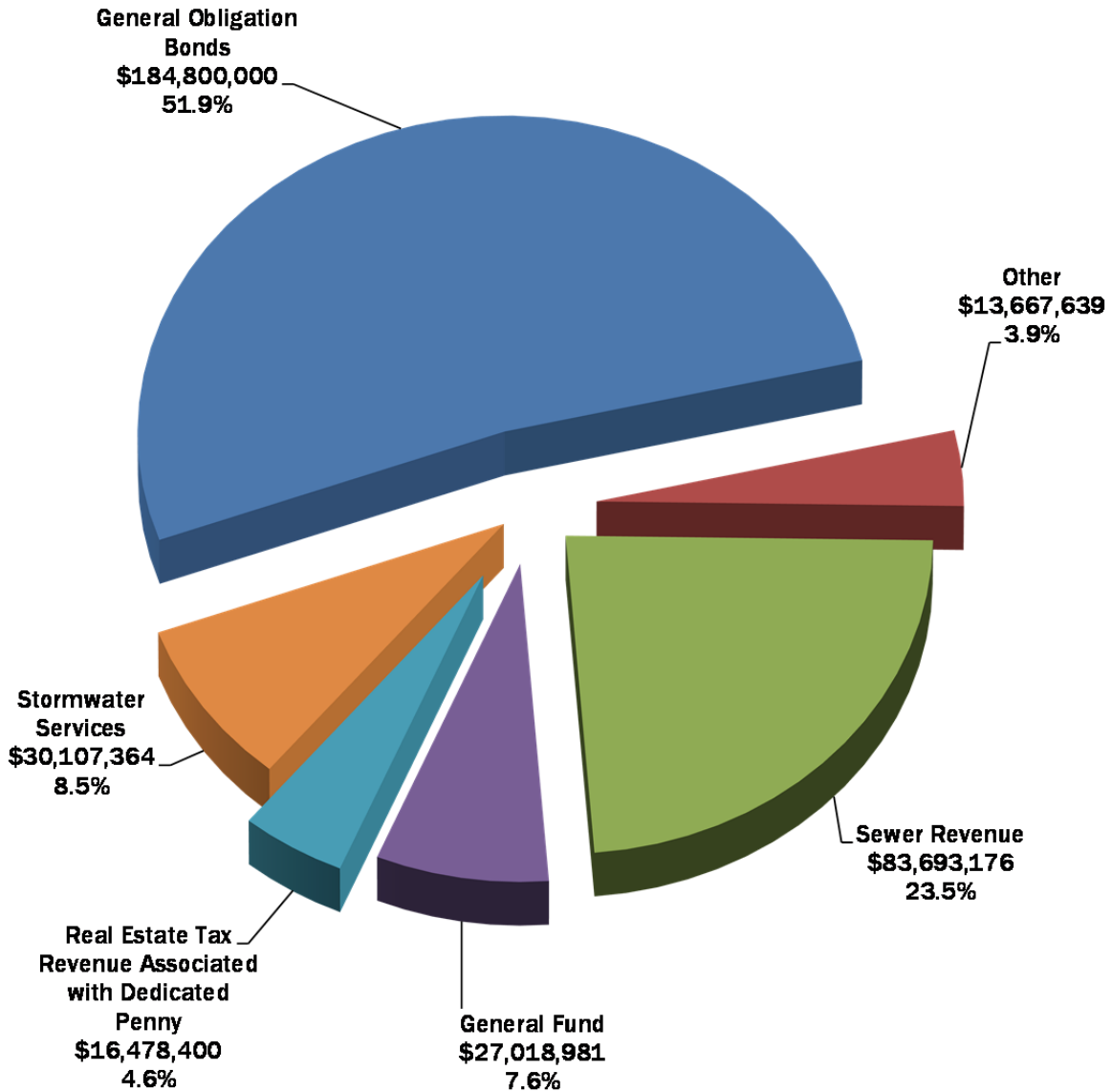
Facility	Fiscal Year Completion
Fire and Rescue Training Academy Ren./Expansion	FY 2015
McLean Police Station Renovation/Expansion	FY 2015
Reston Police Station Renovation/Expansion	FY 2015
Stringfellow Road Park and Ride Expansion	FY 2015
Woodrow Wilson Community Library Ren./Expansion	FY 2015
Herndon Fire Station	FY 2016
Lincolnia Senior Center	FY 2016
Huntington Bus Operations Facility	FY 2017
Pohick Regional Library	FY 2017
Public Safety Headquarters	FY 2017
Courtroom Renovations	FY 2018
Jefferson Fire Station	FY 2018
John Marshall Community Library	FY 2018
Reston Regional Library	FY 2018
Tysons Pimmit Regional Library	FY 2018
East County Human Services Center	TBD
Herndon Metrorail Parking Garage	TBD
Innovation Center Station	TBD
West Ox Bus Operations Center Phase II	TBD

## Summary of FY 2015 Capital Construction Program

Major segments of the County's FY 2015 Capital Construction Program are presented in several pie charts that follow to visually demonstrate the funding sources for capital expenditures. Capital construction expenditures by fund are shown in the Summary Schedule of FY 2015 Funded Capital Projects. In addition, a list of all projects funded in FY 2015 and their funding sources has been included in this section. For additional information, see the Capital Project Funds section of the Capital Construction and Other Operating Funds in Volume 2. Detailed information concerning capital projects in Fund S31000, Public School Construction, can be found in the [Fairfax County Public School's FY 2015 Superintendent's Proposed Budget](#).

# Capital Projects Overview

## CAPITAL CONSTRUCTION PROJECTS FY 2015 SOURCE OF FUNDS

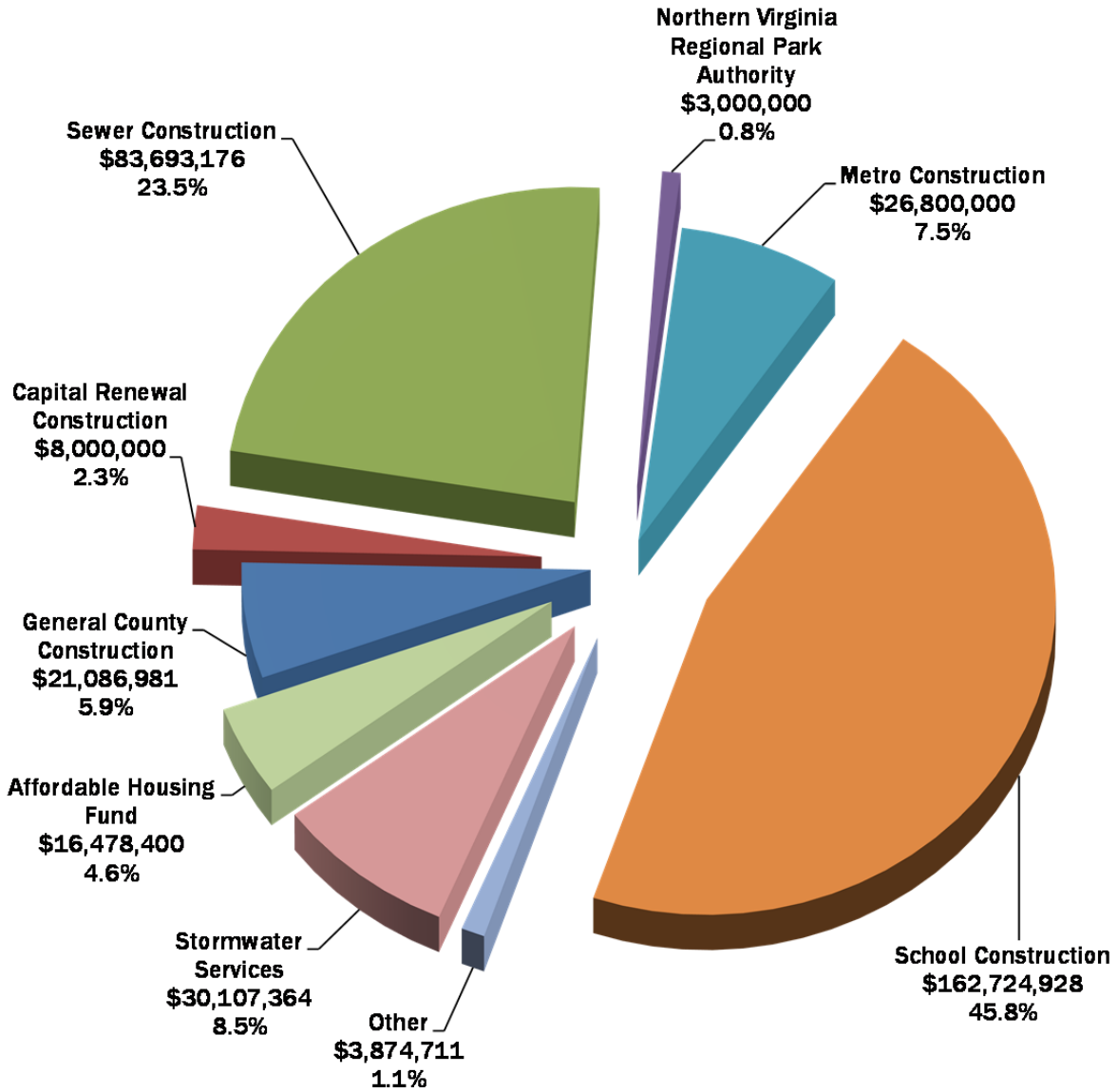


**TOTAL = \$355,765,560**

NOTE: This chart does not include debt service funding.

# Capital Projects Overview

## CAPITAL CONSTRUCTION PROJECTS FY 2015 EXPENDITURES

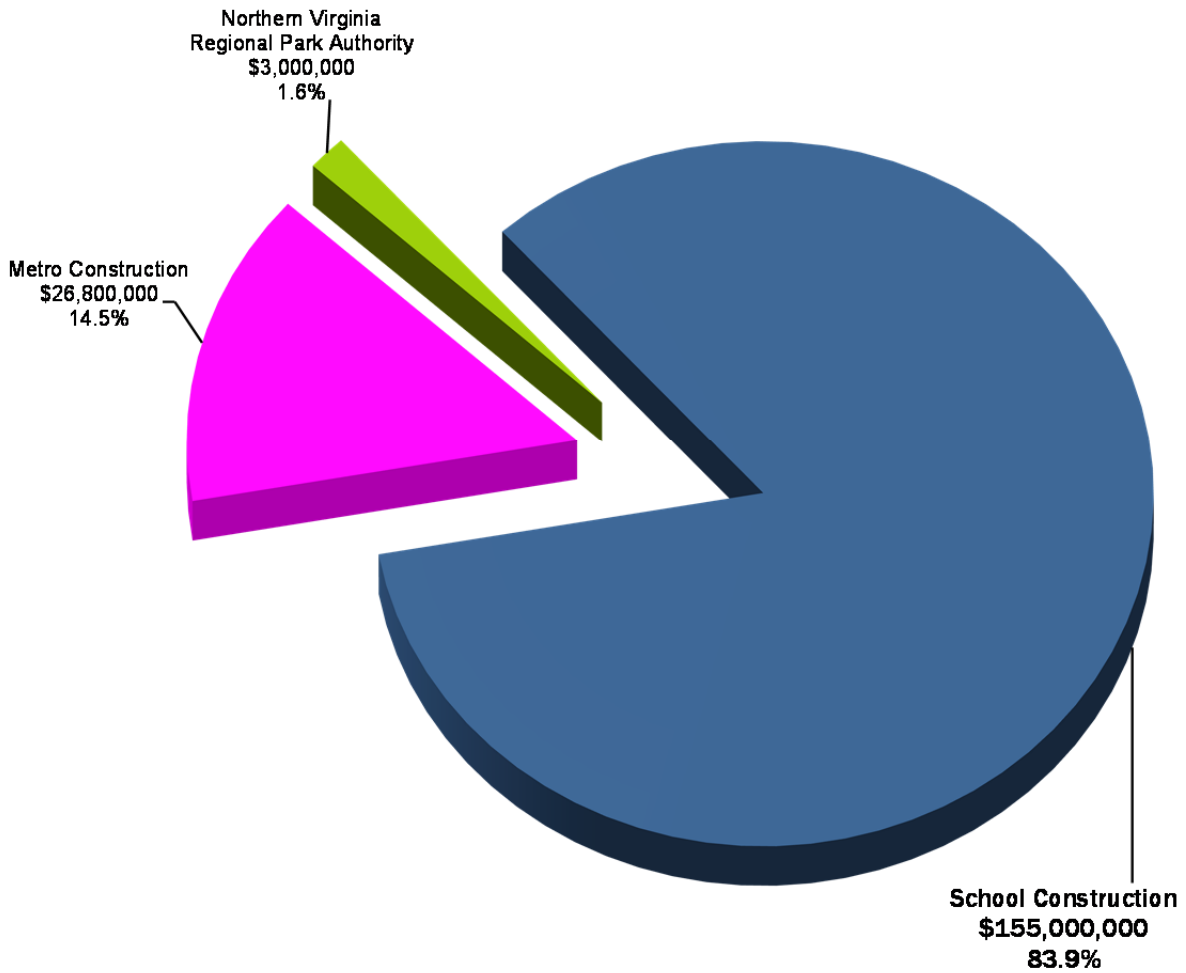


**TOTAL = \$355,765,560**

NOTE: This chart does not include debt service funding.

# Capital Projects Overview

## GENERAL OBLIGATION BOND FINANCED CAPITAL PROJECTS FY 2015 EXPENDITURES



**TOTAL = \$184,800,000**



**SUMMARY SCHEDULE OF FY 2015  
FUNDED CAPITAL PROJECTS**

Fund/Title	EXPENDITURES				FY 2015 FINANCING			
	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan	General Obligation Bonds <sup>1</sup>	General Fund	Federal/ State Aid	Other <sup>2</sup>
<b>SPECIAL REVENUE FUNDS<sup>3</sup></b>								
40050 Reston Community Center	\$26,237	\$50,000	\$634,745	\$130,000	\$0	\$0	\$0	\$130,000
40060 McLean Community Center	285,183	250,000	1,268,762	804,739	0	0	0	804,739
40100 Stormwater Services <sup>4</sup>	19,022,233	23,618,267	84,660,207	30,107,364	0	0	0	30,107,364
40140 Refuse Collection and Recycling	0	125,000	1,107,512	0	0	0	0	0
40150 Refuse Disposal	113,359	0	2,240,964	1,000,000	0	0	0	1,000,000
40170 I-95 Refuse Disposal	5,106,417	3,000,000	8,272,304	1,000,000	0	0	0	1,000,000
40300 Housing Trust Fund	912,259	493,420	6,305,955	639,972	0	0	0	639,972
<b>Subtotal</b>	<b>\$25,465,688</b>	<b>\$27,536,687</b>	<b>\$104,490,449</b>	<b>\$33,682,075</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$33,682,075</b>
<b>DEBT SERVICE FUNDS</b>								
20000 Consolidated County and Schools Debt Service Fund	\$289,654,227	\$296,065,698	\$302,976,161	\$316,009,005	\$0	\$310,883,333	\$0	\$5,125,672
<b>Subtotal</b>	<b>\$289,654,227</b>	<b>\$296,065,698</b>	<b>\$302,976,161</b>	<b>\$316,009,005</b>	<b>\$0</b>	<b>\$310,883,333</b>	<b>\$0</b>	<b>\$5,125,672</b>
<b>CAPITAL PROJECTS FUNDS</b>								
30000 Metro Operations and Construction <sup>5</sup>	\$22,574,000	\$26,541,000	\$28,100,000	\$26,800,000	\$26,800,000	\$0	\$0	\$0
30010 County Construction and Contributions	45,210,030	18,118,202	104,386,945	24,086,981	3,000,000	18,718,981	0	2,368,000
30020 Capital Renewal Construction	17,914,083	0	37,238,641	8,000,000	0	8,000,000	0	0
30030 Library Construction	620,798	0	39,110,840	0	0	0	0	0
30040 Contributed Roadway Improvement Fund	3,054,311	0	36,440,718	0	0	0	0	0
30060 Pedestrian Walkway Improvements	526,880	100,000	4,355,802	300,000	0	300,000	0	0
30070 Public Safety Construction	24,574,825	0	128,591,402	0	0	0	0	0
30080 Commercial Revitalization Program	3,065,159	0	2,889,755	0	0	0	0	0
30090 Pro Rata Share Drainage Construction	2,995,524	0	6,853,333	0	0	0	0	0
30310 Housing Assistance Program	49,143	0	7,144,244	0	0	0	0	0
30400 Park Authority Bond Construction	10,085,653	0	96,521,451	0	0	0	0	0
S31000 Public School Construction	153,265,618	167,844,992	278,027,701	162,724,928	155,000,000	0	0	7,724,928
<b>Subtotal</b>	<b>\$283,936,024</b>	<b>\$212,604,194</b>	<b>\$769,660,832</b>	<b>\$221,911,909</b>	<b>\$184,800,000</b>	<b>\$27,018,981</b>	<b>\$0</b>	<b>\$10,092,928</b>
<b>Real Estate Tax Revenue</b>								
30300 The Penny for Affordable Housing Fund	\$14,892,739	\$18,298,400	\$39,903,273	\$16,478,400	\$0	\$0	\$0	\$16,478,400
<b>Subtotal</b>	<b>\$14,892,739</b>	<b>\$18,298,400</b>	<b>\$39,903,273</b>	<b>\$16,478,400</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$16,478,400</b>
<b>ENTERPRISE FUNDS</b>								
69300 Sewer Construction Improvements	\$39,724,529	\$84,489,000	\$106,522,838	\$83,693,176	\$0	\$0	\$0	\$83,693,176
69310 Sewer Bond Construction	49,386,668	0	68,378,015	0	0	0	0	0
<b>Subtotal</b>	<b>\$89,111,197</b>	<b>\$84,489,000</b>	<b>\$174,900,853</b>	<b>\$83,693,176</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$83,693,176</b>
<b>TOTAL</b>	<b>\$703,059,875</b>	<b>\$638,993,979</b>	<b>\$1,391,931,568</b>	<b>\$671,774,565</b>	<b>\$184,800,000</b>	<b>\$337,902,314</b>	<b>\$0</b>	<b>\$149,072,251</b>

<sup>1</sup> The sale of bonds is presented here for planning purposes. Actual bond sales are based on cash needs in accordance with Board policy.

<sup>2</sup> Other financing includes developer contributions and payments, sewer system revenues, transfers from other funds, pro rata deposits, special revenue funds, short term borrowing, and fund balances.

<sup>3</sup> Reflects the capital construction portion of total expenditures.

<sup>4</sup> As part of the FY 2010 Adopted Budget Plan, a service district was created to support stormwater management operating and capital requirements, as authorized by Code of Virginia Ann. sections 15.2-2400.

<sup>5</sup> Reflects capital construction portion of Metro expenses net of State Aid.

**FY 2015 FUNDED CAPITAL PROJECTS**  
**(For additional information see referenced Fund narratives)**

Fund	Project	Project Name	FY 2015 Advertised Total	General Fund (Paydown)	General Obligation Bonds	Athletic Services Fee	Sewer Revenues	Stormwater Revenues	Penny for Affordable Housing	Short Term Borrowing	Other Revenues
30000	N/A	Metro Operations and Construction Contribution	\$26,800,000		\$26,800,000						
30010	2G02-001-000	Environmental Initiatives	\$140,000	\$140,000							
30010	2G02-021-000	EAI - Energy Education and Outreach	\$75,000	\$75,000							
30010	2G06-001-000	Salona Property Payment	\$941,716	\$941,716							
30010	2G06-003-000	Northern Virginia Regional Park Authority	\$3,000,000		\$3,000,000						
30010	2G08-001-000	Laurel Hill - FMD	\$765,000	\$765,000							
30010	2G25-012-000	School Age Child Care (SACC) Contribution	\$750,000	\$750,000							
30010	2G25-013-000	No. Virginia Community College Contribution	\$2,502,731	\$2,502,731							
30010	2G25-014-000	Maintenance of Commercial Revitalization Areas	\$600,000	\$600,000							
30010	2G25-018-000	Emergency Directive Programs	\$100,000	\$100,000							
30010	2G25-019-000	Survey Control and Network Monumentation	\$50,000	\$50,000							
30010	2G25-020-000	Developer Defaults	\$600,000	\$200,000							\$400,000
30010	2G25-021-000	Emergency Road Repairs	\$150,000	\$150,000							
30010	2G25-022-000	Road Viewers Program	\$100,000	\$100,000							
30010	2G25-024-000	Developer Streetlight Program	\$500,000								\$500,000
30010	2G25-088-000	Maintenance Revitalization Tysons	\$460,000	\$460,000							
30010	2G51-001-000	Parks Maintenance of FCPS Athletic Fields	\$860,338	\$860,338							
30010	2G51-002-000	Athletic Field Maintenance	\$2,700,000	\$2,700,000							
30010	2G51-003-000	Athletic Services Fee - Diamond Field Maintenance	\$1,000,000	\$750,000		\$250,000					
30010	2G51-005-000	Parks-General Maintenance	\$425,000	\$425,000							
30010	2G51-006-000	Parks-Grounds Maintenance	\$787,076	\$787,076							
30010	2G51-007-000	Parks Facility/Equipment Maintenance	\$470,000	\$470,000							
30010	2G51-008-000	Laurel Hill - Parks	\$297,120	\$297,120							
30010	2G51-032-000	Environmental Initiatives-Invasive Plant Removal	\$150,000	\$150,000							
30010	2G51-034-0010	EAI -Park Lighting and Energy Retrofits	\$170,000	\$170,000							
30010	2G79-219-000	Athletic Service Fee- Custodial Support	\$275,000			\$275,000					
30010	2G79-220-000	APRT Amenity Maintenance	\$50,000	\$50,000							
30010	2G79-221-000	Athletic Services Fee - Sports Scholarships	\$150,000	\$75,000		\$75,000					
30010	GF-000001	ADA Compliance - FMD	\$2,000,000	\$2,000,000							
30010	PR-000080	Athletic Field Services - Turf Field Development	\$200,000			\$200,000					
30010	PR-000082	FCPS Athletic Field Lighting	\$250,000	\$250,000							
30010	PR-000083	ADA Compliance - Parks	\$1,950,000	\$1,950,000							
30010	PR-000097	Athletic services Fee - Turf Field Replacement	\$1,618,000	\$950,000		\$668,000					

**FY 2015 FUNDED CAPITAL PROJECTS**  
**(For additional information see referenced Fund narratives)**

Fund	Project	Project Name	FY 2015 Advertised Total	General Fund (Paydown)	General Obligation Bonds	Athletic Services Fee	Sewer Revenues	Stormwater Revenues	Penny for Affordable Housing	Short Term Borrowing	Other Revenues
30020	2G08-004-000	Parking Lot and Garage Repairs	\$200,000	\$200,000							
30020	2G08-006-000	Window Replacement	\$190,000	\$190,000							
30020	GF-000008	Emergency Building Repairs	\$770,000	\$770,000							
30020	GF-000009	Fire Alarm Systems	\$530,000	\$530,000							
30020	GF-000010	Roof Repairs and Waterproofing	\$1,045,000	\$1,045,000							
30020	GF-000011	HVAC Systems	\$4,575,000	\$4,575,000							
30020	GF-000012	Emergency Generator Replacement	\$200,000	\$200,000							
30020	GF-000017	Electrical Systems	\$490,000	\$490,000							
30060	2G25-057-000	Emergency Maintenance of Existing Trails	\$300,000	\$300,000							
30300	2H38-072-000	Affordable/Workforce Housing	\$265,000						\$265,000		
30300	2H38-075-000	Crescent Apartments	\$3,507,732						\$3,507,732		
30300	2H38-081-000	Wedgewood	\$5,751,750						\$5,751,750		
30300	2H38-084-000	Bridging Affordability Program	\$1,953,918						\$1,953,918		
30300	2H38-180-000	Non-profit Blueprint Project	\$5,000,000						\$5,000,000		
40050	CC-000008	Reston Com. Center-Center Stage Theatre Enhancement	\$130,000								\$130,000
40060	CC-000006	McLean Community Center Improvements	\$804,739								\$804,739
40100	2G25-006-000	Stormwater Regulatory Program	\$5,500,000					\$5,500,000			
40100	2G25-007-000	NVSWD Contribution	\$485,064					\$485,064			
40100	2G25-008-000	Occoquan Monitoring Contribution	\$112,559					\$112,559			
40100	2G25-027-000	Stormwater Allocation to Towns	\$371,247					\$371,247			
40100	SD-000031	Stream and Water Quality Improvements	\$13,238,494					\$13,238,494			
40100	SD-000032	Emergency and Flood Response Program	\$900,000					\$900,000			
40100	SD-000033	Dam Safety and Facility Rehabilitation	\$4,500,000					\$4,500,000			
40100	SD-000034	Conveyance System Rehabilitation	\$5,000,000					\$5,000,000			
40150	SW-000006	I-66 Landfill Leachate Systems	\$1,000,000								\$1,000,000
40170	SW-000003	Methane Gas Recovery	\$1,000,000								\$1,000,000
40300	2H38-060-000	Undesignated Housing Trust Fund	\$89,972								\$89,972
40300	2H38-066-000	Land/Unit Acquisition	\$550,000								\$550,000
69300	WW-000001	Pumping Stations	\$4,582,789				\$4,582,789				
69300	WW-000006	Extension and Improvement Projects	\$3,000,000				\$3,000,000				
69300	WW-000007	Collection System Replacement and Rehabilitation	\$12,428,135				\$12,428,135				
69300	WW-000008	Force Main Rehabilitation	\$3,600,000				\$3,600,000				
69300	WW-000009	Noman Cole Treatment Plant Renewal	\$5,121,554				\$5,121,554				
69300	WW-000020	Arlington WWTP Rehabilitation	\$307,000				\$307,000				
69300	WW-000021	AREnew WWTP Upgrades and Rehabilitation	\$37,198,399				\$37,198,399				
69300	WW-000022	Blue Plains WWTP Upgrades and Rehabilitation	\$17,455,299				\$17,455,299				
S31000	N/A	Public School Construction	\$162,724,928		\$155,000,000						\$7,724,928
	<b>Total</b>		<b>\$355,765,560</b>	<b>\$27,018,981</b>	<b>\$184,800,000</b>	<b>\$1,468,000</b>	<b>\$83,693,176</b>	<b>\$30,107,364</b>	<b>\$16,478,400</b>	<b>\$0</b>	<b>\$12,199,639</b>

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# FY 2015

Advertised Budget Plan



## Trends and Demographics

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## Trends and Demographics

### HOUSEHOLD TAX ANALYSES

The following analyses illustrate the impact of selected County taxes on the "typical" household from FY 2009 to FY 2015. This period provides five years of actual data, estimates for FY 2014 based on year-to-date experience, and projections for FY 2015. Historical dollar amounts are converted to FY 2015 dollar equivalents for comparison purposes using the Consumer Price Index for All Urban Consumers (CPI-U) for the Washington-Baltimore area. The Washington metropolitan area has experienced average annual inflation of 2.0 percent from FY 2009 to FY 2013. It should be noted that slight deflation occurred in FY 2009 due to the economic downturn. Moderate inflation returned in 2010 and the rate accelerated in FY 2011. Projections for inflation in FY 2014 and FY 2015 are based on a forecast of 1.9 percent in FY 2014 and 2.5 percent in FY 2015 using forecasts from the Congressional Budget Office and IHS Global Insight.

### HOUSEHOLD TAXATION TRENDS: SELECTED CATEGORIES FY 2009 - FY 2015

The charts on the following pages show the trends in selected taxes (Real Estate Taxes, Personal Property Taxes, Sales Taxes and Consumer Utility Taxes) paid by the "typical" household in Fairfax County. The Real Estate Tax analysis includes the proposed FY 2015 Real Estate tax rate of \$1.085 per \$100 of assessed value. It is important to note that the following data are not intended to depict a comprehensive picture of a household's total tax burden in Fairfax County.

The "typical" household in Fairfax County is projected to pay \$6,220.16 in selected County General Fund taxes in FY 2015, \$201.78 more than in FY 2014 after adjusting for inflation. From FY 2009 to FY 2015, the inflation adjusted County taxes paid by the "typical" household have declined \$78.64. Note that taxes paid in FY 2009 through FY 2015 reflect the Commonwealth's Personal Property Tax Relief Act, which reduces an individual's Personal Property Tax liability on vehicles valued up to \$20,000 (see the section entitled "Personal Property Tax per Typical Household" for more information.)

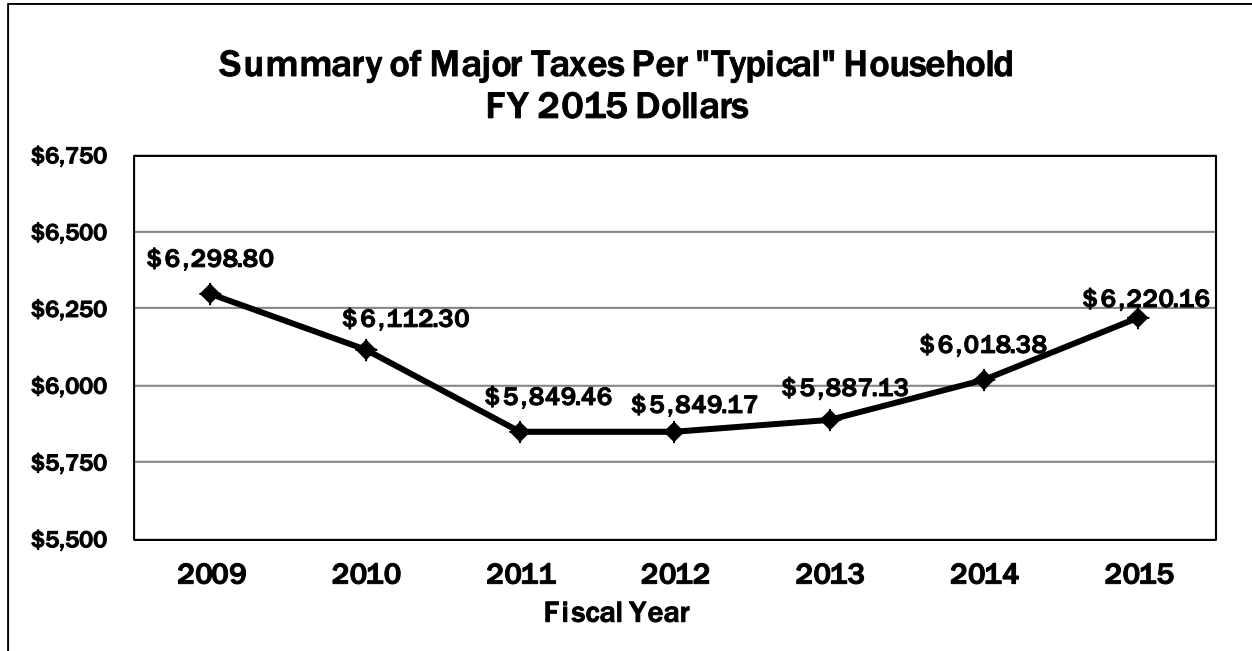
### Summary of Major Taxes Per "Typical" Household

	Number of Households	Real Estate Tax in FY 2015 Dollars	Personal Property Tax in FY 2015 Dollars <sup>1</sup>	Sales Tax in FY 2015 Dollars	Consumer Utility Tax in FY 2015 Dollars	Total Taxes In FY 2015 Dollars <sup>1</sup>
<b>FY 2009</b>	384,400	\$5,472.56	\$310.63	\$453.37	\$62.24	\$6,298.80
<b>FY 2010</b>	386,100	\$5,348.73	\$263.97	\$435.04	\$64.56	\$6,112.30
<b>FY 2011</b>	394,127	\$5,101.30	\$262.90	\$424.01	\$61.25	\$5,849.46
<b>FY 2012</b>	398,700	\$5,075.61	\$280.11	\$434.85	\$58.60	\$5,849.17
<b>FY 2013</b>	399,500	\$5,052.24	\$339.99	\$436.34	\$58.56	\$5,887.13
<b>FY 2014<sup>2</sup></b>	401,500	\$5,198.00	\$335.48	\$428.32	\$56.58	\$6,018.38
<b>FY 2015<sup>2</sup></b>	403,300	\$5,402.89	\$342.15	\$420.16	\$54.96	\$6,220.16

<sup>1</sup> Personal Property Taxes paid incorporate reductions in Personal Property Tax bills sent to citizens under the state's Personal Property Tax Relief program. The reductions were 68.5 percent in FY 2009, 70.0 percent in both FY 2010 and FY 2011, 68.0 percent in FY 2012, and 63.0 percent in both FY 2013 and FY 2014. The reduction in FY 2015 has been set at 62.0 percent. The difference in revenue will be paid to the County by the Commonwealth.

<sup>2</sup> Estimated.

## Trends and Demographics



### Real Estate Tax Per "Typical" Household

	Mean Assessed Value of Residential Property		Tax per Household in FY 2015 Dollars	
		Tax Rate per \$100	Tax per Household	
<b>FY 2009</b>	\$525,132	\$0.92	\$4,831.21	\$5,472.56
<b>FY 2010</b>	\$457,898	\$1.04	\$4,762.14	\$5,348.73
<b>FY 2011</b>	\$433,409	\$1.09	\$4,724.16	\$5,101.30
<b>FY 2012</b>	\$445,533	\$1.07	\$4,767.20	\$5,075.61
<b>FY 2013</b>	\$449,964	\$1.075	\$4,837.11	\$5,052.24
<b>FY 2014<sup>1</sup></b>	\$467,394	\$1.085	\$5,071.22	\$5,198.00
<b>FY 2015<sup>1</sup></b>	\$497,962	\$1.085	\$5,402.89	\$5,402.89

<sup>1</sup> Estimated.

As shown in the preceding table, Real Estate Taxes per "typical" household are projected to increase \$331.67 between FY 2014 and FY 2015 to \$5,402.89, not adjusting for inflation. This increase is the result of the 6.54 percent increase in the mean assessed value of residential properties within the County. The proposed FY 2015 General Fund Real Estate Tax rate is \$1.085 per \$100 of assessed value, the same as in FY 2014.

Since FY 2009, Real Estate Taxes have increased \$571.68, or an average annual increase of 1.9 percent per year, not adjusting for inflation. Adjusted for inflation, Real Estate Taxes per "typical" household are \$69.67 less than in FY 2009, an average annual decrease of 0.2 percent.

## Trends and Demographics

### Personal Property Tax Per "Typical" Household

	Personal Property Taxes Attributed to Individuals	Number of Households	Tax per Household	Tax per Household in FY 2015 Dollars	After PPTRA	
					Adjusted Tax per Household <sup>1</sup>	Adjusted Tax per Household in FY 2015 Dollars <sup>1</sup>
<b>FY 2009</b>	\$334,648,575	384,400	\$870.57	\$986.14	\$274.23	\$310.63
<b>FY 2010</b>	\$302,475,782	386,100	\$783.41	\$879.91	\$235.02	\$263.97
<b>FY 2011</b>	\$319,851,985	394,127	\$811.55	\$876.34	\$243.46	\$262.90
<b>FY 2012</b>	\$327,790,000	398,700	\$822.15	\$875.34	\$263.09	\$280.11
<b>FY 2013</b>	\$351,467,917	399,500	\$879.77	\$918.90	\$325.51	\$339.99
<b>FY 2014<sup>2</sup></b>	\$355,161,202	401,500	\$884.59	\$906.70	\$327.30	\$335.48
<b>FY 2015<sup>2</sup></b>	\$363,131,738	403,300	\$900.40	\$900.40	\$342.15	\$342.15

<sup>1</sup> Personal Property Taxes paid incorporate reductions in Personal Property Tax bills sent to citizens under the state's Personal Property Tax Relief program. The reductions were 68.5 percent in FY 2009, 70.0 percent in both FY 2010 and FY 2011, 68.0 percent in FY 2012, and 63.0 percent in both FY 2013 and FY 2014. The reduction in FY 2015 has been set at 62.0 percent. The difference in revenue will be paid to the County by the Commonwealth.

<sup>2</sup> Estimated.

Personal Property Taxes paid by the "typical" household are shown in the preceding chart. Personal Property Taxes paid reflect the Commonwealth of Virginia's Personal Property Tax Relief Act (PPTRA), which reduced an individual's Personal Property Tax payment. In FY 2007, statewide reimbursements were capped at \$950 million, with each locality receiving a percentage allocation from this fixed amount determined by the locality's share of statewide tax year 2005 collections. Each year, County staff must determine the reimbursement percentage based on the County's fixed reimbursement of \$211.3 million and an estimate of the number and value of vehicles that will be eligible for tax relief. As the number and value of vehicles in the County vary, the percentage attributed to the state will fluctuate. Based on a County staff analysis, the effective state reimbursement percentage was 67.00 percent in FY 2008, 68.50 percent in FY 2009, 70.00 percent in both FY 2010 and FY 2011, 68.00 percent in FY 2012, and 63.00 in both FY 2013 and FY 2014. The FY 2015 reimbursement percentage has been set at 62.00 percent.

The tax per household analysis shown above assumes that the "typical" household's vehicle(s) are valued at \$20,000 or less in order to qualify for a reduction under the PPTRA. Personal Property Taxes per "typical" household are projected to increase \$14.85 between FY 2014 and FY 2015 to \$342.15 based on a 62.00 percent state share. The FY 2015 Personal Property Tax per "typical" household is \$67.92 higher than what was paid in FY 2009, not adjusting for inflation. When adjustments are made for inflation, the "typical" household is projected to pay \$31.52 more in FY 2015 than FY 2009. There have been no changes to the Personal Property Tax rate of \$4.57 per \$100 of assessed value for individuals during the FY 2009 to FY 2015 period, except for mobile homes and boats which are taxed at the prevailing Real Estate Tax rate each fiscal year.

## Trends and Demographics

### Vehicle Registration Fee

The FY 2015 Advertised Budget Plan also includes an annual Vehicle Registration Fee on motor vehicles. The fee will be levied at \$33 for passenger vehicles that weigh 4,000 pounds or less and \$38 on passenger vehicles that weigh more than 4,000 pounds. The fee for motorcycles is \$18. This fee was levied prior to FY 2007 at \$25 for all passenger vehicles regardless of weight and at \$18 for motorcycles.

### Sales Tax Per "Typical" Household

	Total Sales Tax	Number of Households	Tax per Household	Tax per Household in FY 2015 Dollars
<b>FY 2009</b>	\$153,852,596	384,400	\$400.24	\$453.37
<b>FY 2010</b>	\$149,547,338	386,100	\$387.33	\$435.04
<b>FY 2011</b>	\$154,757,415	394,127	\$392.66	\$424.01
<b>FY 2012</b>	\$162,839,599	398,700	\$408.43	\$434.85
<b>FY 2013</b>	\$166,893,847	399,500	\$417.76	\$436.34
<b>FY 2014<sup>1</sup></b>	\$167,774,109	401,500	\$417.87	\$428.32
<b>FY 2015<sup>1</sup></b>	\$169,451,850	403,300	\$420.16	\$420.16

As shown in the table above, FY 2015 Sales Tax paid per household is estimated to be \$420.16 or \$19.92 more than FY 2009, not adjusting for inflation. This represents an average annual increase of 0.8 percent since FY 2009. Adjusting for inflation, Sales Tax paid per household has decreased \$33.21 during the same period, representing an average annual decrease of 1.3 percent.

Because this analysis assumes all Sales Taxes are paid by individuals living in Fairfax County, the impact on the typical household is somewhat overstated. A segment of the County's Sales Tax revenues are paid by businesses and non-residents who either work in the County or are visiting. As the County becomes more of a major employment hub in the region, the contribution of non-residents to the County's Sales Tax revenues will continue to expand.



## Trends and Demographics

### Consumer Utility Taxes - Gas & Electric Per "Typical" Household

	Total Consumer Utility Taxes Paid by Residential Consumers	Number of Households	Tax per Household	Tax per Household in FY 2015 Dollars
<b>FY 2009</b>	\$21,124,481	384,400	\$54.95	\$62.24
<b>FY 2010</b>	\$22,192,306	386,100	\$57.48	\$64.56
<b>FY 2011</b>	\$22,355,408	394,127	\$56.72	\$61.25
<b>FY 2012</b>	\$21,943,780	398,700	\$55.04	\$58.60
<b>FY 2013</b>	\$22,399,854	399,500	\$56.07	\$58.56
<b>FY 2014<sup>1</sup></b>	\$22,163,767	401,500	\$55.20	\$56.58
<b>FY 2015<sup>1</sup></b>	\$22,163,767	403,300	\$54.96	\$54.96

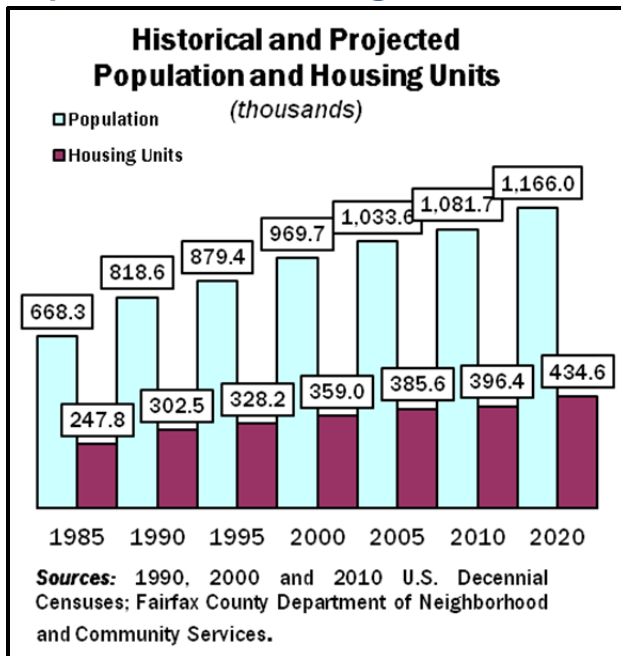
Based on data from the utility companies, it is estimated that residential consumers pay approximately 43.0 percent of the Electric Taxes and 73.0 percent of the Gas Taxes received by the County. Utility Taxes per household have remained stable from FY 2009 through FY 2015. In FY 2015, the "typical" household will pay an estimated \$54.96 in Consumer Utility Taxes, a modest \$0.01 more than in FY 2009, without adjusting for inflation. From FY 2009 to FY 2015, the "typical" household has experienced an average annual decrease of 2.1 percent, or \$7.28 over the period, adjusted for inflation.

# Trends and Demographics

## DEMOGRAPHIC TRENDS

Demographic trends strongly influence Fairfax County's budget. Changing demographics or population characteristics affect both the cost of government services provided, as well as tax revenues. The descriptions and charts contained in this section provide some examples of how various demographic trends affect the Fairfax County budget. Although these trends are discussed separately, the interactions between these demographic trends ultimately influence the direction of expenditures and revenues. While certain demographic trends may suggest reduced expenditures in a program area, other demographic trends may increase program expenditures at the same time. The following information is based on the most recent data available at the time of publication.

### Population and Housing



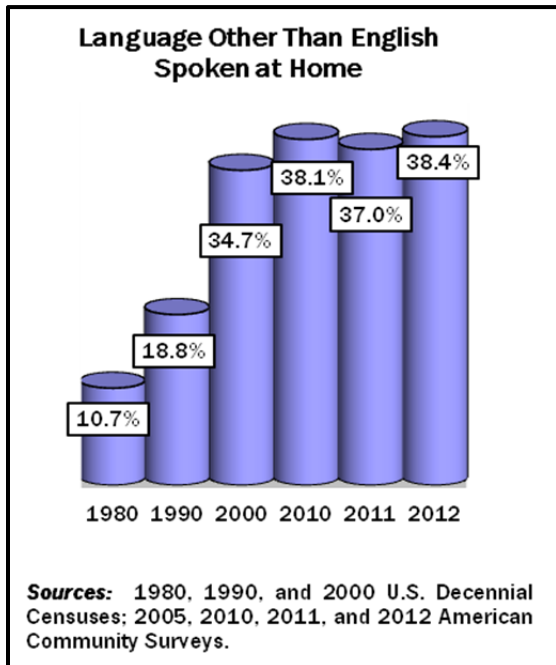
Some of the strongest demographic influences on Fairfax County expenditures and revenues are those associated with the growth in total population and housing units. During the 1980s, the County went through a period of notable population growth, adding over 220,000 residents. Growth moderated during the 1990s and the County's population expanded by 150,000 residents. Even though population growth in the 1990s was not as brisk as in the 1980s, the increase in Fairfax County's population between 1990 and 2000 is comparable to adding more than the entire population of the City of Alexandria to the County. The County's population growth continued to decelerate, adding 112,000 residents between 2000 and 2010. Based on the 2012 American Community Survey, Fairfax County had a population of 1,118,602 residents in 2012. Between 2010 and 2020, the population of Fairfax

County is expected to increase over 84,000 residents to 1,166,000.

From 1980 to 1990, the number of housing units in Fairfax County rose at a faster rate (40 percent) than population (37 percent). This was due to the construction boom of the 1980s. Between 1990 and 2000, housing units grew 18.7 percent, just slightly above population growth of 18.5 percent. From 2000 to 2010, this trend reversed, with population growth at 11.5 percent, surpassing housing unit growth of 10.4 percent. From 2010 to 2020, population and housing units are anticipated to grow 7.8 percent and 9.6 percent, respectively. Many County programs, such as fire prevention, transit, water and sewer, are impacted by the number of housing units. Other program areas such as libraries, recreation, and schools, are impacted more by the growth in population.

# Trends and Demographics

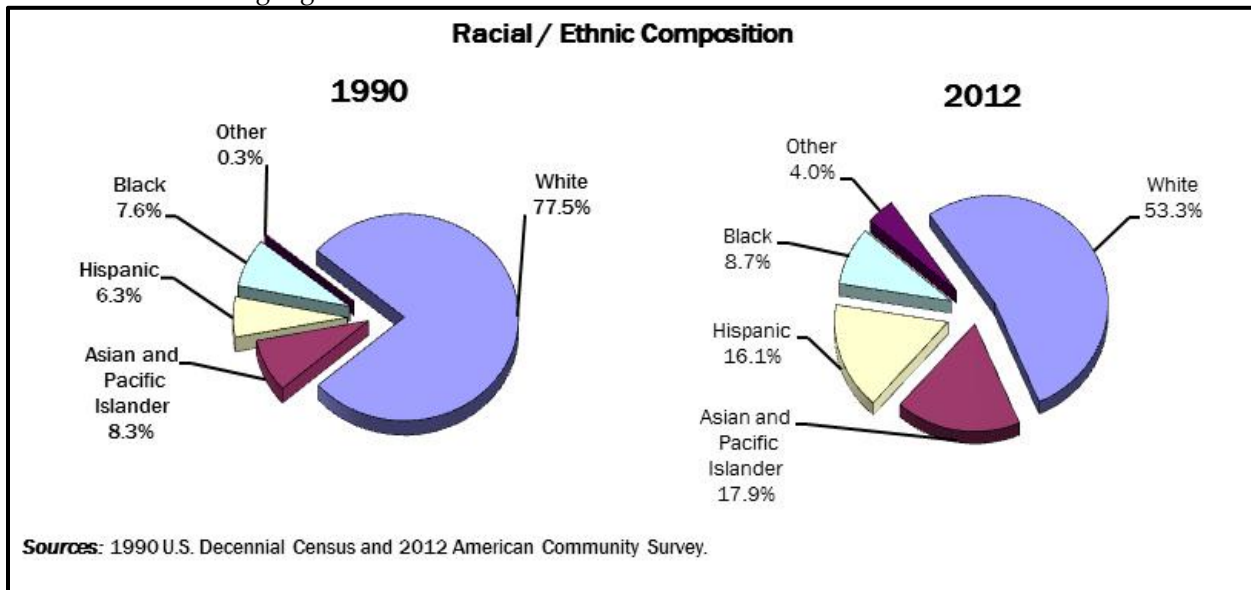
## Cultural Diversity



Fairfax County’s population is rich in diversity. Based on the 2012 American Community Survey, the number of persons speaking a language other than English at home is estimated to be over 400,000 residents, or 38.4 percent of the County’s population age five years or older. In 1980, less than 11 percent of residents age five years or older spoke a language other than English at home. This percentage rose to nearly 19 percent in 1990. By 2000, it was 34.7 percent. The most frequently spoken languages other than English include Spanish, Korean, Vietnamese and Chinese.

These language trends affect many County programs. For example, the Fairfax County Public Schools have experienced rapid growth in English for Speakers of Other Languages (ESOL) programs. Between FY 2000 and FY 2013, total public school membership increased 17.3 percent, while ESOL enrollment grew approximately 108.6 percent. Also, general government

services such as the courts, police, fire and emergency medical services, as well as human service programs and tax related programs are impacted by the County’s cultural and language diversity. The County continues to develop various means to effectively communicate with residents for whom English is not their native language.



In 1990, racial and ethnic minorities comprised less than a quarter of Fairfax County’s population. In 2012, over 46 percent of County’s population consisted of ethnic minorities. The two fastest growing groups are Hispanics and Asians and Pacific Islanders, which have both more than doubled their share of the County’s population between 1990 and 2012. These two minority groups are anticipated to remain the County’s most rapidly expanding racial or ethnic groups during the next five years. As the County’s population continues to become more diverse, the number of persons speaking a language other than English at home is anticipated to continue to grow and impact a wide range of services provided by the County.

# Trends and Demographics

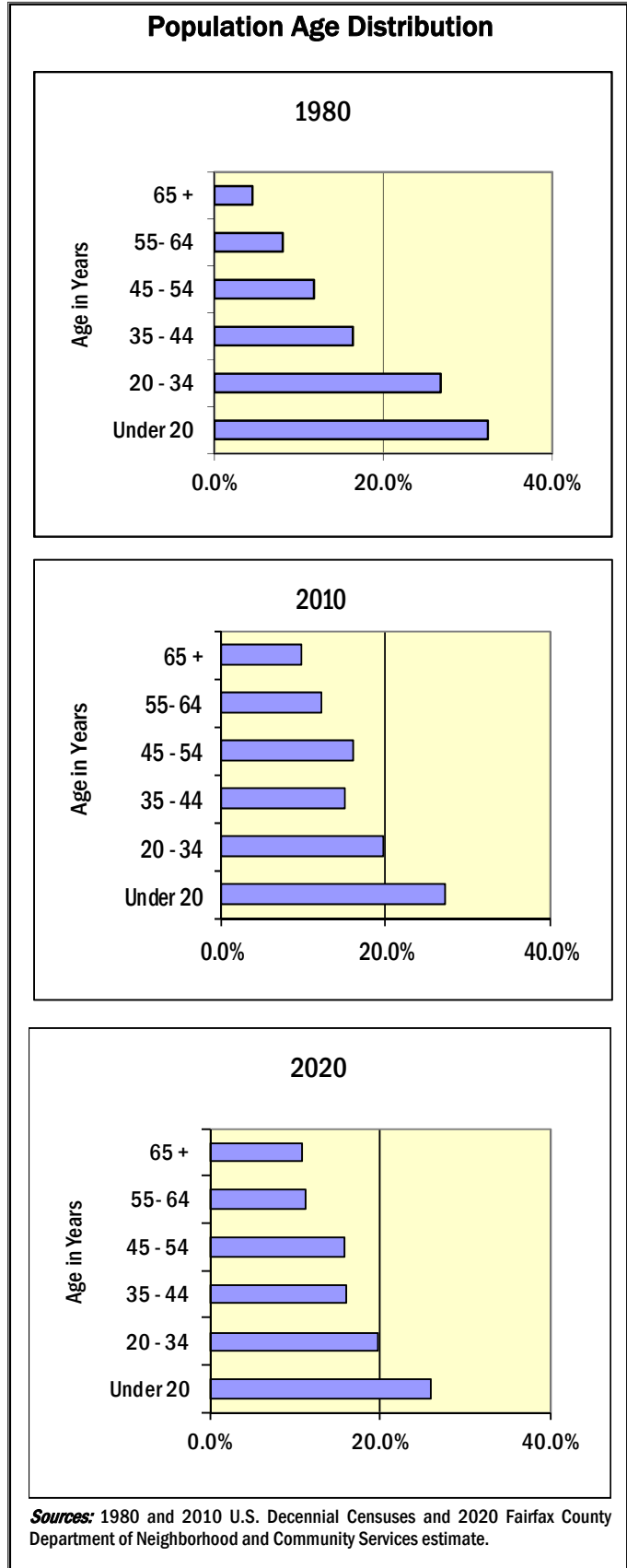
## Population Age Distribution

Fairfax County’s population has grown steadily older since 1980. Between 1980 and 2010, the percentage of children age 19 years and younger became a smaller proportion of the total population, dropping from 32.4 percent to 26.4 percent in 2010. It is anticipated that this trend will remain steady through 2020, with the percentage of those 19 years old and younger keeping to 26.4 percent.

The number of adults age 45 to 54 years expanded rapidly between 1980 and 2010, as the first “baby boomers” began to enter into their fifties. This age group’s sharp growth trend will begin to reverse between 2010 and 2020, as the final “baby boomers” enter this age group and the oldest of the “baby boom” generation move to the next age group.

Between 1980 and 2010, the seniors’ population, those age 65 years and older, more than doubled in size and was the fastest growing segment of County residents. This age group is expected to continue increasing in size, with its share of the population reaching 13.6 percent by 2020.

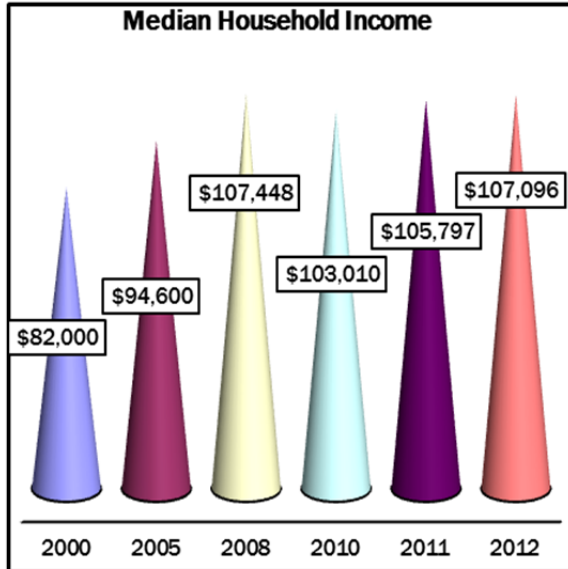
The age distribution of Fairfax County’s population greatly impacts the demand and, therefore, the costs of providing many local government services. For example, the number, location, and size of school and day care facilities are directly affected by the number and proportion of children. Transportation expenditures for both street maintenance and public transportation are influenced by the number and proportion of driving age adults and their work locations. The growing number of persons age 65 years and older will influence expenditures for programs such as adult day care, senior centers, and health care.



## Trends and Demographics

Public safety programs also are impacted by age demographics. Crime rates, for example, are highest among persons age 15 to 34. In addition, the youngest and the oldest drivers have the greatest probability of being involved in traffic accidents.

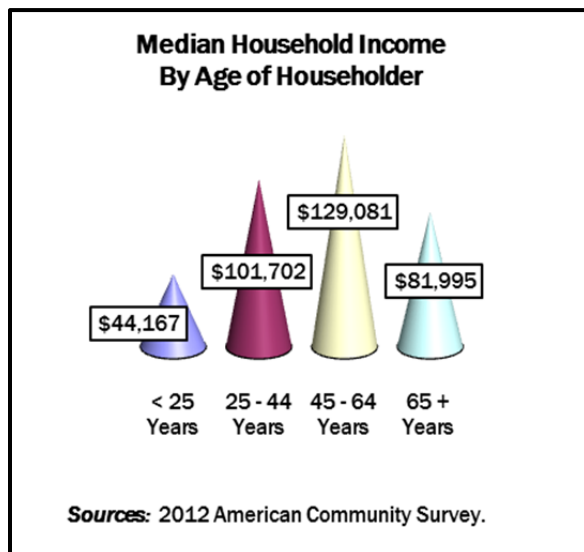
### Household Income



**Sources:** 2000 and 2010 U.S. Decennial Censuses; 1998 Household Survey; 2000 Fairfax-Falls Church Community Assessment Survey; 2005, 2008, 2011 and 2012 American Community Surveys.

The median household income in Fairfax County was \$107,096 in 2012, the third highest in the nation for counties with a population of 250,000 or more after neighboring Loudoun County in Virginia and Howard County in Maryland. Fairfax County's 2012 median household income increased 1.2 percent over 2011. Consequently, households in Fairfax County had slightly higher disposable income to spend or save. Since 2000, median household income in the County has risen at a rate of 2.2 percent per year.

Income growth does not directly impact Fairfax County tax revenues because localities in Virginia do not tax income; however, revenues are indirectly affected because changes in income impact the County's economic health. Tax categories affected by income include Sales Tax receipts, Residential Real Estate Taxes and Personal Property Taxes.



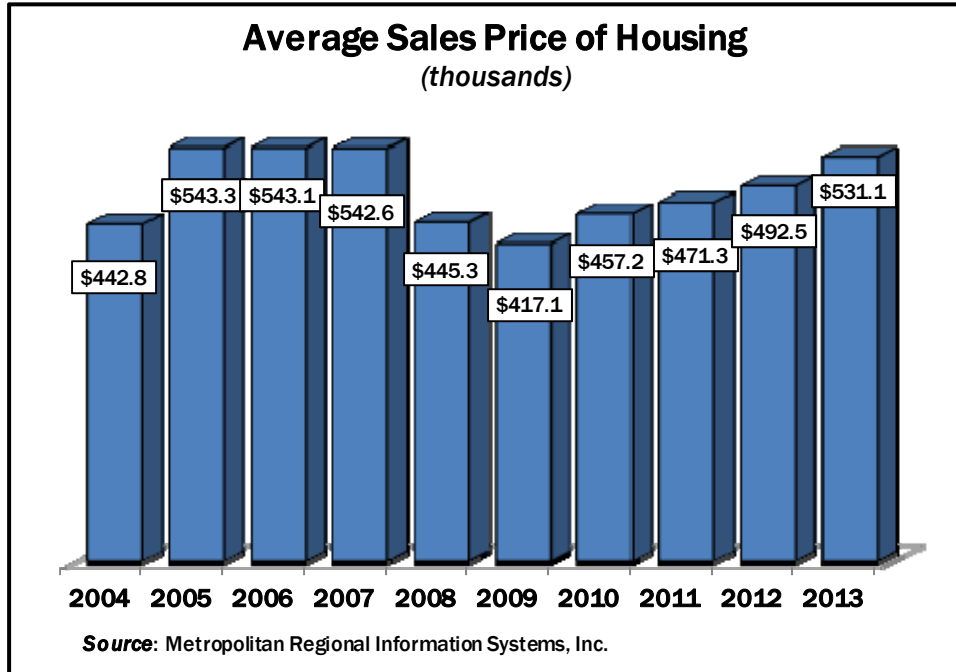
Incomes peak among persons aged 45 to 64 years, who are in their prime earning years. As the number of households headed by this age group is projected to shrink during the next 10 years, various tax revenues may be impacted. Sales Tax revenues, for instance, may experience more modest growth. The median income for heads of households between the ages of 45 and 64 was \$129,081 in 2012.

The median household income of people age 65 or older drops to \$81,995. A population containing a larger number of seniors, age 65 and older, will put downward pressure on tax revenues. These senior households are typically on a fixed income and have less discretionary money to spend. In addition, persons in this age group own fewer motor vehicles and may qualify for Real Estate Tax Relief.

# Trends and Demographics

## ECONOMIC TRENDS

### Average Sales Price of Housing



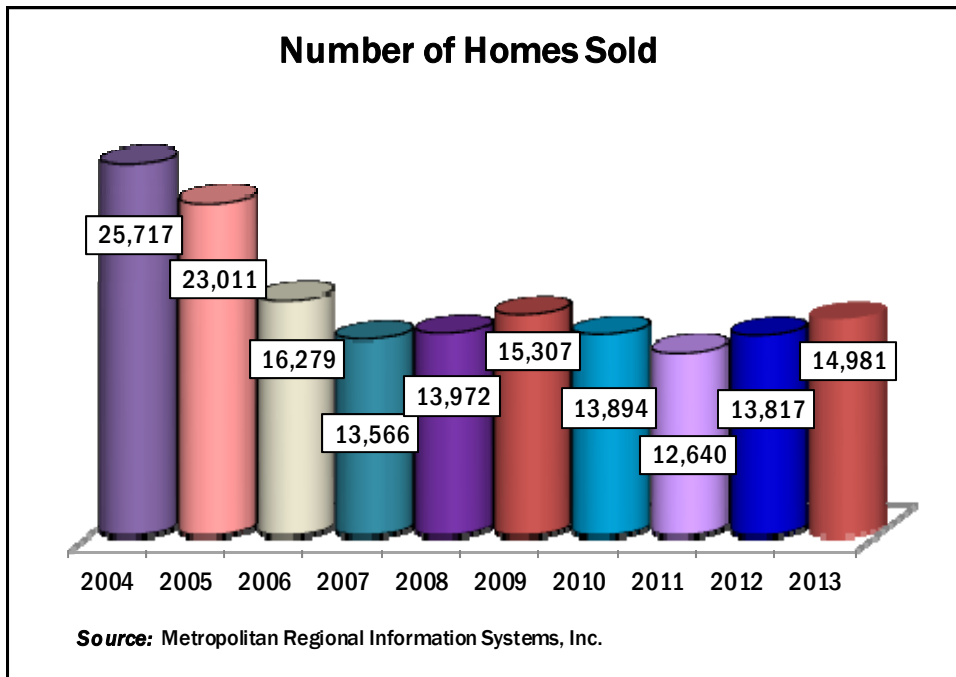
Based on data from the Metropolitan Regional Information Systems, Inc. (MRIS), the average sales price for all types of homes sold in Fairfax County increased 7.9 percent from \$492,480 in 2012 to \$531,136 in 2013. This marks the fourth consecutive year in which the average sales price of homes sold increased, after declining in the previous four years. The stagnant sales

price encountered in 2006 signaled a rapid turnaround from the double-digit increases in sales price appreciation experienced during the preceding five years. In 2006, the average sales price for housing in Fairfax County was more than 22.7 percent higher than the average sales price of a home sold in 2004. Homes prices fell each year from 2006 through 2009. Since 2009, the average sales price of housing has risen 27.3 percent.

In FY 2015, Real Estate Tax revenue is projected to comprise more than 62 percent of all General Fund Revenues and residential properties make up the majority of the value of the Real Estate Tax base. As a result, the changes in the residential housing market have a very significant impact on Fairfax County's revenues.

## Trends and Demographics

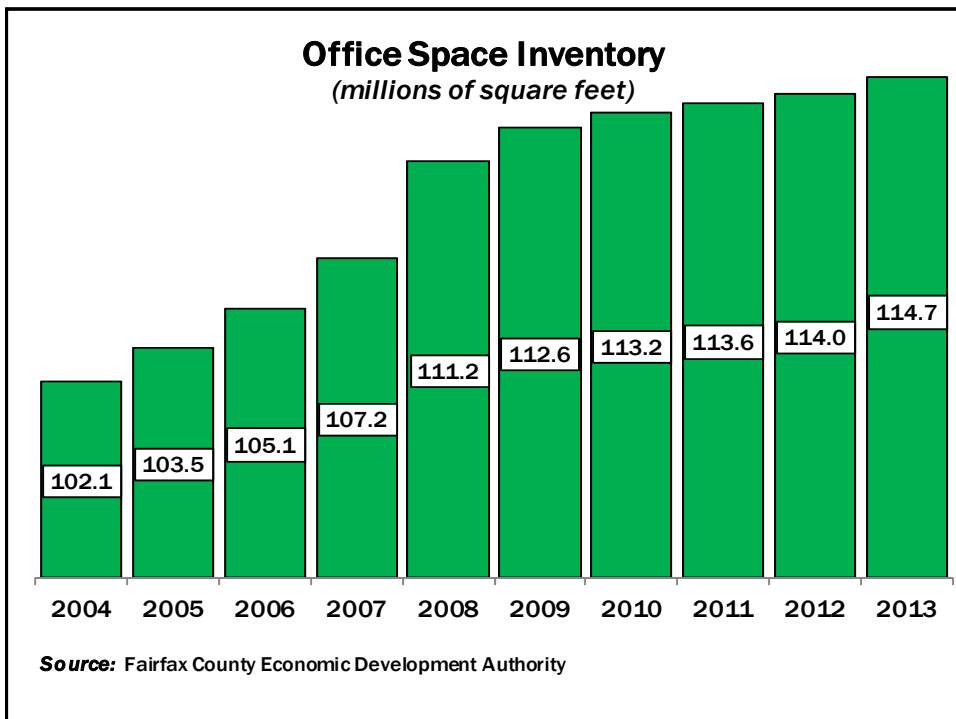
### Homes Sold in Fairfax County



The number of homes sold in Fairfax County increased for the second consecutive year in 2013. Based on data from MRIS, the number of homes sold in 2013 was 14,981, an 8.4 percent increase over the 13,817 sold in 2012. The number of homes sold peaked in 2004, when 25,717 homes were sold and hit a nine-year low of 12,640 in 2011. Including 2013, the number of homes

sold has averaged 14,307 over the past eight years. The average days on the market for active residential real estate listings in Fairfax County was 36 days for all of 2013 – 14 days faster than the 2012 level of 50 days. Homes sold in 2013 at a faster pace than any year since 2005 when the average days on the market was 21 days.

### Office Space Inventory

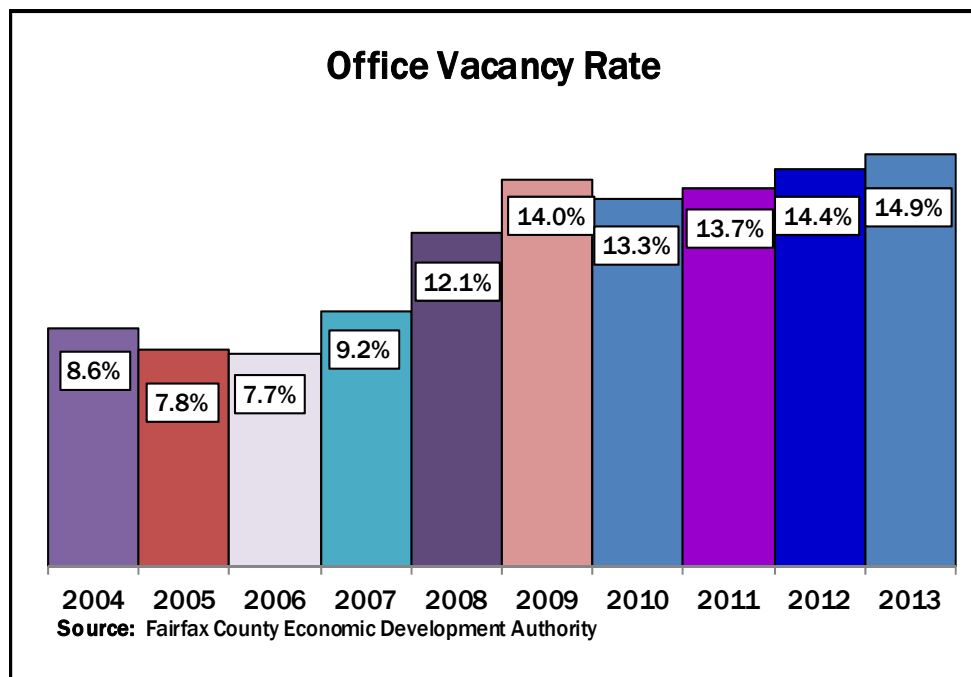


The amount and value of nonresidential space in Fairfax County has a significant impact on revenues and expenditures. Business activity has an effect on Real Estate Taxes, business Personal Property Tax revenues and Business, Professional and Occupational License (BPOL) revenues. Business expansion also influences expenditures for water and sewer services, transportation improvements, police and fire services, and

## Trends and Demographics

refuse disposal. The largest component of non-residential space in the County is office space. Since 2004, the total inventory of office space in Fairfax County has risen 12.6 million square feet to 114.7 million square feet as year-end 2013. According to the Economic Development Authority, the commercial real estate market remained sluggish during much of 2013, primarily due to the federal budget issues and the uncertainty of the national economy. The number of office building sales declined and overall demand for office space softened. New office development is the one area that seems to be resistant to the economic and market conditions that have hurt other areas of the office market. During 2013, new office deliveries topped 1 million square feet in ten buildings, up from 593,000 square feet of space delivered in 2012. At year-end 2013, nine buildings totaling nearly 1 million square feet were under construction countywide. More than 69 percent of the new office space under construction is speculative development. The interest in speculative development reflects confidence in the Fairfax County office market; however, as vacancy rates rise, there could be concern that this space will not be easily leased. Speculative development has been focused along Metro's Silver Line in Tysons and Reston, as well as in the southeastern portion of the County around the National Geospatial-Intelligence Agency.

### Office Vacancy Rates



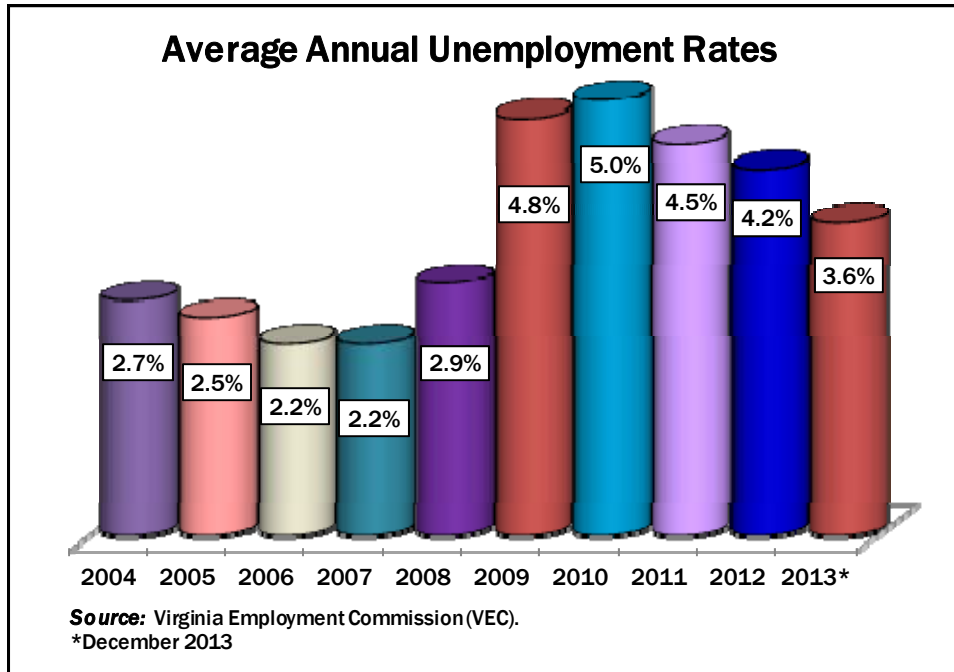
The inventory of office space rose an average of 600,000 square feet per year from 2001 through 2003. This, along with record leasing activity in 2003 and 2004, resulted in declining office vacancy rates. Construction of new office space began to accelerate in 2005, adding an average of 2.1 million square feet per year through 2009 to the office inventory. By

year-end 2009, the direct office vacancy rate increased to 13.9 percent. In the last couple of years, the direct vacancy rate has remained elevated in historical terms, and at year-end 2013 was 14.9 percent, the highest on record since 1991 when it was 16.8 percent. Including sublet space, the overall office vacancy rate was 17.1 percent, up from 16.7 percent at year-end 2012. Total leasing activity in 2013 rose to 11.6 million square feet, an increase over the 2012 level of 10.7 million square feet. Lease rates for new space are adjusting to market conditions. Many tenants are taking advantage of favorable rates and others are looking to capitalize on market conditions by consolidating operations in newer space near Metro. The Tysons market is uniquely positioned to take advantage of this trend with more than 26 million square feet of new office space in the pipeline.



## Trends and Demographics

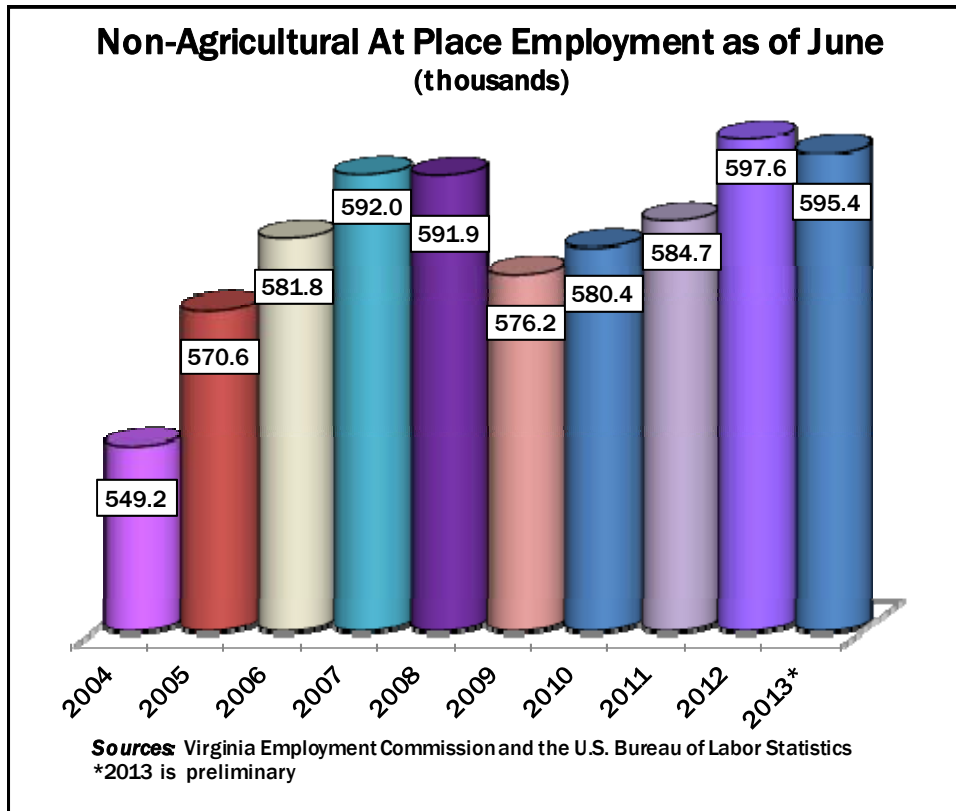
### Employment



Unemployment rates show the strength of the Fairfax County economy by indicating how many Fairfax County residents are actively seeking but are unable to obtain employment. During the last decade, residents of Fairfax County have experienced low unemployment rates even during economic recessions. Mainly driven by an increase in federal

procurement, the unemployment rate dropped from 2004 through 2007. Due to the economic downturn, the average unemployment rate in 2008 increased to 2.9 percent. Job losses accelerated in 2009 as indicated by the average unemployment rate of 4.8 percent. In 2010, the unemployment rate rose again to 5.0 percent. In 2011, the unemployment rate declined to 4.5 percent. This trend continued in 2012, with the unemployment rate decreasing to 4.2 percent. The County's unemployment rate remains well below the state and national level at 3.6 percent as of December 2013, a decline from 4.0 percent in December 2012.

## Trends and Demographics



At place employment serves as a gauge of the number of jobs created by businesses located in Fairfax County. Growth in both employment and the number of businesses generate tax revenues and additional expenditures for Fairfax County. According to data from the Bureau of Labor Statistics, the number of jobs in Fairfax County expanded at a rate of over 5.0 percent per year from 1998 to 2001. However,

when the economy slowed, the number of jobs fell in 2002 and 2003 a total of 15,100. Employment growth rebounded in 2004 and rose 2.0 percent, or 11,150 jobs. Job growth peaked in 2005 with an increase of 21,500 net new jobs, a 3.9 percent increase. Job growth slowed to rates of 2.0 percent and 1.8 percent in 2006 and 2007, respectively, and was essentially flat in 2008. Due to the recession, the number of jobs fell 2.7 percent in 2009. Jobs in the County expanded at modest rates of 0.7 percent and 0.8 percent in 2010 and 2011, respectively. In 2012, employment growth rose by 12,900 jobs, or 2.2 percent. As of June 2013, the preliminary estimated number of non-agricultural jobs in the County totals 595,492. This represents a slight decrease of 2,143 jobs from 2012, or a drop of 0.4 percent.



1742

# FY 2015

Advertised Budget Plan



# Long-Term Financial Policies and Tools

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## Long-Term Financial Policies and Tools

This section identifies some of the major policies, long-term financial management tools and planning documents which serve as guidelines for decisions, support the strategic direction of the County and contribute directly to the outstanding fiscal reputation of the County. Adherence to these policies historically has enabled the County to borrow funds at the lowest possible interest rates available in the municipal bond market.

Fairfax County is proud to have been named “one of the best-managed jurisdictions in America” by *Governing* magazine and the Government Performance Project (GPP) during their last evaluation of counties in 2001. The GPP conducted a comprehensive study evaluating the management practices of 40 counties across the country and Fairfax County received an overall grade of “A-,” one of only two jurisdictions to receive this highest grade. For the past 29 years, Fairfax County has earned the Government Finance Officer’s (GFOA) Distinguished Budget Presentation Award. Fairfax County also received accolades from GFOA for “Special Performance Measures Recognition” in fiscal years 2004, 2005, 2007, 2008 and 2009. Fairfax County has been nationally recognized as a leader in performance measurement, garnering awards such as the International City and County Management Association’s (ICMA) Center for Performance Measurement Certificate of Distinction for each fiscal year from 2004 through 2008. In addition, the County received ICMA’s Certificate of Excellence, its newest and highest level of recognition for excellence in performance measurement from 2009 through 2013.

The keystone to the County's ability to maintain its fiscal integrity is the continuing commitment of the County's Board of Supervisors. This commitment is evidenced by the Board of Supervisors' adoption in 1975 of *Ten Principles of Sound Financial Management*, which remain the policy context in which financial decisions are considered and made. These principles 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 addition to the *Ten Principles of Sound Financial Management*, this section includes an overview of the County's long-term financial policies with a brief description of policies relating to the budget guidelines, reserves, internal financial controls, debt management, risk management, information technology, and investments. Long-term financial management tools and planning documents used by the County are also briefly described.

### Ten Principles of Sound Financial Management

The *Ten Principles of Sound Financial Management* adopted by the Board of Supervisors on October 22, 1975, endorsed a set of policies designed to contribute to the County's fiscal management and maintain the County's "triple A" bond rating. The County has maintained its superior rating in large part due to its firm adherence to these policies. The County's exceptional "triple A" bond rating gives its bonds an unusually high level of marketability and results in the County being able to borrow for needed capital improvements at low interest rates, thus realizing significant savings now and in the future for the residents of Fairfax County.

From time to time the Board of Supervisors has amended the *Ten Principles of Sound Financial Management* in order to address changing economic conditions and management practices. For FY 2015, no changes are recommended. In FY 2008, the Board authorized the use of variable rate debt. Variable rate obligations are debt obligations that are quite frequently used for short-term or interim debt financing and have an interest rate that is reset periodically, usually for periods of less than one year. Variable rate debt is typically used to take advantage of low short-term rates in anticipation of converting to longer-term fixed rate financing for complex projects or to mitigate the impact of volatile markets. Prior to the FY 2008 change, the most recent amendment to the *Ten Principles* was in May 2006 reflecting changes in

## Long-Term Financial Policies and Tools

the economy and the market place. Annual bond sale limits were increased from \$200 million to \$275 million per year. Prior to that update the last amendments occurred in 2002.

In addition to the more traditional methods of long-term financing through General Obligation Bonds, the County has been able to accomplish major capital improvements through the use of alternative financing while maintaining the County's fiscal integrity as required by the *Ten Principles*. Accomplishments such as Metro station parking garages, construction of Route 28, the opening of a commuter rail and construction of government facilities have all been attained in addition to a robust bond construction program. In 2003 the County was able to accelerate the construction of a new high school by three years through the creative use of revenue bonds in connection with the joint development of a senior care facility and a golf course in conjunction with the high school. From 1999 through 2013, the County has approved \$3.37 billion of new debt at referendum, with \$2.31 billion for Schools.

Since 1975, the savings associated with the County having a "triple-A" bond rating is estimated at \$448.84 million. Including savings from the various refunding sales, the total benefit to the County equates to \$631.08 million. Also, implementation of a Master Lease program and judicious use of short-term lease purchases for computer equipment, copier equipment, school buses and energy efficient equipment have permitted the County and the Schools to maximize available technology while maintaining budgetary efficiency.

The *Ten Principles* full text is as follows:

### Ten Principles of Sound Financial Management April 21, 2008

1. **Planning Policy.** The planning system in the County will continue as a dynamic process, which is synchronized with the capital improvement program, capital budget and operating budget. The County's land use plans shall not be allowed to become static. There will continue to be periodic reviews of the plans at least every five years. Small area plans shall not be modified without consideration of contiguous plans. The Capital Improvement Program will be structured to implement plans for new and expanded capital facilities as contained in the County's Comprehensive Plan and other facility plans. The Capital Improvement Program will also include support for periodic reinvestment in aging capital and technology infrastructure sufficient to ensure no loss of service and continued safety of operation.
2. **Annual Budget Plans.** Annual budgets shall continue to show fiscal restraint. Annual budgets will be balanced between projected total funds available and total disbursements including established reserves.
  - a. A managed reserve shall be maintained in the General Fund at a level sufficient to provide for temporary financing of critical unforeseen disbursements of a catastrophic emergency nature. The reserve will be maintained at a level of not less than two percent of total Combined General Fund disbursements in any given fiscal year.
  - b. A Revenue Stabilization Fund (RSF) shall be maintained in addition to the managed reserve at a level sufficient to permit orderly adjustment to changes resulting from curtailment of revenue. The ultimate target level for the RSF will be three percent of total General Fund Disbursements in any given fiscal year. After an initial deposit, this level may be achieved by incremental additions over many years. Use of the RSF should only occur in times of severe economic stress. Accordingly, a withdrawal from the RSF will not be made unless the projected revenues reflect a decrease of more than 1.5 percent from the current year estimate and any such withdrawal may not exceed one half of the RSF fund balance in that year.

# Long-Term Financial Policies and Tools

## Ten Principles of Sound Financial Management

April 21, 2008

- c. Budgetary adjustments which propose to use available general funds identified at quarterly reviews should be minimized to address only critical issues. The use of non-recurring funds should only be directed to capital expenditures to the extent possible.
    - d. The budget shall include funds for cyclic and scheduled replacement or rehabilitation of equipment and other property in order to minimize disruption of budgetary planning from irregularly scheduled monetary demands.
  3. **Cash Balances.** It is imperative that positive cash balances exist in the General Fund at the end of each fiscal year. If an operating deficit appears to be forthcoming in the current fiscal year wherein total disbursements will exceed the total funds available, the Board will take appropriate action to balance revenues and expenditures as necessary so as to end each fiscal year with a positive cash balance.
  4. **Debt Ratios.** The County's debt ratios shall be maintained at the following levels:
    - a. Net debt as a percentage of estimated market value shall be less than 3 percent.
    - b. Debt service expenditures as a percentage of General Fund disbursements shall not exceed 10 percent. The County will continue to emphasize pay-as-you-go capital financing. Financing capital projects from current revenues is indicative of the County's intent to use purposeful restraint in incurring long-term debt.
    - c. For planning purposes annual bond sales shall be structured such that the County's debt burden shall not exceed the 3 and 10 percent limits. To that end sales of General Obligation Bonds and general obligation supported debt will be managed so as not to exceed a target of \$275 million per year, or \$1.375 billion over five years, with a technical limit of \$300 million in any given year. Excluded from this cap are refunding bonds, revenue bonds or other non-General Fund supported debt.
    - d. For purposes of this principle, debt of the General Fund incurred subject to annual appropriation shall be treated on a par with general obligation debt and included in the calculation of debt ratio limits. Excluded from the cap are leases secured by equipment, operating leases, and capital leases with no net impact to the General Fund.
    - e. Use of variable rate debt is authorized in order to increase the County's financial flexibility, provide opportunities for interest rate savings, and help the County manage its balance sheet through better matching of assets and liabilities. Debt policies shall stipulate that variable rate debt is appropriate to use when it achieves a specific objective consistent with the County's overall financial strategies; however, the County must determine if the use of any such debt is appropriate and warranted given the potential benefit, risks, and objectives of the County. The County will not use variable rate debt solely for the purpose of earning arbitrage pending the disbursement of bond proceeds.
    - f. For purposes of this principle, payments for equipment or other business property, except real estate, purchased through long-term lease-purchase payment plans secured by the equipment will be considered to be operating expenses of the County. Annual General Fund payments for such leases shall not exceed 3 percent of the annual General Fund disbursements, net of the School transfer. Annual equipment lease-purchase payments by the Schools and other governmental entities of the County should not exceed 3 percent of their respective disbursements.

# Long-Term Financial Policies and Tools

## Ten Principles of Sound Financial Management

April 21, 2008

5. **Cash Management.** The County's cash management policies shall reflect a primary focus of ensuring the safety of public assets while maintaining needed liquidity and achieving a favorable return on investment. These policies have been certified by external professional review as fully conforming to the recognized best practices in the industry. As an essential element of a sound and professional financial management process, the policies and practices of this system shall receive the continued support of all County agencies and component units.
6. **Internal Controls.** A comprehensive system of financial internal controls shall be maintained in order to protect the County's assets and sustain the integrity of the County's financial systems. Managers at all levels shall be responsible for implementing sound controls and for regularly monitoring and measuring their effectiveness.
7. **Performance Measurement.** To ensure Fairfax County remains a high performing organization all efforts shall be made to improve the productivity of the County's programs and its employees through performance measurement. The County is committed to continuous improvement of productivity and service through analysis and measurement of actual performance objectives and customer feedback.
8. **Reducing Duplication.** A continuing effort shall be made to reduce duplicative functions within the County government and its autonomous and semi-autonomous agencies, particularly those that receive appropriations from the General Fund. To that end, business process redesign and reorganization will be encouraged whenever increased efficiency or effectiveness can be demonstrated.
9. **Underlying Debt and Moral Obligations.** The proliferation of debt related to but not directly supported by the County's General Fund shall be closely monitored and controlled to the extent possible, including revenue bonds of agencies supported by the General Fund, the use of the County's moral obligation and underlying debt.
  - a. A moral obligation exists when the Board of Supervisors has made a commitment to support the debt of another jurisdiction to prevent a potential default, and the County is not otherwise responsible or obligated to pay the annual debt service. The County's moral obligation will be authorized only under the most controlled circumstances and secured by extremely tight covenants to protect the credit of the County. The County's moral obligation shall only be used to enhance the credit worthiness of an agency of the County or regional partnership for an essential project, and only after the most stringent safeguards have been employed to reduce the risk and protect the financial integrity of the County.
  - b. Underlying debt includes tax supported debt issued by towns or districts in the County, which debt is not an obligation of the County, but nevertheless adds to the debt burden of the taxpayers within those jurisdictions in the County. The issuance of underlying debt, insofar as it is under the control of the Board of Supervisors, will be carefully analyzed for fiscal soundness, the additional burden placed on taxpayers and the potential risk to the General Fund for any explicit or implicit moral obligation.
10. **Diversified Economy.** Fairfax County must continue to diversify its economic base by encouraging commercial and, in particular, industrial employment and associated revenues. Such business and industry must be in accord with the plans and ordinances of the County.



## Long-Term Financial Policies and Tools

Through the application of the *Ten Principles*, careful fiscal planning and sound financial management, Fairfax County has achieved a "triple A" bond rating from the three leading rating agencies. The County has held a Aaa rating from Moody's Investors Service since 1975, a AAA rating from Standard and Poor's Corporation since 1978, and a AAA rating from Fitch Investors Services since 1997. As of January 2014, Fairfax County is one of only 39 counties in the country with "triple A" bond ratings from all three rating agencies.

### Fairfax County Bond Rating Report Card



As of January, 2014 only a limited number of jurisdictions, including Fairfax County, have received a "triple A" bond rating from Moody's Investors Service, Standard and Poor's Corporation, and Fitch Investors Services:

- only 39 of the nation's 3,069 counties
- only 9 of the nation's 50 states
- only 32 of the nation's 35,000+ cities and towns

### Long-Term Financial Policies

The following is a description of the primary financial policies that are used to manage the County's resources and contribute to its outstanding fiscal condition. Each year during budget adoption, the Board of Supervisors reaffirms and approves budget guidelines for the next budget year. These guidelines then serve as a future budget development tool.

## Long-Term Financial Policies and Tools

### BUDGET GUIDANCE FOR FY 2014 AND FY 2015 – April 23, 2013

At a regular meeting of the Board of Supervisors of Fairfax County, Virginia, held in the Board Auditorium of the Fairfax County Government Center on Tuesday, April 23, 2013, the Board approved the following Budget Guidance for FY 2014 and FY 2015:

#### **Employee Compensation and Development**

The Board appreciates that employees have continued to provide quality services to our residents with professionalism and dedication, even in the face of pay freezes and tough economic times. Their efforts have not gone unnoticed by this body. The creation of a fair and sustainable compensation package for implementation in FY 2015 is a critical element in the long-term stability of the County workforce.

The County Executive's proposed STRIVE initiative has two components that are supported by the Board and employee groups: succession planning and the creation of a performance measurement tool for General County employees. The Board directs staff to continue work that has already begun on the implementation of these two initiatives. The important elements of ensuring cross-training and building capacity are essential as the County moves forward.

The Board will meet at future Personnel Committees to discuss the sustainable compensation recommendations made by the County Executive in the STRIVE proposal.

The Board reaffirms its commitment to work with employee groups to develop and refine an overall pay structure that: provides compensation adjustments based on inflation and other economic factors; awards employees for satisfactory job performance; addresses longevity factors for long-tenured employees; and develops a cohesive plan for conducting market studies and ensuring that county job classes maintain equity and competitiveness within the Region.

Amendments and alternatives to the proposed STRIVE proposal shall be developed and presented to the Board prior to the County Executive's FY 2015 budget presentation. It is imperative that employee groups collaborate effectively with each other and with County staff in order to ensure a new compensation plan that is designed to attract and retain our quality workforce while considering the impact of these decisions on the County tax payer.

For development of the FY 2015 budget, the Board confirms the County Executive's assumptions for employee compensation that include a formula-based Market Rate Adjustment, longevity increases for public safety employees, classification review adjustments (which include Fire and Rescue classes and Police Captains among others) as well as funding for a reduction in the Police employee retirement contribution rate. Estimated funding requirements for these items are already included in the FY 2015 budget proposal. In addition, staff will review appropriate changes to the Social Security offset for service-connected disability retirements.

In addition, County staff is directed to return to the Board with impacts and costs associated with federal Health Care law changes passed in 2010. These updates should be provided in advance of final implementation so that decisions may be made about changes to the County's health care plans as required.

#### **Fairfax County Public Schools**

The Board is very supportive of the Fairfax County School Board's decision to participate in the Virginia School Efficiency Review in order to improve the financial and operational performance of Fairfax County Public Schools. In the current economic climate, it is critical to thoroughly explore all opportunities for cost savings and improved efficiency within the County government and within our schools.

The Board once again encourages the School Board to establish an independent auditor position that would report directly to the School Board. The Board of Supervisors has had an independent auditor since the 1990s and their work has saved millions of taxpayer dollars and resulted in more efficient delivery of services. The creation of a similar position for the School System would give the School Board access to the same kind of resource.

# Long-Term Financial Policies and Tools

## BUDGET GUIDANCE FOR FY 2014 AND FY 2015 – April 23, 2013

### Available Balances

Given the growing list of one-time funding requirements that are currently unfunded and the need to minimize the use of one-time balances for recurring requirements, the Board of Supervisors directs that remaining balances made available at the Carryover and Third Quarter Reviews, which are not required to support critical requirements, be identified for these one-time needs. These requirements include items such as facility repairs, emergency generators for streetlights, hook-ups for generators at County facilities to allow their use as emergency centers, as well as capital expenditures to meet the Americans with Disabilities Act (ADA) improvements required as part of the Department of Justice audit and identified in the settlement agreement signed by the Board of Supervisors on January 28, 2011.

### Sequestration Reserve

The Board directs that County staff report regularly on impacts from Sequestration as well as recommend responses to reductions that impact County revenues and programs. In addition the Board directs that staff develop guidelines for the County's approach to addressing Sequestration impacts. Recommendations will take into consideration the severity of the reduction, whether of short-term or long-term nature and what the cumulative effect of reductions is on County programs.

### Human Services

#### **Employment Services to Support the Housing Blueprint Goals**

Over the past several years, the Board has heard about the importance of housing services supports and, in particular, the need for employment services that are specific to residents who are homeless. The recent "100,000 Homes" effort and interviews with persons who are homeless, revealed that many individuals have jobs but still cannot escape homelessness. Individuals with few skills or little experience, find limited opportunities for jobs that pay a living wage. Additionally, many persons who are homeless have barriers including limited transportation, reduced access to educational training, and job support programs. In today's competitive environment, the difficulties of job seeking for individuals who are homeless can be almost insurmountable barriers to employment. Since the employment model has not yet been developed it is directed that staff work to develop a program, using existing services as a model. An initial investment of \$200,000 is included in the FY 2014 budget.

#### **Northern Virginia Training Center (NVTC) Services**

The Fairfax County budget appropriately does not include any additional funds to supplant State resources and cover the current or new costs of residential or day habilitation care for those individuals scheduled to transfer from the NVTC to local community programs and providers. The Board of Supervisors must work with the Northern Virginia State Delegation to ensure State funding mechanisms and rate methodologies are in place to continue funding appropriate to each individual's level of care needs in residential and day habilitation services before individuals are transferred out of NVTC. This issue will be directed to the Board's Legislative Committee. Staff is also directed to pursue opportunities for County utilization of the existing training center properties and facilities.

## Long-Term Financial Policies and Tools

### BUDGET GUIDANCE FOR FY 2014 AND FY 2015 – April 23, 2013

#### **Head Start**

No additional funding is provided for the expansion of the Head Start program due to concerns over the potential loss of federal funds for the existing program as a result of Sequestration. The Board directs staff to review the Sequestration impact on Head Start and return with recommendations to minimize the impact of cuts on children currently enrolled in Head Start.

Whether or not federal funding cuts are made to the Head Start program, staff is directed to return to the Board with options for addressing the current waiting list for early childhood development services in advance of the FY 2015 budget. This review shall include options for provision of early childhood development services that may be less expensive than the current federal or classroom based models. Options for expanding early childhood development services should be presented at a joint meeting of the Board of Supervisors and the School Board.

#### **Fairfax-Falls Church Community Services Board (CSB)**

As part of the ongoing oversight and review of CSB services, the Board directs that staff return to a future Human Service Committee meeting with updates from the work plan currently underway for the CSB. This will include review of Beeman Commission redesign implementation and options for Intellectual Disability Services.

#### **Election Commission Recommendations**

The Board is supportive of the items recommended by the Election Commission and approves the use of \$720,000 in funding included in the FY 2014 budget for implementation of recommendations such as the purchase of additional electronic poll books. Actual allocation of this funding will be included as part of the FY 2013 Carryover package in consultation with the staff of the Office of Elections. In addition, the Board supports the inclusion of the first half of necessary election equipment replacement in FY 2015 as recommended in the County Executive's multi-year budget. This \$6 million is necessary to ensure that the successful replacement of the equipment can be accomplished in advance of the 2016 Presidential election (FY 2017). The balance of the replacement is anticipated to be funded in FY 2016.

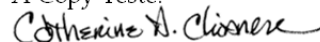
#### **Public Safety**

The Board directs that the County Executive return with the 5-year analysis of staffing requirements for all Public Safety departments to the Board Public Safety Committee by Fall 2013. This review should be based on projected growth and other metrics as outlined by the County Executive in the FY 2014 Advertised Budget Plan.

#### **Stormwater Management**

The Board continues to recognize the long-term challenges associated with stormwater management in the County. In FY 2014, the Stormwater Service District rate will remain at FY 2013 Adopted level of \$0.020 (two cents) per \$100 of assessed real estate value. This levy will generate just over \$41 million, supporting \$17.6 million for staff and operational costs, and \$23.6 million for capital project implementation including infrastructure reinvestment, stream and water quality improvements, regulatory requirements, and dam safety requirements. Stormwater staff is directed to evaluate the required future funding levels to meet the increasing federal and state regulatory requirements pertaining to the Municipal Separate Storm Sewer System (MS4) Permit, and State and Federal mandates associated with the Chesapeake Bay. Later this year staff should present a long-term funding and staffing plan to the Board of Supervisors. It is anticipated that this long range plan will include a five-year rate plan, a phased approach for funding and staffing, and a public outreach plan to support the anticipated regulatory increases.

A Copy Teste:



Catherine A. Chianese,

Clerk to the Board of Supervisors

# Long-Term Financial Policies and Tools

## Reserve Policies

The reserve policies adopted by the County are complimentary to the requirement for balanced budgets. Among the long standing policies are:

- that annual budgets be balanced between projected total funds available and total disbursements including funding for established reserves;
- that it is imperative that positive cash balances exist in the General Fund at the end of each fiscal year; and
- that if an operating deficit appears to be forthcoming in the current fiscal year wherein total disbursements will exceed the total funds available, the Board will take appropriate action to balance revenues and expenditures as necessary so as to end each fiscal year with a positive cash balance.

There are two primary General Fund reserves:

- Managed Reserve - 2 percent of General Fund Disbursements or \$71.7 million per the *FY 2013 Actual*
- Revenue Stabilization Fund Reserve - 3 percent of General Fund Disbursements or \$107.6 million per the *FY 2013 Actual*

A Managed Reserve (MR) shall be maintained in the General Fund at a level sufficient to provide for temporary financing of critical unforeseen disbursements of a catastrophic emergency nature. The reserve will be maintained at a level of not less than two percent of total Combined General Fund Disbursements in any given fiscal year. The MR has been maintained since 1983 and a withdrawal has never been made from it.

A Revenue Stabilization Fund (RSF) shall be maintained in addition to the managed reserve at a level sufficient to permit orderly adjustment to changes resulting from curtailment of revenue. The ultimate target level for the RSF will be three percent of total General Fund Disbursements in any given fiscal year. The Board of Supervisors determined that a minimum of 40 percent of non-recurring balances identified at quarterly reviews would be transferred to the Revenue Stabilization Fund and the Fund would retain the interest earnings on this balance, and the retention of interest would continue until the Reserve is fully funded. The RSF was created in FY 2000 and fully funded in FY 2006. The Revenue Stabilization Fund will not be used as a method of addressing the demand for new or expanded services; it is solely to be used as a financial tool in the event of an economic downturn.

Therefore, three specific criteria that must be met in order to make a withdrawal from the Fund include:

- 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 combination with spending cuts or other measures.

The Revenue Stabilization Fund was used for the first and only time in FY 2009. A withdrawal of \$18.7 million was a small part of the total plan approved by the Board which included significant reductions, a furlough for employees and application of other balances to address a \$64.7 million shortfall at the *FY 2009 Third Quarter Review*. As a result of available balances at FY 2009 year end, the reserve was fully replenished.

## Long-Term Financial Policies and Tools

In addition to the Managed Reserve and the Revenue Stabilization Fund, the County has many reserves maintained within various funds. Among these reserves are those designated for replacement of equipment and facilities, identified for long-term liabilities, to meet debt service requirements and as operating / rate stabilization reserves. As part of the annual budget process staff identifies potential changes to funding levels and brings to the Board policy decisions which need to be made in relation to Reserve Policies. In addition, at year end, during the Carryover process, reserve balances are often reset as a result of actual fund balances and/or actuarial analyses. More detail about the size of reserves and the specific use for them is available in each agency narrative but the Board policies concerning reserves are summarized below.

**Replacement Reserve Policies:** The Board of Supervisor's has repeatedly reaffirmed the policy that the County budget shall include funds for cyclic and scheduled replacement or rehabilitation of equipment and other property in order to minimize disruption of budgetary planning from irregularly scheduled monetary demands. These reserves are necessary to provide a source of funding for planned replacement of major equipment or infrastructure over several years. For example, the County maintains a vehicle replacement reserve within the Department of Vehicle Services to plan for vehicle replacement once age, mileage, and condition criteria have been met. General Fund monies are set aside each year over the life of the existing vehicle in order to pay for its replacement. Helicopter, ambulance and large apparatus replacement funds are also maintained for the Police and Fire and Rescue Departments. Fixed payments to these reserves are made annually to ensure funding is available at such time that the equipment must be replaced.

**Outstanding Liability Policies:** The Board of Supervisor's has also consistently funded reserve requirements for outstanding liabilities as they are identified and in conformance with accounting standards and practices. It is important to note that contributions to these liability reserves have been sustained even as reductions in services have been made, demonstrating the commitment of the Board to meet its fiduciary responsibilities. An example of a liability reserve is the County's Self Insurance program which is evaluated each year by an actuary and the liability for all self-insured programs is identified. The accrued liability reserve identified as of year-end each year is funded during a subsequent quarterly review. An additional reserve is also currently identified by County policy for catastrophic loss above and beyond the identified accrued liability. Beginning in FY 2008, the County's financial statements were required to implement Governmental Accounting Standards Board (GASB) Statement No. 45 for other post-employment benefits. This standard addresses how local governments should account for and report their costs related to post-employment health care and other non-pension benefits. As a result, an annual required contribution (ARC) to meet the long-term liability is funded by both the County and Schools.

**Debt Service Reserve Policies:** The majority of debt service reserves are maintained by a trustee as stipulated by the terms of the bond documents for the bonds which are being supported. However, as an Enterprise System of the County, Sewer Bond Debt Reserves were established in Funds 69000, Sewer Revenue, 69030, Sewer Bond Debt Reserve, and 69040, Sewer Bond Subordinate Debt Reserve, to provide one year of principle and interest for the outstanding bond series as required by the Sewer System's General Bond Resolution.

## Long-Term Financial Policies and Tools

**Operating and Rate Stabilization Reserve Policies:** The County has also identified reserves for potential operating adjustments that may be required and/or to help mitigate the need for significant shifts in tax rates or charges for services. The Boards of both the County and Schools have often approved set aside reserves to assist in budget development for the next year. These reserves have been established as the result of balances accumulated through expenditure savings and conservative revenue projections consistent with the policy that positive cash balances are available at year end.

### Third Quarter/Carryover Reviews

The Department of Management and Budget conducts a *Third Quarter Review* on the current year *Revised Budget Plan* which includes a detailed analysis of expenditure requirements. All agencies and funds are reviewed during the *Third Quarter Review* and adjustments are made to the budget as approved by the Board of Supervisors. Section 15.2-2507 of the Code of Virginia requires that a public hearing be held prior to Board action when the potential increases in the appropriation are greater than 1.0 percent of expenditures. The Board's Adopted Budget guidelines indicate that any balances identified throughout the fiscal year, which are not required to support expenditures of a legal or emergency nature, must be held in reserve.

*Carryover Review* represents the analysis of balances remaining from the prior year and provision for the appropriation of funds to cover the prior year's legal obligations (encumbered items) in the new fiscal year without loss of continuity in processing payments. *Carryover* extends the prior year funding for the purchase of specific items previously approved in the budget process, but for which procurement could not be obtained for various reasons. All agencies and funds are reviewed during the *Carryover Review* and adjustments are made to the budget as approved by the Board of Supervisors. Again, the Code of Virginia requires that a public hearing be held prior to Board action when the potential increases in the appropriation are greater than 1.0 percent of expenditures.

### Cash Management/Investments

Maintaining the safety of the principal of the County's public investment is the highest priority in the County's cash management policy. The secondary and tertiary priorities are the maintenance of liquidity of the investment and optimization of the rate of return within the parameters of the Code of Virginia, respectively. Funds held for future capital projects are invested in accordance with these objectives, and in such a manner so as to ensure compliance with U.S. Treasury arbitrage regulations. A senior interagency Investment Committee develops investment policies and oversees the effectiveness of portfolio management in meeting policy goals.

The County maintains cash and temporary investments in several investment portfolios. A general investment portfolio holds investments purchased by the County for the pooled cash and General Obligation Bond funds. Investments for this portfolio are held by a third-party custodian. Other portfolios are managed to meet the specific needs of County entities, such as, the Resource Recovery Bonds, the Fairfax County Economic Development Authority Parking Revenue Bond (the Vienna Metrorail Parking Garage Project), Sewer Revenue Bonds, Housing Bonds, and the Equipment Acquisitions Fund. Investments for all portfolios are held by a third-party custodian.

Except where prohibited by statutory or contractual constraints, the General Fund is credited with interest earned in the general investment pool. Non-General Fund activities that earn interest through centralized investment management contribute to the cost of portfolio management by way of a market-based administrative charge that accrues to the General Fund.

# Long-Term Financial Policies and Tools

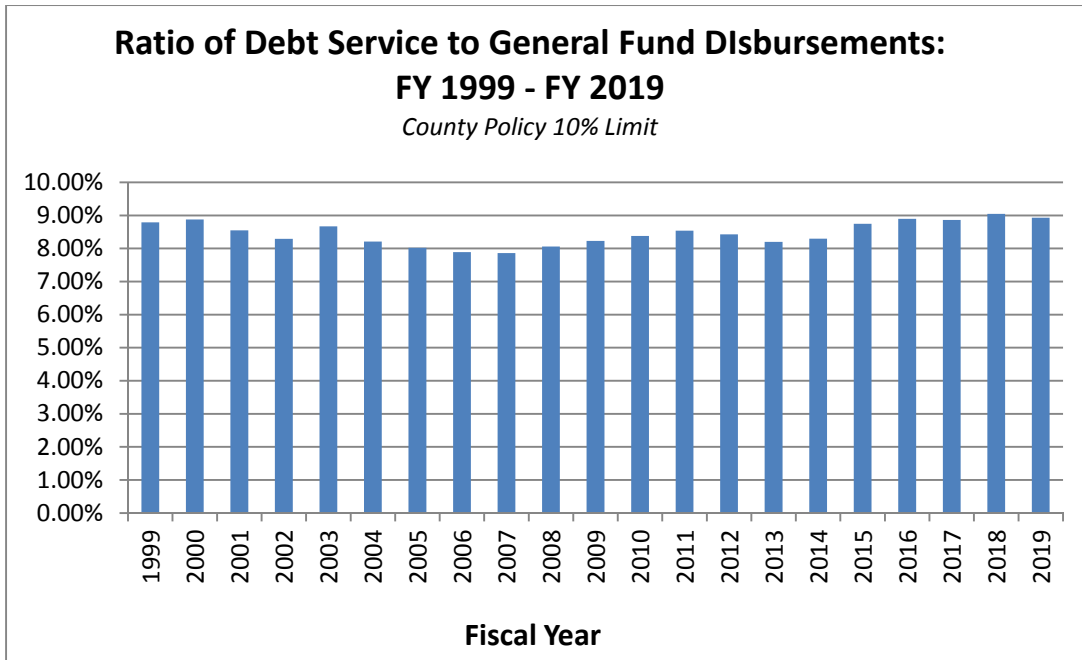
## Debt Management/Capital Improvement Planning

The Commonwealth of Virginia Constitution requires that long-term debt pledged by the full faith and credit of the County can only be approved by voter referendum. There is no statutory limit on the amount of debt the voters can approve. It is the County's own policy to manage debt within the guidelines identified in the *Ten Principles of Sound Financial Management*. Specifically, debt service expenditures as a percentage of General Fund disbursements should remain under 10.0 percent and the percentage of debt to estimated market value of assessed property should remain under 3.0 percent. The County continues to maintain these debt ratios, as illustrated below:

### Debt Service Requirements as a Percentage of Combined General Fund Disbursements

<u>Fiscal Year Ending</u>	<u>Debt Service Requirements<sup>1</sup></u>	<u>General Fund Disbursements</u>	<u>Percentage</u>
2011	\$290,585,694	\$3,344,902,997	8.69%
2012	290,776,904	3,418,544,048	8.51%
2013	292,243,676	3,533,287,183	8.27%
2014 (est.)	303,890,790	3,663,471,547	8.30%
2015 (est.)	324,051,471	3,704,218,835	8.75%

<sup>1</sup>The amount includes total principal and interest payments on the County's outstanding tax supported debt obligations, including General Obligation Bonds and other tax supported debt obligations. Source: Fairfax County Department of Management and Budget.





# Long-Term Financial Policies and Tools

## Net Debt as a Percentage of Market Value of Taxable Property

<u>Fiscal Year Ending</u>	<u>Net Bonded Indebtedness<sup>1</sup></u>	<u>Estimated Market Value<sup>2</sup></u>	<u>Percentage</u>
2011	\$2,554,051,000	\$200,523,239,485	1.27%
2012	2,734,135,000	207,327,568,596	1.32%
2013	2,575,596,000	214,232,636,323	1.20%
2014 (est.)	2,704,330,933	221,488,326,157	1.22%
2015 (est.)	2,740,074,681	233,471,090,691	1.17%

<sup>1</sup> The amount includes outstanding General Obligation Bonds and other tax supported debt obligations as of June 30 in the year shown and is from the Fairfax County Department of Management and Budget.

<sup>2</sup> Source: Fairfax County Department of Tax Administration and the Department of Management and Budget.

Per capita debt is also an important measure used in analyses of municipal credit. Fairfax County has historically had moderate to low per capita debt and per capita debt as a percentage of per capita income due to its steady population growth, and growth in the assessed valuation of property and personal income of residents, combined with a record of rapid repayment of capital debt.

The *Ten Principles of Sound Financial Management* establishes as a financial guideline a self-imposed limit on the level of the average annual bond sale. Actual bond issues are carefully sized with a realistic assessment of the need for funds, while remaining within the limits established by the Board of Supervisors. In addition, the actual bond sales are timed for the most opportune entry into the financial markets.

The policy guidelines enumerated in the *Ten Principles of Sound Financial Management* also express the intent of the Board of Supervisors to encourage a diversified economy in the County and to minimize the issuance of underlying indebtedness by towns and districts located within the County.

It is County policy to balance the need for public facilities, as expressed by the countywide land use plan, with the fiscal capacity of the County to provide for those needs. The five-year Capital Improvement Program (CIP), submitted annually to the Board of Supervisors, is the vehicle through which the stated need for public facilities is analyzed against the County's ability to stay within its self-imposed debt guidelines as articulated in the *Ten Principles of Sound Financial Management*. The CIP is supported largely through long-term borrowing that is budgeted annually in debt service or from General Fund revenues on a pay-as-you-go basis.

## Pay-as-you-go Financing

Although a number of options are available for financing the proposed Capital Improvement Program, including bond proceeds and grants, it is the policy of the County to balance the use of the funding sources against the ability to utilize current revenue or pay-as-you-go financing. While major capital facility projects are funded through the sale of General Obligation Bonds, the Board of Supervisors, through its *Ten Principles of Sound Financial Management*, continues to emphasize the importance of maintaining a balance between pay-as-you-go financing and bond financing for capital projects. Financing capital projects from current revenues indicates the County's intent to show purposeful restraint in incurring long-term debt. No explicit level or percentage has been adopted for capital projects from current revenues as a portion of either overall capital costs or of the total operating budget. The decision for using current revenues to fund a capital project is based on the merits of the particular

## Long-Term Financial Policies and Tools

project in relation to an agreed upon set of criteria. It is the Board of Supervisors' policy that non-recurring revenues should not be used for recurring expenditures.

### Risk Management

Continuing growth in County assets and operations perpetuates the potential for catastrophic losses resulting from inherent risks that remain unidentified and unabated. In recognition of this, the County has adopted a policy of professional and prudent management of risk exposures.

To limit the County's risk exposures, a Risk Management Steering Committee was established in 1986 to develop appropriate policies and procedures. The County Risk Manager is responsible for managing a countywide program. The program objectives are as follows:

- To protect and preserve the County's assets and workforce against losses that could deplete County resources or impair the County's ability to provide services to its citizens;
- To institute all practical measures to eliminate or control injury to persons, loss to property or other loss-producing conditions; and
- To achieve such objectives in the most effective and economical manner.

While the County's preference is to fully self-insure, various types of insurance such as workers' compensation, automobile, and general liability insurance remain viable alternatives when they are available at an affordable price.

### Pension Plans

The County funds the retirement costs for four separate retirement systems, including the Educational Employees Supplemental Retirement System, Police Officers Retirement System, Fairfax County Employees' Retirement System and Uniformed Retirement System. These retirement systems are administered by the County and are made available to Fairfax County government and school employees in order to provide financial security when they become retirement eligible or cannot work due to disability. In addition, professional employees of the Fairfax County School Board participate in a plan sponsored and administered by the Virginia Retirement System. The Board of Supervisors reviews the Police Officers Retirement System, Fairfax County Employees' Retirement System and the Uniformed Retirement System plans annually and takes action to fund the County's obligation.

On March 18, 2002, the Board of Supervisors adopted a corridor approach to employer contributions. The corridor approach adds further stability to the employer contribution rates and continues to adequately fund the retirement systems. In the corridor method of funding, a fixed contribution rate is assigned to each system and the County contributes at the fixed rate unless the system's funding ratio falls outside of the pre-selected corridor of 90-120 percent. If the funding ratio falls below 90 percent, the unfunded actuarial accrued liability below 90 percent is amortized over 15 years in order to return the funding ratio to 90 percent. At the Board of Supervisors' direction, staff conducted a comprehensive examination of the corridor policy in FY 2010 and concluded that the corridor approach should be maintained, as it has cushioned the County from dramatic rate increases in the past. However, it is unlikely that the funding ratios for the three systems will increase significantly over the next few years based on the current corridor parameters. Consequently, the corridor will remain at 90-120 percent, as codified in the [Fairfax County Code](#), but the County will gradually increase the funding to the systems to allow amortization of the unfunded actuarial accrued liability to 100 percent. The employer contribution rates were increased in FY 2011 to allow for amortization to a 91 percent level. In FY 2015, employer

## Long-Term Financial Policies and Tools

contribution rates are further increased to allow for amortization to a 93 percent level. It is anticipated that increases in the employer contribution rates will continue each year to fund amortization to a 100 percent level by the end of the decade.

As directed by the Board of Supervisors, the Department of Human Resources contracted with a benefits consultant to conduct a comprehensive review of the retirement plans. The consultant's report was presented in February and March 2012. Based on the results of this study, the Board of Supervisors adopted several modifications to the retirement systems, which apply only to new employees who are hired on or after January 1, 2013. These changes include:

- Increasing the minimum retirement age for normal service retirement from 50 to 55 in the Employees' system;
- Increasing the rule of 80 (age plus years of service) to the rule of 85 in the Employees' system;
- Placing a cap on the use of sick leave for purposes of determining retirement eligibility and benefits at 2,080 hours for all three retirement systems; and
- For the Deferred Retirement Option Program (DROP) program, removing the pre-Social Security supplement from balances accumulated during the DROP period in the Employees' and Uniformed systems. It should be noted that, as members of the Police Officers system do not participate in Social Security, they do not receive a pre-Social Security supplement.

No changes were made to benefits for current employees. Although the initial savings resulting from these changes are minimal, savings are expected to grow over time as more employees are hired under these new plan provisions.

The School Board reviews the Educational Employees Supplemental Retirement plan annually and takes action to fund the County's obligation based on actuarial valuations that are usually performed annually. Benefits are defined in each system according to the requirements of an ordinance of the Fairfax County Code. Each retirement system is governed by a Board of Trustees whose function is the general administration and operation of the system. Each Board has full power to invest and reinvest the accumulated monies created by the systems in accordance with the laws of the Commonwealth as they apply to fiduciaries investing such funds. Investment managers are hired by each Board and operate under the direction of the Boards' investment objectives and guidelines. Each Board meets once a month to review the financial management of the funds and to rule on retirement applications.

### Other Post-Employment Benefits (OPEB)

Beginning in FY 2008 the County's financial statements were required to implement Governmental Accounting Standards Board (GASB) Statement No. 45 for other post-employment benefits. This standard addresses how local governments should account for and report their costs related to post-employment health care and other non-pension benefits. Currently, the County offers retirees the option to participate in County group health insurance, life insurance, and dental plans. These benefits are offered to retirees at premium rates established using the blended experience of the active and retiree populations. As such, retirees receive an "implicit" benefit, as these premium rates are typically lower than if they were set solely using the experience of the retiree group. In addition, County retirees receive an explicit benefit through the retiree health benefit subsidy. The County provides monthly subsidy payments to eligible County retirees to help pay for health insurance. The current monthly subsidy, approved in FY 2006, commences at age 55 and varies by length of service. It should be noted that the monthly subsidy is provided to retirees on a discretionary basis, and the Board of Supervisors reserves the right to reduce or eliminate the benefit in the future if the cost of the subsidy becomes prohibitive or an alternative is chosen to aid retirees in meeting their health insurance needs.

## Long-Term Financial Policies and Tools

GASB 45 requires that the County accrue the cost of post-employment benefits during the period of employees' active employment, while the benefits are being earned, and disclose the unfunded actuarial accrued liability in order to accurately account for the total future cost of post-employment benefits and the financial impact on the County. The County established the OPEB Trust Fund in FY 2008 to pre-fund the cost of post-employment healthcare and other non-pension benefits. Establishing such a trust fund allows the County to capture long-term investment returns and make progress towards eliminating the unfunded liability over a 30-year period. This methodology mirrors the funding approach used for pension benefits. As a result, the County is required to make an annual contribution towards the long-term liability. This includes an amount for benefits accrued by active employees during the fiscal year, as well as an additional amount in order to address the unfunded actuarial accrued liability. Progress towards funding the liability is reported in the County's Comprehensive Annual Financial Report (CAFR).

The actuarial accrued liability is calculated annually as part of the actuarial valuation and includes adjustments due to benefit enhancements, medical trend experience, and normal growth assumptions. Before approving additional benefit enhancements, the County must carefully consider not only the impact on the current fiscal year budget, but also the long-term impact on the County's OPEB liability and annual required contribution.

It should be noted that the Fairfax County Public Schools offer similar benefits to their retirees, which result in a separate OPEB liability. The Schools also created an OPEB Trust Fund in FY 2008 to begin to address their unfunded liability and pre-fund the cost of other post-employment benefits.

### Grants

County policy requires that the initial application and acceptance of all grants over \$100,000 be approved by the Board of Supervisors. Each grant application is reviewed for the appropriateness and desirability of the program or service. Upon completion of the grant, programs are reviewed on a case-by-case basis to determine whether the program should be continued utilizing County funds. The County has no obligation to continue either grant-funded positions or grant-funded programs, if continued grant funding is not available.

Effective September 1, 2004, the Board of Supervisors established new County policy for grant applications and awards that meet certain requirements. If a grant is \$100,000 or less, with a required Local Cash Match of \$25,000 or less, with no significant policy implications, and if the grantor does not require Board of Supervisors' approval, the agency can work directly with the Department of Management and Budget to receive the award and reallocate funding from the anticipated/unanticipated reserve directly to the agency. If an award exceeds these limitations but was listed in the Anticipated Grant Awards table in the Adopted Budget for the current fiscal year, Board of Supervisors' approval is not required unless the actual funding received differs significantly from the projected funding listed in the budget. For any grant that does not meet all of the specified criteria, the agency must obtain Board of Supervisors' approval in order to apply for or accept the grant award.

# Long-Term Financial Policies and Tools

## Contributory Policies

To improve the general health and welfare of the community, as well as leverage scarce resources, it is the policy of the Board of Supervisors to make General Fund appropriations of specified amounts to various nonsectarian, nonprofit or quasi-government entities. Because public funds are being appropriated, funds provided to designated contributory agencies are currently made available contingent upon submission and review of financial reports. This oversight activity includes program reporting requirements that require designated contributors to describe accurately, in a manner prescribed by the County Executive, the level and quality of services provided to County residents.

## Information Technology

The following ten strategic directions are fundamental principles upon which Fairfax County will base its Information Technology (IT) decisions in the upcoming years. These are intended to serve as guidelines to assist County managers in applying information technology to achieve business goals.

### Ten Fundamental Principles of Information Technology

In addition to the Department of Information Technology's Mission and Goals, Fairfax County Information Technology (IT) projects and processes are guided by ten fundamental principles approved by the Board of Supervisors in 1996, and updated in 2003.

1. Our ultimate goal is to provide citizens, the business community, and County employees with timely, convenient access to appropriate information and services through the use of technology.
2. Business needs drive information technology solutions. Strategic partnerships will be established between the stakeholders and County so that the benefits of IT are leveraged to maximize the productivity of County employees and improve customer services.
3. Evaluate business processes for redesign opportunities before automating them. Use new technologies to make new business methods a reality. Exploit functional commonality across organizational boundaries.
4. Manage Information Technology as an investment.
  - Annually allocate funds sufficient to cover depreciation to replace systems and equipment before life-cycle end. Address project and infrastructure requirements through a multi-year planning and funding strategy.
  - Manage use of funds at the macro level in a manner that provides for optimal spending across the investment portfolio aligned to actualized project progress.
  - Look for cost-effective approaches to improving "legacy systems". Designate systems as "classic" and plan their modernization. This approach will help extend investments and system utility
  - Invest in education and training to ensure the technical staffs in central IT and user agencies understand and can apply current and future technologies.

## Long-Term Financial Policies and Tools

### Ten Fundamental Principles of Information Technology (Continued)

5. Implement contemporary, but proven, technologies. Fairfax County will stay abreast of emerging trends through an ongoing program of technology evaluation. New technologies often will be introduced through pilot projects where both the automation and its business benefits and costs can be evaluated prior to any full-scale adoption.
6. Hardware and software shall adhere to open (vendor-independent) standards and minimize proprietary solutions. This approach will promote flexibility, inter-operability, cost effectiveness, and mitigate the risk of dependence on individual vendors.
7. Provide a solid technology infrastructure as the fundamental building block of the County's IT architecture to support reliability, performance and security of the County's information assets. Manage and maintain the enterprise network as an essential communications channel connecting people to information and process via contemporary server platforms and workstations. It will provide access for both internal and external connectivity; will be flexible, expandable, and maintainable; be fully integrated using open standards and capable of providing for the unimpeded movement of data, graphics, image, video, and voice.
8. Approach IT undertakings as a partnership of central management and agencies providing for a combination of centralized and distributed implementation. Combine the responsibility and knowledge of central management, agency staff, as well as outside contract support, within a consistent framework of County IT architecture and standards. Establish strategic cooperative arrangements with public and private enterprises to extend limited resources.
9. Consider the purchase and integration of top quality, commercial-off-the-shelf (COTS) software requiring minimal customization as the first choice to speed the delivery of new business applications. This may require redesigning some existing work processes to be compatible with beneficial common practice capabilities inherent in many off-the-shelf software packages, and, achieves business goals. In consideration of this, it is recognized that certain County agencies operate under business practices that have in established in response to specific local interpretations and constraints and that in these instances, the institutionalization of these business practices may make the acquisition of COTS software not feasible. Develop applications using modern, efficient methods and laborsaving tools in a collaborative application development environment following the architectural framework and standards. An information architecture supported by a repository for common information objects (e.g., databases, files, records, methods, application inventories); repeatable processes and infrastructures will be created, shared and reused.
10. Capture data once in order to avoid cost, duplication of effort and potential for error and share the data whenever possible. Establish and use common data and common databases to the fullest extent. A data administration function will be responsible for establishing and enforcing data policy, data sharing and access, data standardization, data quality, identification and consistent use of key corporate identifiers.

# Long-Term Financial Policies and Tools

## Financial Management Tools and Planning Documents

This section is intended to provide a brief description of some of the financial management tools and long-range planning documents used by the County.

### Budget

The primary financial management tool used by the County is the annual budget process. This involves a comprehensive examination of all expenditure and revenue programs of the County, complete with public hearings and approval by the Board of Supervisors.

### Capital Improvement Program (CIP)

The Board of Supervisors annually considers and adopts a five-year Capital Improvement Program (CIP) which supports and implements the Comprehensive Plan. The CIP includes five years of project planning and forecasts project requirements for an additional five-year period. The CIP helps to balance the need for public facilities identified by the Comprehensive Plan with the County's fiscal resources and serves as a planning guide for the construction of general County facilities, schools, and public utilities. The CIP process provides a framework for development of reliable capital expenditure and revenue estimates, as well as the timely scheduling of bond referenda.

The CIP is an integral element of the County's budgeting process. The Capital Budget is the foundation for the first year of the adopted five-year CIP. The remaining four years in the CIP serve as a general planning guide. Future planning requirements five years beyond the CIP period are also included. The CIP is supported largely through long-term borrowing, which is budgeted annually in the debt service fund or from General Fund revenues on a pay-as-you-go basis.

The Board of Supervisors has approved Principles of Sound Capital Improvement Planning and Criteria for Recommending Capital Projects which are applied every year in the development of the CIP. The principles establish the County's Comprehensive Plan as the basis for capital planning requirements and emphasize the principle of life-cycle planning for capital facilities. The CIP is an integral part of the Adopted Budget Plan and is included on the Budget CD-ROM and on the County's website.

In October 2005, Fairfax County adopted revised guidelines for review of unsolicited Public Private Educational Facilities and Infrastructure Act (PPEA) proposals. In FY 2008, project screening criteria as presented in the CIP was approved for determining when an unsolicited PPEA project should be pursued or rejected. It is anticipated that other refinements, including any required legislative updates to the PPEA evaluation and review process will be developed and presented to the Board of Supervisors as needed. As of January 28, 2008, the County will only pursue an unsolicited PPEA project if, based on minimal analysis; the project offers a significant contribution to near term CIP goals, it offers significant savings to the General Fund or a significant positive effect on our debt capacity.

### Revenue Forecast

Revenue estimates are monitored on a monthly basis to identify any potential trends that would significantly impact the revenue sources. A Revenue Task Force meets regularly to review current construction trends, the number of authorized building permits, housing sales, mortgage rates, and other economic data which impact Real Estate Tax revenue collections. In addition, the Revenue Task Force uses statistical models to estimate such revenue categories as: the Personal Property Tax; Local Sales Tax; Business, Professional, and Occupational License Tax; Consumer Utility Tax; and Recordation Tax.

## Long-Term Financial Policies and Tools

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### Financial Forecast

A forecast of General Fund receipts and disbursements is developed as part of each year's budget process and is updated periodically. Individual and aggregate revenue categories, as well as expenditures, are projected by revenue and/or expenditure type. Historical growth rates, economic assumptions, and County expenditure priorities are all used in developing the forecast. This tool is used as a planning document for developing the budget guidelines and for evaluating the future impact of current year decisions.

### Fiscal Impact Review

It is County policy that all items having potential fiscal impact be presented to the Board of Supervisors for review. Effective management dictates that the Board of Supervisors and County citizens be presented with the direct and indirect costs of all items as part of the decision making process. In addition to its preliminary review of items presented to the Board of Supervisors, County staff also review state and federal legislative items, which might result in a fiscal or policy impact on the County.





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# FY 2015

Advertised Budget Plan



# Financial, Statistical and Summary Tables

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# Financial, Statistical and Summary Tables

## Explanation of Schedules

### General Fund Statement

#### *General Fund Statement*

Presents information for Fund 10001, General Fund. The General Fund Statement includes the beginning and ending balances, total available resources and total disbursements, including revenues, transfers in from other funds, expenditures and transfers out to other funds and reserves.

#### *General Fund Direct Expenditures*

Provides expenditure information, organized by Program Area and agency, with totals included for each Program Area and for the entire General Fund.

### Summary of Appropriated Funds

#### *Summary of Appropriated Funds by Fund Type*

Includes Budget Year Summary of Beginning Balance, Revenues by Category, Summary of Transfers In, Expenditures by Program Area, and Summary of Transfers Out for all Appropriated Funds.

#### *Revenue and Receipts by Fund - Summary of Appropriated Funds*

Includes revenues for all appropriated funds, organized by the three major fund groups - Governmental, Proprietary and Fiduciary funds.

#### *Expenditures by Fund - Summary of Appropriated Funds*

Includes expenditures for all appropriated funds, organized by the three major fund groups - Governmental, Proprietary and Fiduciary funds.

#### *Changes in Fund Balance - Summary of Appropriated Funds*

Includes changes in fund balance for all appropriated funds by the three major fund groups - Governmental, Proprietary and Fiduciary funds.

### Tax Rates and Assessed Valuation

#### *Summary of County Tax Rates*

Presents historical and current fiscal year tax rates for Real Estate, Personal Property, Sewage, Refuse Collection and Disposal, Consumer Utilities, E-911 Fees, and special taxing districts.

#### *Assessed Valuation, Tax Rates, Levies and Collections*

Details the assessed valuation and levy of taxable Real Estate and Personal Property, reports actual and estimated collections and reflects the percentage of the total levy collected.

# Financial, Statistical and Summary Tables

## Summary of Revenues

### *General Fund Revenues*

Details General Fund revenues by each source, subtotaled by category, for the prior, current and upcoming fiscal year.

### *Revenue from the Commonwealth*

Summarizes revenues from the Commonwealth of Virginia by fund for the prior, current and upcoming fiscal year.

### *Revenue from the Federal Government*

Summarizes revenues from the Federal government by fund for the prior, current and upcoming fiscal year.

## Other Expenditure Schedules

### *County Funded Programs for School-Related Services*

Summarizes all Fairfax County contributions to school-related programs. Congregating the General Fund transfer to the Schools, school debt service, and the numerous school-related programs funded in County agency budgets, reflects a more complete picture of how much the County spends on its schools on an annual basis. Provides additional expenditure data on County-funded programs for youth services (non-school related youth programs) and County-administered programs for school-related services, including programs for which the County has administrative oversight, but not sole funding responsibility.

### *Services for Older Adults*

Summarizes contributions to services for seniors in General Fund and General Fund Supported agencies.

**FY 2015 ADVERTISED FUND STATEMENT  
FUND 10001, GENERAL FUND**

	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2013 Carryover	Other Actions July-January	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan	Inc/(Dec) Over Revised	% Inc/(Dec) Over Revised
<b>Beginning Balance</b>	\$209,439,502	\$87,778,641	\$93,559,675	\$1,469,450	\$182,807,766	\$110,967,311	(\$71,840,455)	(39.30%)
<b>Revenue</b> <sup>1,2</sup>								
Real Property Taxes	\$2,123,406,700	\$2,207,982,016	\$0	\$8,617,948	\$2,216,599,964	\$2,342,831,045	\$126,231,081	5.69%
Personal Property Taxes <sup>3</sup>	353,633,268	336,067,422	0	18,240,870	354,308,292	368,833,524	14,525,232	4.10%
General Other Local Taxes	530,960,414	526,607,627	0	(4,637,650)	521,969,977	502,081,550	(19,888,427)	(3.81%)
Permit, Fees & Regulatory Licenses	38,201,352	36,870,254	0	1,818,315	38,688,569	39,438,395	749,826	1.94%
Fines & Forfeitures	14,131,523	14,863,219	0	(645,435)	14,217,784	14,235,071	17,287	0.12%
Revenue from Use of Money & Property	17,511,082	16,936,422	0	(1,972,623)	14,963,799	14,221,937	(741,862)	(4.96%)
Charges for Services	72,674,073	72,690,493	0	1,818,508	74,509,001	76,479,473	1,970,472	2.64%
Revenue from the Commonwealth <sup>3</sup>	301,125,920	306,918,671	118,025	427,007	307,463,703	306,785,768	(677,935)	(0.22%)
Revenue from the Federal Government	31,152,805	25,676,086	171,050	729,484	26,576,620	27,473,750	897,130	3.38%
Recovered Costs/Other Revenue	15,297,940	14,935,437	10,000	84,728	15,030,165	15,324,755	294,590	1.96%
<b>Total Revenue</b>	<b>\$3,498,095,077</b>	<b>\$3,559,547,647</b>	<b>\$299,075</b>	<b>\$24,481,152</b>	<b>\$3,584,327,874</b>	<b>\$3,707,705,268</b>	<b>\$123,377,394</b>	<b>3.44%</b>
<b>Transfers In</b>								
Fund 20000 Consolidated Debt Service	\$0	\$8,000,000	\$0	\$0	\$8,000,000	\$0	(\$8,000,000)	(100.00%)
Fund 40000 County Transit Systems	0	4,000,000	0	0	4,000,000	0	(4,000,000)	(100.00%)
Fund 40030 Cable Communications	4,270,457	4,145,665	0	0	4,145,665	3,148,516	(997,149)	(24.05%)
Fund 40080 Integrated Pest Management	0	138,000	0	0	138,000	138,000	0	0.00%
Fund 40100 Stormwater Services	0	1,000,000	0	0	1,000,000	1,000,000	0	0.00%
Fund 40140 Refuse Collection and Recycling Operations	0	535,000	0	0	535,000	535,000	0	0.00%
Fund 40150 Refuse Disposal	2,500,000	535,000	0	0	535,000	535,000	0	0.00%
Fund 40160 Energy Resource Recovery (ERR) Facility	0	42,000	0	0	42,000	42,000	0	0.00%
Fund 40170 I-95 Refuse Disposal	0	175,000	0	0	175,000	175,000	0	0.00%
Fund 60010 Department of Vehicle Services	0	1,224,931	0	0	1,224,931	0	(1,224,931)	(100.00%)
Fund 60030 Technology Infrastructure Services	0	1,500,000	0	0	1,500,000	0	(1,500,000)	(100.00%)
Fund 69010 Sewer Operation and Maintenance	0	1,800,000	0	0	1,800,000	1,800,000	0	0.00%
Fund 80000 Park Revenue	0	775,000	0	0	775,000	775,000	0	0.00%
<b>Total Transfers In</b>	<b>\$6,770,457</b>	<b>\$23,870,596</b>	<b>\$0</b>	<b>\$0</b>	<b>\$23,870,596</b>	<b>\$8,148,516</b>	<b>(\$15,722,080)</b>	<b>(65.86%)</b>
<b>Total Available</b>	<b>\$3,714,305,036</b>	<b>\$3,671,196,884</b>	<b>\$93,858,750</b>	<b>\$25,950,602</b>	<b>\$3,791,006,236</b>	<b>\$3,826,821,095</b>	<b>\$35,814,859</b>	<b>0.94%</b>
<b>Direct Expenditures</b> <sup>2</sup>								
Personnel Services	\$695,634,681	\$722,847,458	\$10,174,042	(\$1,192,807)	\$731,828,693	\$745,806,755	\$13,978,062	1.91%
Operating Expenses	334,794,913	333,347,232	38,617,753	78,240	372,043,225	347,535,949	(24,507,276)	(6.59%)
Recovered Costs	(41,253,899)	(44,575,824)	576,590	385,853	(43,613,381)	(44,576,928)	(963,547)	2.21%
Capital Equipment	1,240,331	220,968	360,739	576,564	1,158,271	190,017	(968,254)	(83.59%)
Fringe Benefits	278,906,707	297,561,471	1,338,106	152,150	299,051,727	312,330,626	13,278,899	4.44%
<b>Total Direct Expenditures</b>	<b>\$1,269,322,733</b>	<b>\$1,309,401,305</b>	<b>\$51,067,230</b>	<b>\$0</b>	<b>\$1,360,468,535</b>	<b>\$1,361,286,419</b>	<b>\$817,884</b>	<b>0.06%</b>
<b>Transfers Out</b>								
Fund S10000 School Operating <sup>4</sup>	\$1,683,322,285	\$1,716,988,731	\$0	\$0	\$1,716,988,731	\$1,751,328,506	\$34,339,775	2.00%
Fund 10010 Revenue Stabilization	1,680,445	0	1,250,797	0	1,250,797	1,031,348	(219,449)	(17.54%)
Fund 10020 Community Funding Pool	9,867,755	9,867,755	0	0	9,867,755	10,611,143	743,388	7.53%
Fund 10030 Contributory Fund	15,683,588	13,370,975	1,000,000	0	14,370,975	15,361,234	990,259	6.89%
Fund 10040 Information Technology	14,281,579	2,913,280	6,850,000	0	9,763,280	7,351,260	(2,412,020)	(24.71%)
Fund 20000 County Debt Service	116,853,073	118,797,992	0	0	118,797,992	133,742,157	14,944,165	12.58%
Fund 20001 School Debt Service	164,757,064	172,367,649	0	0	172,367,649	177,141,176	4,773,527	2.77%
Fund 30000 Metro Operations and Construction	11,298,296	11,298,296	0	0	11,298,296	11,298,296	0	0.00%
Fund 30010 General Construction and Contributions	16,554,569	11,933,202	8,443,295	0	20,376,497	18,718,981	(1,657,516)	(8.13%)

## FY 2015 ADVERTISED FUND STATEMENT FUND 10001, GENERAL FUND

	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2013 Carryover	Other Actions July-January	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan	Inc/(Dec) Over Revised	% Inc/(Dec) Over Revised
<b>Transfers Out (Cont.)</b>								
Fund 30020 Capital Renewal Construction	0	0	5,000,000	0	5,000,000	8,000,000	3,000,000	60.00%
Fund 30050 Transportation Improvements	200,000	0	200,000	0	200,000	0	(200,000)	(100.00%)
Fund 30060 Pedestrian Walkway Improvements	300,000	100,000	200,000	0	300,000	300,000	0	0.00%
Fund 30080 Commercial Revitalization Program	950,000	0	0	0	0	0	0	-
Fund 30300 The Penny for Affordable Housing	1,058,750	0	0	0	0	0	0	-
Fund 40000 County Transit Systems	36,547,739	34,547,739	0	0	34,547,739	34,547,739	0	0.00%
Fund 40040 Community Services Board	109,610,515	109,233,258	807,964	0	110,041,222	112,570,435	2,529,213	2.30%
Fund 40090 E-911	15,256,778	17,051,691	227,580	0	17,279,271	0	(17,279,271)	(100.00%)
Fund 40330 Elderly Housing Programs	2,043,297	1,852,376	11,895	0	1,864,271	1,862,125	(2,146)	(0.12%)
Fund 50000 Federal/State Grants	5,244,241	5,057,965	401,888	0	5,459,853	5,208,464	(251,389)	(4.60%)
Fund 60000 County Insurance	22,094,372	21,017,317	12,810	0	21,030,127	23,226,489	2,196,362	10.44%
Fund 60020 Document Services Division	2,398,233	2,398,233	9,150	0	2,407,383	2,398,233	(9,150)	(0.38%)
Fund 60040 Health Benefits	4,000,000	0	1,600,000	0	1,600,000	0	(1,600,000)	(100.00%)
Fund 73030 OPEB Trust	28,000,000	28,000,000	0	0	28,000,000	28,000,000	0	0.00%
Fund 83000 Alcohol Safety Action Program	171,958	171,958	19,216	0	191,174	410,571	219,397	114.76%
<b>Total Transfers Out</b>	<b>\$2,262,174,537</b>	<b>\$2,276,968,417</b>	<b>\$26,034,595</b>	<b>\$0</b>	<b>\$2,303,003,012</b>	<b>\$2,343,108,157</b>	<b>\$40,105,145</b>	<b>1.74%</b>
<b>Total Disbursements</b>	<b>\$3,531,497,270</b>	<b>\$3,586,369,722</b>	<b>\$77,101,825</b>	<b>\$0</b>	<b>\$3,663,471,547</b>	<b>\$3,704,394,576</b>	<b>\$40,923,029</b>	<b>1.12%</b>
<b>Total Ending Balance</b>	<b>\$182,807,766</b>	<b>\$84,827,162</b>	<b>\$16,756,925</b>	<b>\$25,950,602</b>	<b>\$127,534,689</b>	<b>\$122,426,519</b>	<b>(\$5,108,170)</b>	<b>(4.01%)</b>
Less:								
Managed Reserve	\$71,884,864	\$71,727,394	\$1,542,037		\$73,269,431	\$74,087,892	\$818,461	1.12%
Reserve for State/Federal Reductions and Federal Sequestration Cuts <sup>5</sup>	8,099,768	8,099,768	(401,888)		7,697,880	7,697,880	0	0.00%
Litigation Reserve <sup>6</sup>	5,000,000	5,000,000		25,000,000	30,000,000	30,000,000	0	0.00%
Transportation Reserve <sup>7</sup>	538,344						0	-
Reserve for FY 2014 Budget Development <sup>8</sup>	742,333						0	-
FY 2012 Audit Adjustments <sup>9</sup>	1,513,332						0	-
FY 2013 Audit Adjustments <sup>2</sup>	1,469,450			1,469,450	1,469,450			
Reserve for FY 2014 Third Quarter <sup>10</sup>			15,616,776	(518,848)	15,097,928		(15,097,928)	(100.00%)
Reserve for Board Consideration <sup>11</sup>						10,640,747	10,640,747	-
<b>Total Available</b>	<b>\$93,559,675</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>-</b>

<sup>1</sup> FY 2014 Revised Budget Plan revenues reflect a net increase of \$24,481,152 based on revised revenue estimates as of fall 2013. These changes are shown in the "Other Actions July-January" column. The FY 2014 Third Quarter Review will contain a detailed explanation of these changes. Of the total, \$25,000,000 has been added to the Litigation Reserve and the remaining amount, a decrease of \$518,848, has been taken from the Reserve for FY 2014 Third Quarter.

<sup>2</sup> In order to appropriately reflect actual revenues and expenditures in the proper fiscal year, FY 2013 revenues are increased \$2,084,386 and FY 2013 expenditures are increased \$614,936 to reflect audit adjustments as included in the FY 2013 Comprehensive Annual Financial Report (CAFR). As a result, the FY 2014 Revised Budget Plan Beginning Balance reflects a net increase of \$1,469,450. Details of the FY 2013 audit adjustments will be included in the FY 2014 Third Quarter package. This one-time funding is expected to be utilized as part of the FY 2014 Third Quarter Review and, as a result, is not carried forward into FY 2015.

<sup>3</sup> Personal Property Taxes of \$211,313,944 that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Revenue from the Commonwealth category in accordance with guidelines from the State Auditor of Public Accounts.

<sup>4</sup> The proposed County General Fund transfer for school operations in FY 2015 totals \$1,751,328,506, an increase of \$34,339,775, or 2.0 percent, over the FY 2014 Adopted Budget Plan. It should be noted that the Fairfax County Public Schools Superintendent's Proposed budget reflects a General Fund transfer of \$1,815,133,009, an increase of \$98,144,278, or 5.7 percent, over the FY 2014 Adopted Budget Plan. In their action on the Superintendent's Proposed budget on February 6, 2014, the School Board maintained the Superintendent's request for a \$98.1 million increase in the transfer.

<sup>5</sup> As part of the FY 2012 Carryover Review, an amount of \$8,099,768 was set aside in reserve for State/Federal Reductions and Federal Sequestration Cuts. As part of the County Executive's proposed FY 2013 Carryover Review, \$401,888 of this reserve has been utilized to offset federal sequestration reductions for the Head Start and Early Head Start grant programs. Use of the reserve funding is in line with the direction given by the Board of Supervisors as part of the June 25, 2013 Human Services Committee meeting. As part of their deliberations on the FY 2013 Carryover Review, the Board of Supervisors earmarked \$1,000,000 of this reserve for potential requirements within the Housing Blueprint/Bridging Affordability program as a result of the use of \$1,000,000 in Blueprint funding for the Housing Choice Voucher (HCV) Reserve.

<sup>6</sup> As part of the FY 2012 Carryover Review, an amount of \$5,000,000 was set aside in reserve to address the impact of a number of potential refunds resulting from pending tax appeals. As a result of revised projections of the timing of litigation requirements, this reserve has been increased by \$25,000,000 to \$30,000,000.

<sup>7</sup> As part of the FY 2012 Carryover Review, an amount of \$538,344 was set aside in reserve for transportation requirements. This reserve was utilized to balance the FY 2014 budget.

<sup>8</sup> As part of the FY 2012 Carryover Review, an amount of \$742,333 was set aside in reserve for FY 2014 budget development. This reserve was utilized to balance the FY 2014 budget.

<sup>9</sup> As a result of FY 2012 audit adjustments, an amount of \$1,513,332 was available to be held in reserve in FY 2013 and was utilized to balance the FY 2014 budget.

<sup>10</sup> As part of the FY 2013 Carryover Review, an amount of \$15,616,776 was set aside in reserve for FY 2014 requirements or FY 2015 budget development. As a result of revised FY 2014 revenue estimates, this reserve has been reduced by \$518,848 to \$15,097,928. It is expected that this one-time funding will be utilized as part of the FY 2014 Third Quarter Review and, as a result, is not carried forward into FY 2015.

<sup>11</sup> As part of the FY 2015 Advertised Budget Plan, an amount of \$10,640,747 has been set aside in reserve for Board consideration during their deliberations on the FY 2015 budget.

# FY 2015 ADVERTISED SUMMARY GENERAL FUND DIRECT EXPENDITURES

# Agency Title	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2013 Carryover	Other Actions July - January	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan	Inc/(Dec) Over Revised	% Inc/(Dec) Over Revised
<b>Legislative-Executive Functions / Central Services</b>								
01 Board of Supervisors	\$4,554,679	\$5,171,389	\$55,250	\$0	\$5,226,639	\$5,228,716	\$2,077	0.04%
02 Office of the County Executive	5,729,428	6,420,926	184,182	0	6,605,108	6,618,317	13,209	0.20%
04 Department of Cable and Consumer Services	1,051,877	955,853	29,090	0	984,943	961,598	(23,345)	(2.37%)
06 Department of Finance	9,199,738	8,387,352	667,625	0	9,054,977	8,344,793	(710,184)	(7.84%)
11 Department of Human Resources	7,560,035	7,190,025	378,262	0	7,568,287	7,272,195	(296,092)	(3.91%)
12 Department of Purchasing and Supply Management	4,801,328	4,411,712	277,213	0	4,688,925	4,662,202	(26,723)	(0.57%)
13 Office of Public Affairs	1,164,637	1,261,248	68,150	0	1,329,398	1,277,942	(51,456)	(3.87%)
15 Office of Elections	3,558,962	3,695,935	38,471	0	3,734,406	3,953,177	218,771	5.86%
17 Office of the County Attorney	6,775,253	6,357,795	1,290,334	0	7,648,129	6,440,565	(1,207,564)	(15.79%)
20 Department of Management and Budget	2,651,424	4,458,126	50,865	0	4,508,991	4,513,052	4,061	0.09%
37 Office of the Financial and Program Auditor	284,278	350,582	3,438	0	354,020	355,690	1,670	0.47%
41 Civil Service Commission	373,517	408,154	2,695	0	410,849	412,561	1,712	0.42%
57 Department of Tax Administration	21,423,473	22,644,049	701,222	0	23,345,271	22,815,098	(530,173)	(2.27%)
70 Department of Information Technology	28,845,475	30,156,498	4,134,683	0	34,291,181	31,272,777	(3,018,404)	(8.80%)
<b>Total Legislative-Executive Functions / Central Services</b>	<b>\$97,974,104</b>	<b>\$101,869,644</b>	<b>\$7,881,480</b>	<b>\$0</b>	<b>\$109,751,124</b>	<b>\$104,128,683</b>	<b>(\$5,622,441)</b>	<b>(5.12%)</b>
<b>Judicial Administration</b>								
80 Circuit Court and Records	\$10,318,566	\$10,462,252	\$175,951	\$0	\$10,638,203	\$10,583,284	(\$54,919)	(0.52%)
82 Office of the Commonwealth's Attorney	2,653,086	2,699,151	30,600	0	2,729,751	3,505,085	775,334	28.40%
85 General District Court	2,049,657	2,208,314	37,447	0	2,245,761	2,241,210	(4,551)	(0.20%)
91 Office of the Sheriff	18,430,508	17,872,861	746,804	0	18,619,665	18,172,243	(447,422)	(2.40%)
<b>Total Judicial Administration</b>	<b>\$33,451,817</b>	<b>\$33,242,578</b>	<b>\$990,802</b>	<b>\$0</b>	<b>\$34,233,380</b>	<b>\$34,501,822</b>	<b>\$268,442</b>	<b>0.78%</b>
<b>Public Safety</b>								
04 Department of Cable and Consumer Services	\$660,853	\$664,178	\$8,500	\$0	\$672,678	\$671,078	(\$1,600)	(0.24%)
31 Land Development Services	8,856,194	7,594,843	695,471	0	8,290,314	9,533,755	1,243,441	15.00%
81 Juvenile and Domestic Relations District Court	20,717,288	20,843,493	593,510	0	21,437,003	21,357,830	(79,173)	(0.37%)
90 Police Department	170,984,616	175,549,661	5,691,842	0	181,241,503	178,535,588	(2,705,915)	(1.49%)
91 Office of the Sheriff	41,434,270	44,497,605	1,378,134	0	45,875,739	45,115,228	(760,511)	(1.66%)
92 Fire and Rescue Department	168,324,397	170,859,601	8,859,762	0	179,719,363	182,435,350	2,715,987	1.51%
93 Office of Emergency Management	1,661,944	1,822,734	515,103	0	2,337,837	1,909,406	(428,431)	(18.33%)
97 Department of Code Compliance	3,595,916	3,985,898	73,817	0	4,059,715	4,070,680	10,965	0.27%
<b>Total Public Safety</b>	<b>\$416,235,478</b>	<b>\$425,818,013</b>	<b>\$17,816,139</b>	<b>\$0</b>	<b>\$443,634,152</b>	<b>\$443,628,915</b>	<b>(\$5,237)</b>	<b>(0.00%)</b>
<b>Public Works</b>								
08 Facilities Management Department	\$52,827,898	\$51,051,935	\$2,827,463	\$0	\$53,879,398	\$54,560,681	\$681,283	1.26%
25 Business Planning and Support	739,970	771,489	9,533	0	781,022	964,830	183,808	23.53%
26 Office of Capital Facilities	11,925,564	12,653,954	233,928	0	12,887,882	13,103,317	215,435	1.67%
87 Unclassified Administrative Expenses	2,896,545	3,481,562	1,103,206	0	4,584,768	3,481,562	(1,103,206)	(24.06%)
<b>Total Public Works</b>	<b>\$68,389,977</b>	<b>\$67,958,940</b>	<b>\$4,174,130</b>	<b>\$0</b>	<b>\$72,133,070</b>	<b>\$72,110,390</b>	<b>(\$22,680)</b>	<b>(0.03%)</b>

## FY 2015 ADVERTISED SUMMARY GENERAL FUND DIRECT EXPENDITURES

# Agency Title	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2013 Carryover	Other Actions July - January	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan	Inc/(Dec) Over Revised	% Inc/(Dec) Over Revised
<b>Health and Welfare</b>								
67 Department of Family Services	\$181,733,479	\$184,997,583	\$5,898,582	\$0	\$190,896,165	\$188,943,715	(\$1,952,450)	(1.02%)
68 Department of Administration for Human Services	11,569,375	11,842,653	147,951	0	11,990,604	12,514,712	524,108	4.37%
71 Health Department	51,097,648	51,704,161	4,074,520	0	55,778,681	52,954,132	(2,824,549)	(5.06%)
73 Office to Prevent and End Homelessness	11,001,061	11,400,964	932,024	0	12,332,988	12,285,581	(47,407)	(0.38%)
79 Department of Neighborhood and Community Services	26,122,726	26,055,775	950,013	0	27,005,788	28,152,113	1,146,325	4.24%
<b>Total Health and Welfare</b>	<b>\$281,524,289</b>	<b>\$286,001,136</b>	<b>\$12,003,090</b>	<b>\$0</b>	<b>\$298,004,226</b>	<b>\$294,850,253</b>	<b>(\$3,153,973)</b>	<b>(1.06%)</b>
<b>Parks and Libraries</b>								
51 Fairfax County Park Authority	\$22,656,251	\$22,909,700	\$397,750	\$0	\$23,307,450	\$23,181,926	(\$125,524)	(0.54%)
52 Fairfax County Public Library	26,791,911	27,091,526	1,831,381	0	28,922,907	27,678,031	(1,244,876)	(4.30%)
<b>Total Parks and Libraries</b>	<b>\$49,448,162</b>	<b>\$50,001,226</b>	<b>\$2,229,131</b>	<b>\$0</b>	<b>\$52,230,357</b>	<b>\$50,859,957</b>	<b>(\$1,370,400)</b>	<b>(2.62%)</b>
<b>Community Development</b>								
16 Economic Development Authority	\$7,193,593	\$7,259,183	\$28,900	\$0	\$7,288,083	\$7,304,912	\$16,829	0.23%
31 Land Development Services	11,579,098	13,320,328	1,216,267	0	14,536,595	13,010,087	(1,526,508)	(10.50%)
35 Department of Planning and Zoning	9,297,435	9,931,555	765,422	0	10,696,977	10,296,221	(400,756)	(3.75%)
36 Planning Commission	674,420	646,007	6,834	0	652,841	683,964	31,123	4.77%
38 Department of Housing and Community Development	5,151,327	6,230,225	69,403	0	6,299,628	6,371,623	71,995	1.14%
39 Office of Human Rights and Equity Programs	1,414,313	1,506,522	14,745	0	1,521,267	1,520,906	(361)	(0.02%)
40 Department of Transportation	7,394,483	7,481,627	1,389,848	0	8,871,475	7,600,210	(1,271,265)	(14.33%)
<b>Total Community Development</b>	<b>\$42,704,669</b>	<b>\$46,375,447</b>	<b>\$3,491,419</b>	<b>\$0</b>	<b>\$49,866,866</b>	<b>\$46,787,923</b>	<b>(\$3,078,943)</b>	<b>(6.17%)</b>
<b>Nondepartmental</b>								
87 Unclassified Administrative Expenses	\$83,866	(\$600,000)	\$99,979	\$0	(\$500,021)	\$0	\$500,021	(100.00%)
89 Employee Benefits	279,510,371	298,734,321	2,381,060	0	301,115,381	314,418,476	13,303,095	4.42%
<b>Total Nondepartmental</b>	<b>\$279,594,237</b>	<b>\$298,134,321</b>	<b>\$2,481,039</b>	<b>\$0</b>	<b>\$300,615,360</b>	<b>\$314,418,476</b>	<b>\$13,803,116</b>	<b>4.59%</b>
<b>Total General Fund Direct Expenditures</b>	<b>\$1,269,322,733</b>	<b>\$1,309,401,305</b>	<b>\$51,067,230</b>	<b>\$0</b>	<b>\$1,360,468,535</b>	<b>\$1,361,286,419</b>	<b>\$817,884</b>	<b>0.06%</b>



## FY 2015 ADVERTISED SUMMARY OF APPROPRIATED FUNDS BY FUND TYPE

	General Fund Group <sup>1</sup>	Debt Service Funds	Capital Project Funds	Special Revenue Funds <sup>2</sup>	Internal Service Funds <sup>3,4</sup>	Enterprise Funds <sup>5</sup>	Agency Funds	Trust Funds	Total by Category
<b>Beginning Fund Balance</b>	\$237,048,474	\$0	\$7,567	\$269,176,428	\$146,579,772	\$161,103,662	\$0	\$8,391,658,506	\$9,205,574,409
<b>Revenues</b>									
Real Property Taxes	\$2,342,831,045	\$0	\$10,930,000	\$156,732,790	\$0	\$0	\$3,842,902	\$0	\$2,514,336,737
Personal Property Taxes <sup>6</sup>	580,147,468	0	0	0	0	0	0	0	580,147,468
General Other Local Taxes	502,081,550	0	0	79,438,156	0	0	10,707,629	0	592,227,335
Permits, Fees & Regulatory	39,438,395	0	0	24,445,326	0	0	0	0	63,883,721
Fines & Forfeitures	14,235,071	0	0	21,528	0	0	0	0	14,256,599
Revenue from the Use of Money and Property	14,980,177	0	0	5,429,143	5,149,886	792,530	0	693,255,196	719,606,932
Charges for Services	76,479,473	0	1,468,000	195,234,690	60,900	213,417,227	0	0	486,660,290
Revenue from the Commonwealth <sup>6</sup>	95,471,824	0	0	630,102,815	0	0	0	0	725,574,639
Revenue from the Federal Government	27,473,750	0	0	186,240,433	5,000,000	0	0	1,250,000	219,964,183
Sale of Bonds	0	0	184,800,000	0	0	0	0	0	184,800,000
Other Revenue	15,324,755	580,000	7,104,400	82,477,059	668,704,389	250,000	0	444,478,771	1,218,919,374
<b>Total Revenue</b>	<b>\$3,708,463,508</b>	<b>\$580,000</b>	<b>\$204,302,400</b>	<b>\$1,360,121,940</b>	<b>\$678,915,175</b>	<b>\$214,459,757</b>	<b>\$14,550,531</b>	<b>\$1,138,983,967</b>	<b>\$7,320,377,278</b>
<b>Transfers In</b>	<b>\$45,403,501</b>	<b>\$315,429,005</b>	<b>\$46,486,205</b>	<b>\$1,955,300,375</b>	<b>\$31,495,493</b>	<b>\$219,193,176</b>	<b>\$0</b>	<b>\$28,000,000</b>	<b>\$2,641,307,755</b>
<b>Total Available</b>	<b>\$3,990,915,483</b>	<b>\$316,009,005</b>	<b>\$250,796,172</b>	<b>\$3,584,598,743</b>	<b>\$856,990,440</b>	<b>\$594,756,595</b>	<b>\$14,550,531</b>	<b>\$9,558,642,473</b>	<b>\$19,167,259,442</b>
<b>Expenditures by Category</b>									
Legislative-Executive/Central Services	\$116,688,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$116,688,000
Education	0	0	162,724,928	2,590,412,449	448,240,691	0	0	230,380,469	3,431,758,537
Judicial Administration	34,501,822	0	0	751,907	0	0	0	0	35,253,729
Public Safety	443,678,842	0	0	75,247,278	0	0	0	0	518,926,120
Public Works	72,110,390	0	0	158,571,186	0	229,793,353	0	0	460,474,929
Health and Welfare	308,718,129	0	0	205,673,668	0	0	0	0	514,391,797
Parks and Libraries	54,482,254	0	0	14,852,028	0	0	0	0	69,334,282
Community Development	52,951,507	0	52,634,489	219,338,952	0	0	14,550,531	0	339,475,479
Capital Improvements	0	0	32,386,981	0	0	0	0	0	32,386,981
Debt Service	0	316,009,005	0	0	0	0	0	0	316,009,005
Non-Departmental	314,511,133	0	0	5,075,000	316,890,030	0	0	483,616,986	1,120,093,149
<b>Total Expenditures</b>	<b>\$1,397,642,077</b>	<b>\$316,009,005</b>	<b>\$247,746,398</b>	<b>\$3,269,922,468</b>	<b>\$765,130,721</b>	<b>\$229,793,353</b>	<b>\$14,550,531</b>	<b>\$713,997,455</b>	<b>\$6,954,792,008</b>
<b>Transfers Out</b>	<b>\$2,343,108,157</b>	<b>\$0</b>	<b>\$3,042,207</b>	<b>\$73,029,437</b>	<b>\$0</b>	<b>\$220,993,176</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,640,172,977</b>
<b>Total Disbursements</b>	<b>\$3,740,750,234</b>	<b>\$316,009,005</b>	<b>\$250,788,605</b>	<b>\$3,342,951,905</b>	<b>\$765,130,721</b>	<b>\$450,786,529</b>	<b>\$14,550,531</b>	<b>\$713,997,455</b>	<b>\$9,594,964,985</b>
<b>Ending Fund Balance</b>	<b>\$250,165,249</b>	<b>\$0</b>	<b>\$7,567</b>	<b>\$241,646,838</b>	<b>\$91,859,719</b>	<b>\$143,970,066</b>	<b>\$0</b>	<b>\$8,844,645,018</b>	<b>\$9,572,294,457</b>

<sup>1</sup> Not reflected are the following adjustments to balance in FY 2015:

Fund 10001, General Fund, does not assume carryover of FY 2013 Audit Adjustment reserve of (\$1,469,450) and Reserve for FY 2014 Third Quarter of (\$15,097,928).

<sup>2</sup> Not reflected are the following adjustments to balance in FY 2015:

Fund S40000, Public School Food and Nutrition Services, assumes carryover of General Reserve of \$10,104,060.

<sup>3</sup> Not reflected are the following adjustments to balance in FY 2015:

Fund S60000, Public School Insurance Fund, assumes carryover of allocated reserve of \$9,288,547.  
Fund S62000, Public School Health and Flexible Benefits, assumes carryover of premium stabilization reserve of \$40,694,542.

<sup>4</sup> For presentation purposes, all County Internal Service Funds expenditures are included in the Nondepartmental Category.

<sup>5</sup> Not reflected are the following adjustments to balance in FY 2015:

Fund 69020, Sewer Bond Parity Debt Service, does not reflect non-appropriated amortization expense of (\$25,000).

<sup>6</sup> For presentation purposes, Personal Property Taxes that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Personal Property Taxes Category.

## FY 2015 ADVERTISED REVENUE AND RECEIPTS BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund	FY 2013 Actual <sup>1</sup>	FY 2014 Adopted Budget Plan <sup>2</sup>	FY 2014 Revised Budget Plan <sup>3</sup>	FY 2015 Advertised Budget Plan <sup>4</sup>	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
<b>GOVERNMENTAL FUNDS</b>						
<b>General Fund Group</b>						
10001 General Fund	\$3,498,095,077	\$3,559,547,647	\$3,584,327,874	\$3,707,705,268	\$123,377,394	3.44%
10010 Revenue Stabilization	573,987	0	650,000	650,000	0	0.00%
10040 Information Technology	1,273,654	108,240	110,165	108,240	(1,925)	(1.75%)
<b>Total General Fund Group</b>	<b>\$3,499,942,718</b>	<b>\$3,559,655,887</b>	<b>\$3,585,088,039</b>	<b>\$3,708,463,508</b>	<b>\$123,375,469</b>	<b>3.44%</b>
<b>Debt Service Funds</b>						
20000 Consolidated Debt Service	\$3,842,922	\$380,000	\$380,000	\$580,000	\$200,000	52.63%
<b>Capital Project Funds</b>						
30000 Metro Operations and Construction	\$15,000,000	\$26,541,000	\$24,810,854	\$26,800,000	\$1,989,146	8.02%
30010 General Construction and Contributions	23,989,501	4,900,000	26,077,965	5,168,000	(20,909,965)	(80.18%)
30020 Capital Renewal Construction	2,341,514	0	39,100,000	0	(39,100,000)	(100.00%)
30030 Library Construction	4,700,000	0	31,135,000	0	(31,135,000)	(100.00%)
30040 Contributed Roadway Improvement	(335,176)	110,000	1,100,375	550,000	(550,375)	(50.02%)
30050 Transportation Improvements	11,173,794	0	71,167,000	0	(71,167,000)	(100.00%)
30060 Pedestrian Walkway Improvements	140,563	0	3,255,030	0	(3,255,030)	(100.00%)
30070 Public Safety Construction	22,000,000	0	120,529,134	0	(120,529,134)	(100.00%)
30080 Commercial Revitalization Program	2,276,211	0	1,289,539	0	(1,289,539)	(100.00%)
30090 Pro Rata Share Drainage Construction	2,995,524	0	6,853,333	0	(6,853,333)	(100.00%)
30300 The Penny for Affordable Housing	15,664,123	18,298,400	18,298,400	16,478,400	(1,820,000)	(9.95%)
30310 Housing Assistance Program	4,370,000	0	313,228	0	(313,228)	(100.00%)
30400 Park Authority Bond Construction	13,000,000	0	89,173,000	0	(89,173,000)	(100.00%)
S31000 Public School Construction	167,973,893	155,306,000	302,309,117	155,306,000	(147,003,117)	(48.63%)
<b>Total Capital Project Funds</b>	<b>\$285,289,947</b>	<b>\$205,155,400</b>	<b>\$735,411,975</b>	<b>\$204,302,400</b>	<b>(\$531,109,575)</b>	<b>(72.22%)</b>
<b>Special Revenue Funds</b>						
40000 County Transit Systems	\$29,156,196	\$35,493,207	\$35,493,207	\$37,240,230	\$1,747,023	4.92%
40010 County and Regional Transportation Projects	54,522,595	89,289,925	150,434,069	97,759,469	(52,674,600)	(35.02%)
40030 Cable Communications	24,140,933	24,092,577	24,092,577	24,372,126	279,549	1.16%
40040 Fairfax-Falls Church Community Services Board	38,003,993	39,735,541	39,735,541	38,834,832	(900,709)	(2.27%)
40050 Reston Community Center	7,213,370	7,359,257	7,545,003	7,819,710	274,707	3.64%
40060 McLean Community Center	4,819,288	5,021,281	5,021,281	5,333,259	311,978	6.21%
40070 Burgundy Village Community Center	49,260	56,900	56,900	50,286	(6,614)	(11.62%)
40080 Integrated Pest Management Program	1,989,337	1,851,659	1,851,659	2,190,238	338,579	18.29%
40090 E-911	20,517,167	21,458,430	21,458,430	44,663,082	23,204,652	108.14%
40100 Stormwater Services	39,737,994	41,200,000	73,025,863	49,185,000	(23,840,863)	(32.65%)
40110 Dulles Rail Phase I Transportation Improvement District	24,766,021	23,828,109	23,828,109	23,828,109	0	0.00%
40120 Dulles Rail Phase II Transportation Improvement District	11,157,467	14,484,978	14,484,978	14,484,978	0	0.00%
40130 Leaf Collection	2,124,026	2,114,254	2,114,254	2,187,133	72,879	3.45%
40140 Refuse Collection and Recycling Operations	19,425,079	20,400,836	20,400,836	19,715,588	(685,248)	(3.36%)
40150 Refuse Disposal	46,505,935	50,342,750	50,342,750	50,461,193	118,443	0.24%
40160 Energy Resource Recovery (ERR) Facility	27,280,951	31,418,600	31,418,600	31,468,600	50,000	0.16%
40170 I-95 Refuse Disposal	6,759,110	9,213,437	9,213,437	7,702,766	(1,510,671)	(16.40%)
40180 Tysons Service District	0	2,390,494	2,390,494	5,976,235	3,585,741	150.00%
40300 Housing Trust	360,480	493,420	493,420	639,972	146,552	29.70%
40330 Elderly Housing Programs	1,617,891	1,575,860	1,575,860	1,644,057	68,197	4.33%
40360 Homeowner and Business Loan Programs	2,576,239	2,431,943	11,368,956	2,187,600	(9,181,356)	(80.76%)
50000 Federal/State Grants	81,616,734	85,922,239	194,849,837	95,185,801	(99,664,036)	(51.15%)
50800 Community Development Block Grant	6,748,458	4,414,224	9,269,369	4,750,027	(4,519,342)	(48.76%)

## FY 2015 ADVERTISED REVENUE AND RECEIPTS BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund	FY 2013 Actual <sup>1</sup>	FY 2014 Adopted Budget Plan <sup>2</sup>	FY 2014 Revised Budget Plan <sup>3</sup>	FY 2015 Advertised Budget Plan <sup>4</sup>	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
<b>Special Revenue Funds (Cont.)</b>						
50810 HOME Investment Partnership Grant	\$6,137,504	\$1,405,283	\$4,754,413	\$1,417,514	(\$3,336,899)	(70.19%)
S10000 Public School Operating	656,603,296	651,283,141	672,472,114	655,539,811	(16,932,303)	(2.52%)
S40000 Public School Food and Nutrition Services	76,173,682	80,698,087	76,934,210	81,297,175	4,362,965	5.67%
S43000 Public School Adult and Community Education	9,133,356	8,609,499	8,769,654	9,461,824	692,170	7.89%
S50000 Public School Grants and Self Supporting Programs	47,675,977	43,313,357	54,911,260	44,725,325	(10,185,935)	(18.55%)
<b>Total Special Revenue Funds</b>	<b>\$1,246,812,339</b>	<b>\$1,299,899,288</b>	<b>\$1,548,307,081</b>	<b>\$1,360,121,940</b>	<b>(\$188,185,141)</b>	<b>(12.15%)</b>
<b>TOTAL GOVERNMENTAL FUNDS</b>	<b>\$5,035,887,926</b>	<b>\$5,065,090,575</b>	<b>\$5,869,187,095</b>	<b>\$5,273,467,848</b>	<b>(\$595,719,247)</b>	<b>(10.15%)</b>
<b>PROPRIETARY FUNDS</b>						
<b>Internal Service Funds</b>						
60000 County Insurance	\$812,318	\$895,859	\$895,859	\$895,859	\$0	0.00%
60010 Department of Vehicle Services	82,366,726	78,880,820	79,116,896	82,069,796	2,952,900	3.73%
60020 Document Services	2,797,499	3,389,107	3,389,107	3,180,910	(208,197)	(6.14%)
60030 Technology Infrastructure Services	28,750,813	28,241,819	28,958,616	30,126,711	1,168,095	4.03%
60040 Health Benefits	147,365,046	163,011,977	160,606,551	164,384,297	3,777,746	2.35%
S60000 Public School Insurance	14,704,812	14,081,339	14,081,339	14,081,339	0	0.00%
S62000 Public School Health and Flexible Benefits	314,621,810	342,490,735	338,336,465	377,676,263	39,339,798	11.63%
S63000 Public School Central Procurement	4,388,178	6,500,000	6,500,000	6,500,000	0	0.00%
<b>Total Internal Service Funds</b>	<b>\$595,807,202</b>	<b>\$637,491,656</b>	<b>\$631,884,833</b>	<b>\$678,915,175</b>	<b>\$47,030,342</b>	<b>7.44%</b>
<b>Enterprise Funds</b>						
69000 Sewer Revenue	\$194,966,111	\$202,977,487	\$202,977,487	\$214,459,757	\$11,482,270	5.66%
69030 Sewer Bond Debt Reserve	5,173,418	0	0	0	0	-
69310 Sewer Bond Construction	102,412,682	0	11,421,090	0	(11,421,090)	(100.00%)
<b>Total Enterprise Funds</b>	<b>\$302,552,211</b>	<b>\$202,977,487</b>	<b>\$214,398,577</b>	<b>\$214,459,757</b>	<b>\$61,180</b>	<b>0.03%</b>
<b>TOTAL PROPRIETARY FUNDS</b>	<b>\$898,359,413</b>	<b>\$840,469,143</b>	<b>\$846,283,410</b>	<b>\$893,374,932</b>	<b>\$47,091,522</b>	<b>5.56%</b>
<b>FIDUCIARY FUNDS</b>						
<b>Agency Funds</b>						
70000 Route 28 Taxing District	\$9,824,553	\$10,707,629	\$10,707,629	\$10,707,629	\$0	0.00%
70040 Mosaic District Community Development Authority	1,499,473	2,214,585	2,214,585	3,842,902	1,628,317	73.53%
<b>Total Agency Funds</b>	<b>\$11,324,026</b>	<b>\$12,922,214</b>	<b>\$12,922,214</b>	<b>\$14,550,531</b>	<b>\$1,628,317</b>	<b>12.60%</b>
<b>Trust Funds</b>						
73000 Employees' Retirement Trust	\$419,466,613	\$409,152,740	\$409,152,740	\$428,461,848	\$19,309,108	4.72%
73010 Uniformed Employees Retirement Trust	190,422,319	160,121,992	160,121,992	172,316,153	12,194,161	7.62%
73020 Police Retirement Trust	143,450,650	125,355,091	125,355,091	132,384,085	7,028,994	5.61%
73030 OPEB Trust	22,980,778	5,681,540	5,681,540	4,725,606	(955,934)	(16.83%)
S71000 Educational Employees' Retirement	307,988,931	369,308,886	336,817,683	357,884,318	21,066,635	6.25%
S71100 Public School OPEB Trust	39,791,493	52,255,000	41,447,409	43,211,957	1,764,548	4.26%
<b>Total Trust Funds</b>	<b>\$1,124,100,784</b>	<b>\$1,121,875,249</b>	<b>\$1,078,576,455</b>	<b>\$1,138,983,967</b>	<b>\$60,407,512</b>	<b>5.60%</b>
<b>TOTAL FIDUCIARY FUNDS</b>	<b>\$1,135,424,810</b>	<b>\$1,134,797,463</b>	<b>\$1,091,498,669</b>	<b>\$1,153,534,498</b>	<b>\$62,035,829</b>	<b>5.68%</b>
<b>TOTAL APPROPRIATED FUNDS</b>	<b>\$7,069,672,149</b>	<b>\$7,040,357,181</b>	<b>\$7,806,969,174</b>	<b>\$7,320,377,278</b>	<b>(\$486,591,896)</b>	<b>(6.23%)</b>
<b>Appropriated From (Added to) Surplus</b>	<b>(\$621,552,611)</b>	<b>(\$370,599,017)</b>	<b>\$524,483,536</b>	<b>(\$410,214,819)</b>	<b>(\$934,698,355)</b>	<b>(178.21%)</b>
<b>TOTAL AVAILABLE</b>	<b>\$6,448,119,538</b>	<b>\$6,669,758,164</b>	<b>\$8,331,452,710</b>	<b>\$6,910,162,459</b>	<b>(\$1,421,290,251)</b>	<b>(17.06%)</b>
<b>Less: Internal Service Funds</b>	<b>(\$595,807,202)</b>	<b>(\$637,491,656)</b>	<b>(\$631,884,833)</b>	<b>(\$678,915,175)</b>	<b>(\$47,030,342)</b>	<b>7.44%</b>
<b>NET AVAILABLE</b>	<b>\$5,852,312,336</b>	<b>\$6,032,266,508</b>	<b>\$7,699,567,877</b>	<b>\$6,231,247,284</b>	<b>(\$1,468,320,593)</b>	<b>(19.07%)</b>

# FY 2015 ADVERTISED REVENUE AND RECEIPTS BY FUND

## SUMMARY OF APPROPRIATED FUNDS

Fund	FY 2013 Actual <sup>1</sup>	FY 2014 Adopted Budget Plan <sup>2</sup>	FY 2014 Revised Budget Plan <sup>3</sup>	FY 2015 Advertised Budget Plan <sup>4</sup>	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
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**EXPLANATORY NOTE:**

*The "Total Available" indicates the revenue in each fiscal year that is to be used to support expenditures. This amount is the total revenue adjusted by the amount of funding that is either appropriated from fund balance or added to fund balance. In some instances, adjustments to fund balance that are not currently reflected in the "Changes in Fund Balance" table also affect the "Total Available." Explanations for these adjustments are provided below. The "Total Available," plus (minus) the effect of these changes matches the expenditure totals by fiscal year of the "Expenditure by Fund/Summary of Appropriated Funds," net of any transfers between funds.*

<sup>1</sup> Not reflected are the following adjustments to balance in FY 2013:

Fund 69020, Sewer Bond Parity Debt Service, does not reflect non-appropriated amortization expense of (\$25,000).  
 Fund S40000, Public School Food and Nutrition Services, change in inventory of (\$95,516).  
 Fund S60000, Public School Insurance, net change in accrued liability of \$2,541,241.

<sup>2</sup> Not reflected are the following adjustments to balance in FY 2014:

Fund 20000, Consolidated Debt Service, assumes carryover of \$7,879,291.  
 Fund 69020, Sewer Bond Parity Debt Service, does not reflect non-appropriated amortization expense of (\$25,000).  
 Fund S10000, Public School Operating Fund, reflects \$600,000 as a transfer from Fund 40030, Cable Communications. Fund 40030 reflects this funding as a transfer to Fund S50000, Public School Grants and Self-Supporting.  
 Fund S40000, Public School Food and Nutrition Services, assumes carryover of General Reserve of \$15,690,511.  
 Fund S50000, Public School Grants and Self-Supporting Programs, does not reflect (\$600,000) as a transfer from Fund 40030, Cable Communications (this amount is shown in Fund S10000, Public School Operating Fund).  
 Fund S60000, Public School Insurance Fund, assumes carryover of allocated reserve of \$9,375,748.  
 Fund S62000, Public School Health and Flexible Benefits, assumes carryover of premium stabilization reserve of \$46,099,540.

<sup>3</sup> Not reflected are the following adjustments to balance in FY 2014:

Fund 69020, Sewer Bond Parity Debt Service, non-appropriated amortization expense of (\$25,000).  
 Fund S50000, Public School Grants and Self-Supporting Programs, does not reflect (\$100,000) as an increased transfer from Fund 40030, Cable Communications. This increase will be reflected in the *FY 2014 Third Quarter Review*.

<sup>4</sup> Not reflected are the following adjustments to balance in FY 2015:

Fund 10001, General Fund, does not reflect carryover of (\$1,469,450) FY 2013 Audit Adjustment Reserve and (\$15,097,928) Reserve for FY 2014 Third Quarter.  
 Fund 69020, Sewer Bond Parity Debt Service, does not reflect non-appropriated amortization expense of (\$25,000).  
 Fund S40000, Public School Food and Nutrition Services, assumes carryover of General Reserve of \$10,104,060.  
 Fund S60000, Public School Insurance Fund, assumes carryover of allocated reserve of \$9,288,547.  
 Fund S62000, Public School Health and Flexible Benefits, assumes carryover of premium stabilization reserve of \$40,694,542.

## FY 2015 ADVERTISED EXPENDITURES BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund	FY 2013 Estimate	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
<b>GOVERNMENTAL FUNDS</b>							
<b>General Fund Group</b>							
10001 General Fund	\$1,332,068,655	\$1,269,322,733	\$1,309,401,305	\$1,360,468,535	\$1,361,286,419	\$817,884	0.06%
10020 Consolidated Community Funding Pool	9,921,919	9,899,047	9,867,755	9,890,626	10,611,143	720,517	7.28%
10030 Contributory Fund	15,793,588	15,741,973	13,394,756	14,444,756	15,385,015	940,259	6.51%
10040 Information Technology	51,498,728	18,785,840	6,113,280	46,237,581	10,359,500	(35,878,081)	(77.60%)
<b>Total General Fund Group</b>	<b>\$1,409,282,890</b>	<b>\$1,313,749,593</b>	<b>\$1,338,777,096</b>	<b>\$1,431,041,498</b>	<b>\$1,397,642,077</b>	<b>(\$33,399,421)</b>	<b>(2.33%)</b>
<b>Debt Service Funds</b>							
20000 Consolidated Debt Service	\$304,163,352	\$289,654,227	\$296,065,698	\$302,976,161	\$316,009,005	\$13,032,844	4.30%
<b>Capital Project Funds</b>							
30000 Metro Operations and Construction	\$31,678,110	\$31,678,110	\$35,552,943	\$35,754,211	\$36,156,089	\$401,878	1.12%
30010 General Construction and Contributions	122,101,425	45,210,030	18,118,202	104,386,945	24,086,981	(80,299,964)	(76.93%)
30020 Capital Renewal Construction	49,711,210	17,914,083	0	37,238,641	8,000,000	(29,238,641)	(78.52%)
30030 Library Construction	38,276,638	620,798	0	39,110,840	0	(39,110,840)	(100.00%)
30040 Contributed Roadway Improvement	40,140,205	3,054,311	0	36,440,718	0	(36,440,718)	(100.00%)
30050 Transportation Improvements	96,992,374	19,702,742	0	81,068,426	0	(81,068,426)	(100.00%)
30060 Pedestrian Walkway Improvements	4,582,682	526,880	100,000	4,355,802	300,000	(4,055,802)	(93.11%)
30070 Public Safety Construction	146,356,227	24,574,825	0	128,591,402	0	(128,591,402)	(100.00%)
30080 Commercial Revitalization Program	5,954,914	3,065,159	0	2,889,755	0	(2,889,755)	(100.00%)
30090 Pro Rata Share Drainage Construction	8,564,857	2,995,524	0	6,853,333	0	(6,853,333)	(100.00%)
30300 The Penny for Affordable Housing	36,276,889	14,892,739	18,298,400	39,903,273	16,478,400	(23,424,873)	(58.70%)
30310 Housing Assistance Program	7,193,387	49,143	0	7,144,244	0	(7,144,244)	(100.00%)
30400 Park Authority Bond Construction	102,582,104	10,085,653	0	96,521,451	0	(96,521,451)	(100.00%)
S31000 Public School Construction	526,283,201	153,265,618	167,844,992	425,030,818	162,724,928	(262,305,890)	(61.71%)
<b>Total Capital Project Funds</b>	<b>\$1,216,694,223</b>	<b>\$327,635,615</b>	<b>\$239,914,537</b>	<b>\$1,045,289,859</b>	<b>\$247,746,398</b>	<b>(\$797,543,461)</b>	<b>(76.30%)</b>
<b>Special Revenue Funds</b>							
40000 County Transit Systems	\$112,949,382	\$89,997,588	\$94,129,374	\$116,238,764	\$98,258,672	(\$17,980,092)	(15.47%)
40010 County and Regional Transportation Projects	148,369,451	15,074,927	77,847,491	218,111,434	71,333,234	(146,778,200)	(67.30%)
40030 Cable Communications	18,897,794	10,138,090	10,118,668	18,766,083	9,815,088	(8,950,995)	(47.70%)
40040 Fairfax-Falls Church Community Services Board	145,504,559	138,583,377	148,968,799	154,433,677	151,405,267	(3,028,410)	(1.96%)
40050 Reston Community Center	8,990,715	7,679,747	8,827,660	9,205,765	8,586,705	(619,060)	(6.72%)
40060 McLean Community Center	6,670,692	5,174,971	5,814,749	7,001,841	6,220,284	(781,557)	(11.16%)
40070 Burgundy Village Community Center	47,159	34,929	44,791	46,291	45,039	(1,252)	(2.70%)
40080 Integrated Pest Management Program	3,119,736	2,095,477	3,099,610	3,216,855	3,115,655	(101,200)	(3.15%)
40090 E-911	49,186,216	44,094,994	38,657,317	42,765,433	44,548,989	1,783,556	4.17%
40100 Stormwater Services	92,685,085	33,093,340	40,200,000	101,500,017	48,185,000	(53,315,017)	(52.53%)
40110 Dulles Rail Phase I Transportation Improvement District	40,247,303	24,921,743	17,446,663	27,446,663	17,454,463	(9,992,200)	(36.41%)
40120 Dulles Rail Phase II Transportation Improvement District	500,000	153,680	500,000	500,000	500,000	0	0.00%
40130 Leaf Collection	2,546,035	1,827,428	2,308,182	2,308,182	2,187,182	(121,000)	(5.24%)
40140 Refuse Collection and Recycling Operations	23,874,508	18,564,350	22,711,907	26,294,964	21,409,383	(4,885,581)	(18.58%)
40150 Refuse Disposal	55,729,426	48,293,910	51,427,385	53,997,391	52,918,551	(1,078,840)	(2.00%)
40160 Energy Resource Recovery (ERR) Facility	19,667,593	16,928,467	21,451,821	21,462,801	21,507,539	44,738	0.21%
40170 I-95 Refuse Disposal	19,690,057	13,441,386	11,637,653	16,947,473	9,247,876	(7,699,597)	(45.43%)
40300 Housing Trust	6,815,675	912,259	493,420	6,305,955	639,972	(5,665,983)	(89.85%)
40330 Elderly Housing Programs	4,744,434	3,620,011	3,321,887	4,373,279	3,339,229	(1,034,050)	(23.64%)
40360 Homeowner and Business Loan Programs	11,813,027	2,359,301	2,431,943	11,885,669	2,230,085	(9,655,584)	(81.24%)
50000 Federal/State Grants	230,650,595	85,305,169	90,980,204	241,201,542	100,394,265	(140,807,277)	(58.38%)
50800 Community Development Block Grant	11,349,646	7,359,261	4,414,224	9,306,212	4,750,027	(4,556,185)	(48.96%)
50810 HOME Investment Partnership Grant	8,760,099	5,793,127	1,405,283	4,918,486	1,417,514	(3,500,972)	(71.18%)
S10000 Public School Operating <sup>1</sup>	2,488,106,929	2,351,455,192	2,396,455,453	2,512,427,354	2,424,359,401	(88,067,953)	(3.51%)
S40000 Public School Food and Nutrition Services	97,991,934	79,219,588	96,388,598	92,623,343	91,401,235	(1,222,108)	(1.32%)

## FY 2015 ADVERTISED EXPENDITURES BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund	FY 2013 Estimate	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
<b>Special Revenue Funds (Cont.)</b>							
S43000 Public School Adult and Community Education	\$8,927,171	\$8,974,523	\$9,009,499	\$9,753,809	\$9,696,824	(\$56,985)	(0.58%)
S50000 Public School Grants & Self Supporting Programs <sup>2</sup>	97,719,813	71,853,154	69,667,239	95,193,861	64,954,989	(30,238,872)	(31.77%)
<b>Total Special Revenue Funds</b>	<b>\$3,715,555,034</b>	<b>\$3,086,949,989</b>	<b>\$3,229,759,820</b>	<b>\$3,808,233,144</b>	<b>\$3,269,922,468</b>	<b>(\$538,310,676)</b>	<b>(14.14%)</b>
<b>TOTAL GOVERNMENTAL FUNDS</b>	<b>\$6,645,695,499</b>	<b>\$5,017,989,424</b>	<b>\$5,104,517,151</b>	<b>\$6,587,540,662</b>	<b>\$5,231,319,948</b>	<b>(\$1,356,220,714)</b>	<b>(20.59%)</b>
<b>PROPRIETARY FUNDS</b>							
<b>Internal Service Funds</b>							
60000 County Insurance	\$22,539,885	\$19,894,426	\$23,406,222	\$23,529,032	\$24,237,219	\$708,187	3.01%
60010 Department of Vehicle Services	87,294,690	77,267,877	85,862,883	97,716,701	83,547,156	(14,169,545)	(14.50%)
60020 Document Services	6,450,444	5,467,201	6,092,037	6,435,679	5,997,980	(437,699)	(6.80%)
60030 Technology Infrastructure Services	36,003,988	31,229,183	31,258,312	36,510,055	36,920,307	410,252	1.12%
60040 Health Benefits	156,387,972	133,361,721	162,993,787	167,912,089	166,187,368	(1,724,721)	(1.03%)
S60000 Public School Insurance	26,090,402	14,080,477	23,457,087	26,714,737	23,369,886	(3,344,851)	(12.52%)
S62000 Public School Health and Flexible Benefits	366,803,033	318,276,729	388,590,275	383,418,024	418,370,805	34,952,781	9.12%
S63000 Public School Central Procurement	6,500,000	4,359,834	6,500,000	6,500,000	6,500,000	0	0.00%
<b>Total Internal Service Funds</b>	<b>\$708,070,414</b>	<b>\$603,937,448</b>	<b>\$728,160,603</b>	<b>\$748,736,317</b>	<b>\$765,130,721</b>	<b>\$16,394,404</b>	<b>2.19%</b>
<b>Enterprise Funds</b>							
69010 Sewer Operation and Maintenance	\$97,033,987	\$88,135,513	\$94,028,095	\$96,713,643	\$97,678,460	\$964,817	1.00%
69020 Sewer Bond Parity Debt Service	23,549,186	20,208,316	21,957,307	21,957,307	21,909,094	(48,213)	(0.22%)
69040 Sewer Bond Subordinate Debt Service	26,756,645	25,776,039	28,419,768	28,419,768	26,512,623	(1,907,145)	(6.71%)
69300 Sewer Construction Improvements	61,758,367	39,724,529	84,489,000	106,522,838	83,693,176	(22,829,662)	(21.43%)
69310 Sewer Bond Construction	117,307,939	49,386,668	0	68,378,015	0	(68,378,015)	(100.00%)
<b>Total Enterprise Funds</b>	<b>\$326,406,124</b>	<b>\$223,231,065</b>	<b>\$228,894,170</b>	<b>\$321,991,571</b>	<b>\$229,793,353</b>	<b>(\$92,198,218)</b>	<b>(28.63%)</b>
<b>TOTAL PROPRIETARY FUNDS</b>	<b>\$1,034,476,538</b>	<b>\$827,168,513</b>	<b>\$957,054,773</b>	<b>\$1,070,727,888</b>	<b>\$994,924,074</b>	<b>(\$75,803,814)</b>	<b>(7.08%)</b>
<b>FIDUCIARY FUNDS</b>							
<b>Agency Funds</b>							
70000 Route 28 Taxing District	\$10,604,259	\$9,843,601	\$10,707,629	\$10,714,332	\$10,707,629	(\$6,703)	(0.06%)
70040 Mosaic District Community Development Authority	1,499,473	1,499,473	2,214,585	2,214,585	3,842,902	1,628,317	73.53%
<b>Total Agency Funds</b>	<b>\$12,103,732</b>	<b>\$11,343,074</b>	<b>\$12,922,214</b>	<b>\$12,928,917</b>	<b>\$14,550,531</b>	<b>\$1,627,617</b>	<b>12.54%</b>
<b>Trust Funds</b>							
73000 Employees' Retirement Trust	\$248,800,074	\$238,185,835	\$272,554,840	\$272,570,852	\$299,342,642	\$26,771,790	9.82%
73010 Uniformed Employees Retirement Trust	90,433,096	80,472,647	93,244,483	93,247,915	102,291,335	9,043,420	9.70%
73020 Police Retirement Trust	65,909,160	58,379,525	69,717,613	69,721,045	72,808,065	3,087,020	4.43%
73030 OPEB Trust	17,932,316	13,786,248	8,418,275	8,419,190	9,174,944	755,754	8.98%
S71000 Educational Employees' Retirement	186,061,616	178,980,445	195,644,581	192,834,829	203,081,017	10,246,188	5.31%
S71100 Public School OPEB Trust	37,335,500	24,515,761	37,335,500	25,948,372	27,299,452	1,351,080	5.21%
<b>Total Trust Funds</b>	<b>\$646,471,762</b>	<b>\$594,320,461</b>	<b>\$676,915,292</b>	<b>\$662,742,203</b>	<b>\$713,997,455</b>	<b>\$51,255,252</b>	<b>7.73%</b>
<b>TOTAL FIDUCIARY FUNDS</b>	<b>\$658,575,494</b>	<b>\$605,663,535</b>	<b>\$689,837,506</b>	<b>\$675,671,120</b>	<b>\$728,547,986</b>	<b>\$52,876,866</b>	<b>7.83%</b>
<b>TOTAL APPROPRIATED FUNDS</b>	<b>\$8,338,747,531</b>	<b>\$6,450,821,472</b>	<b>\$6,751,409,430</b>	<b>\$8,333,939,670</b>	<b>\$6,954,792,008</b>	<b>(\$1,379,147,662)</b>	<b>(16.55%)</b>
Less: Internal Service Funds <sup>3</sup>	(\$708,070,414)	(\$603,937,448)	(\$728,160,603)	(\$748,736,317)	(\$765,130,721)	(\$16,394,404)	2.19%
<b>NET EXPENDITURES</b>	<b>\$7,630,677,117</b>	<b>\$5,846,884,024</b>	<b>\$6,023,248,827</b>	<b>\$7,585,203,353</b>	<b>\$6,189,661,287</b>	<b>(\$1,395,542,066)</b>	<b>(18.40%)</b>

<sup>1</sup> Pending School Board approval, FY 2015 expenditures for Fund S10000, Public School Operating, are reduced from the amount shown in the School Board's Advertised Budget to offset the discrepancy between the County's proposed Transfer Out from the General Fund to Fund S10000 and the Transfer In from the General Fund reflected in the School Board's Advertised Budget. Final adjustments will be reflected at the *FY 2013 Carryover Review*.

<sup>2</sup> Pending School Board approval, FY 2015 expenditures for Fund S50000, Public School Grants and Self-Supporting Programs, are reduced from the amount shown in the School Board's Advertised Budget to offset the discrepancy between the proposed Transfer Out from Fund 40030, Cable Communications, to Fund S50000 as included in the *FY 2015 Advertised Budget Plan*, and the Transfer In from Fund 40030 reflected in the School Board's Advertised Budget. Final adjustments will be reflected at the *FY 2013 Carryover Review*.

<sup>3</sup> Total Appropriated Funds Expenditures are reduced by Internal Service Fund Expenditures, as the amounts are already included.

## FY 2015 ADVERTISED CHANGES IN FUND BALANCE SUMMARY OF APPROPRIATED FUNDS

Fund	Balance 6/30/12	Balance 6/30/13	Balance 6/30/14	Balance 6/30/15	Appropriated From/(Added to) Surplus
<b>GOVERNMENTAL FUNDS</b>					
<b>General Fund Group</b>					
10001 General Fund	\$209,439,502	\$182,807,766	\$127,534,689	\$122,426,519	\$5,108,170
10010 Revenue Stabilization	105,295,261	107,549,693	109,450,490	111,131,838	(1,681,348)
10020 Consolidated Community Funding Pool	54,163	22,871	0	0	0
10030 Contributory Fund	195,461	137,076	63,295	39,514	23,781
10040 Information Technology	33,434,743	33,464,136	0	0	0
<b>Total General Fund Group</b>	<b>\$348,419,130</b>	<b>\$323,981,542</b>	<b>\$237,048,474</b>	<b>\$233,597,871</b>	<b>\$3,450,603</b>
<b>Debt Service Funds</b>					
20000 Consolidated Debt Service	\$14,882,141	\$14,910,463	\$0	\$0	\$0
<b>Capital Project Funds</b>					
30000 Metro Operations and Construction	\$9,505,414	\$1,931,414	\$0	\$0	\$0
30010 General Construction and Contributions	61,313,443	56,647,483	0	0	0
30020 Capital Renewal Construction	8,426,210	(6,861,359)	0	0	0
30030 Library Construction	3,896,638	7,975,840	0	0	0
30040 Contributed Roadway Improvement	38,949,830	35,450,343	0	0	0
30050 Transportation Improvements	18,030,374	9,701,426	0	0	0
30060 Pedestrian Walkway Improvements	887,089	800,772	0	0	0
30070 Public Safety Construction	10,637,093	8,062,268	0	0	0
30080 Commercial Revitalization Program	1,439,164	1,600,216	0	0	0
30090 Pro Rata Share Drainage Construction	7,567	7,567	7,567	7,567	0
30300 The Penny for Affordable Housing	19,774,739	21,604,873	0	0	0
30310 Housing Assistance Program	2,510,159	6,831,016	0	0	0
30400 Park Authority Bond Construction	4,434,104	7,348,451	0	0	0
S31000 Public School Construction	86,358,314	108,682,709	0	0	0
<b>Total Capital Project Funds</b>	<b>\$266,170,138</b>	<b>\$259,783,019</b>	<b>\$7,567</b>	<b>\$7,567</b>	<b>\$0</b>
<b>Special Revenue Funds</b>					
40000 County Transit Systems	\$40,923,773	\$45,636,292	\$9,277,261	\$11,525,000	(\$2,247,739)
40010 County and Regional Transportation Projects	66,374,117	79,119,799	0	0	0
40030 Cable Communications	17,936,386	14,355,300	3,328,701	2,759,138	569,563
40040 Fairfax-Falls Church Community Services Board	(2,601,407)	6,429,724	1,772,810	1,772,810	0
40050 Reston Community Center	6,208,582	5,742,205	4,081,443	3,314,448	766,995
40060 McLean Community Center	12,095,768	11,740,085	9,759,525	8,872,500	887,025
40070 Burgundy Village Community Center	300,020	314,351	324,960	330,207	(5,247)
40080 Integrated Pest Management Program	2,862,842	2,756,702	1,253,506	190,089	1,063,417
40090 E-911	12,734,688	4,413,639	385,907	500,000	(114,093)
40100 Stormwater Services	22,829,500	29,474,154	0	0	0
40110 Dulles Rail Phase I Transportation Improvement District	44,948,192	44,792,470	41,173,916	47,547,562	(6,373,646)
40120 Dulles Rail Phase II Transportation Improvement District	9,738,402	20,742,189	34,727,167	48,712,145	(13,984,978)
40130 Leaf Collection	3,448,453	3,745,051	3,551,123	3,551,074	49
40140 Refuse Collection and Recycling Operations	11,633,002	12,493,731	6,064,603	3,835,808	2,228,795
40150 Refuse Disposal	15,322,032	11,034,057	6,844,416	3,852,058	2,992,358
40160 Energy Resource Recovery (ERR) Facility	36,396,132	46,748,616	56,662,415	66,581,476	(9,919,061)
40170 I-95 Refuse Disposal	44,911,139	38,228,863	30,319,827	28,599,717	1,720,110
40180 Tysons Service District	0	0	2,390,494	8,366,729	(5,976,235)
40300 Housing Trust	6,593,374	6,041,595	229,060	229,060	0
40330 Elderly Housing Programs	1,913,721	1,954,898	1,021,750	1,188,703	(166,953)
40360 Homeowner and Business Loan Programs	3,563,128	3,780,066	3,263,353	3,220,868	42,485
50000 Federal/State Grants	40,078,308	41,634,114	742,262	742,262	0

## FY 2015 ADVERTISED CHANGES IN FUND BALANCE SUMMARY OF APPROPRIATED FUNDS

Fund	Balance 6/30/12	Balance 6/30/13	Balance 6/30/14	Balance 6/30/15	Appropriated From/(Added to) Surplus
<b>Special Revenue Funds (Cont.)</b>					
50800 Community Development Block Grant	\$647,646	\$36,843	\$0	\$0	\$0
50810 Home Investment Partnership Grant	(180,304)	164,073	0	0	0
S10000 Public School Operating	259,060,391	213,961,345	52,001,929	6,059,244	45,942,685
S40000 Public School Food and Nutrition Services	18,830,555	15,689,133	0	0	0
S43000 Public School Adult and Community Education	(974,678)	584,155	0	0	0
S50000 Public School Grants and Self Supporting Programs	13,025,450	14,773,434	0	0	0
<b>Total Special Revenue Funds</b>	<b>\$688,619,212</b>	<b>\$676,386,884</b>	<b>\$269,176,428</b>	<b>\$251,750,898</b>	<b>\$17,425,530</b>
<b>TOTAL GOVERNMENTAL FUNDS</b>	<b>\$1,318,090,621</b>	<b>\$1,275,061,908</b>	<b>\$506,232,469</b>	<b>\$485,356,336</b>	<b>\$20,876,133</b>
<b>PROPRIETARY FUNDS</b>					
<b>Internal Service Funds</b>					
60000 County Insurance	\$50,034,612	\$53,046,876	\$51,443,830	\$51,328,959	\$114,871
60010 Department of Vehicle Services	39,315,369	44,414,218	24,589,482	23,112,122	1,477,360
60020 Document Services	2,064,267	1,792,798	1,153,609	734,772	418,837
60030 Technology Infrastructure Services	5,195,024	7,336,957	2,760,771	1,837,946	922,825
60040 Health Benefits	19,681,979	37,685,304	31,979,766	30,176,695	1,803,071
S60000 Public School Insurance	43,759,142	46,924,718	34,291,320	34,291,320	0
S62000 Public School Health and Flexible Benefits	48,736,478	45,081,559	0	0	0
S63000 Public School Central Procurement	332,650	360,994	360,994	360,994	0
<b>Total Internal Service Funds</b>	<b>\$209,119,521</b>	<b>\$236,643,424</b>	<b>\$146,579,772</b>	<b>\$141,842,808</b>	<b>\$4,736,964</b>
<b>Enterprise Funds</b>					
69000 Sewer Revenue	\$119,542,939	\$142,759,050	\$125,747,537	\$121,014,118	\$4,733,419
69010 Sewer Operation and Maintenance	5,186,620	10,801,107	8,287,464	809,004	7,478,460
69020 Sewer Bond Parity Debt Service	12,855,263	13,621,947	3,639,640	205,546	3,434,094
69030 Sewer Bond Debt Reserve	16,555,123	21,728,541	21,728,541	21,728,541	0
69040 Sewer Bond Subordinate Debt Service	1,396,287	2,620,248	1,700,480	187,857	1,512,623
69300 Sewer Construction Improvements	31,758,367	22,033,838	0	0	0
69310 Sewer Bond Construction	3,930,911	56,956,925	0	0	0
<b>Total Enterprise Funds</b>	<b>\$191,225,510</b>	<b>\$270,521,656</b>	<b>\$161,103,662</b>	<b>\$143,945,066</b>	<b>\$17,158,596</b>
<b>TOTAL PROPRIETARY FUNDS</b>	<b>\$400,345,031</b>	<b>\$507,165,080</b>	<b>\$307,683,434</b>	<b>\$285,787,874</b>	<b>\$21,895,560</b>
<b>FIDUCIARY FUNDS</b>					
<b>Agency Funds</b>					
70000 Route 28 Taxing District	\$25,751	\$6,703	\$0	\$0	\$0
70040 Mosaic District Community Development Authority	0	0	0	0	0
<b>Total Agency Funds</b>	<b>\$25,751</b>	<b>\$6,703</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Trust Funds</b>					
73000 Employees' Retirement Trust	\$3,172,646,122	\$3,353,926,900	\$3,490,508,788	\$3,619,627,994	(\$129,119,206)
73010 Uniformed Employees Retirement Trust	1,208,858,858	1,318,808,530	1,385,682,607	1,455,707,425	(70,024,818)
73020 Police Retirement Trust	1,017,445,487	1,102,516,612	1,158,150,658	1,217,726,678	(59,576,020)
73030 OPEB Trust	113,693,810	150,888,340	176,150,690	199,701,352	(23,550,662)
S71000 Educational Employees' Retirement	1,827,750,696	1,956,759,182	2,100,742,036	2,255,545,337	(154,803,301)
S71100 Public School OPEB Trust	49,648,958	64,924,690	80,423,727	96,336,232	(15,912,505)
<b>Total Trust Funds</b>	<b>\$7,390,043,931</b>	<b>\$7,947,824,254</b>	<b>\$8,391,658,506</b>	<b>\$8,844,645,018</b>	<b>(\$452,986,512)</b>
<b>TOTAL FIDUCIARY FUNDS</b>	<b>\$7,390,069,682</b>	<b>\$7,947,830,957</b>	<b>\$8,391,658,506</b>	<b>\$8,844,645,018</b>	<b>(\$452,986,512)</b>
<b>TOTAL APPROPRIATED FUNDS</b>	<b>\$9,108,505,334</b>	<b>\$9,730,057,945</b>	<b>\$9,205,574,409</b>	<b>\$9,615,789,228</b>	<b>(\$410,214,819)</b>



**GENERAL FUND PROPERTY TAX RATES  
FY 2006 - FY 2015  
(per \$100 assessed valuation)**

Tax Category	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015 Proposed
<b>Real Estate</b>	\$1.00	\$0.89	\$0.89	\$0.92	\$1.04	\$1.09	\$1.07	\$1.075	\$1.085	\$1.085
Public Service	1.00	0.89	0.89	0.92	1.04	1.09	1.07	1.075	1.085	1.085
<b>Personal Property<sup>1</sup></b>	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57
Special Subclass <sup>2</sup>	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Machinery and Tools	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57
Development	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57
Mobile Homes <sup>3</sup>	1.00	0.89	0.89	0.92	1.04	1.09	1.07	1.075	1.085	1.085
Public Service	1.00	0.89	0.89	0.92	1.04	1.09	1.07	1.075	1.085	1.085

<sup>1</sup> Includes vehicles owned by individuals, businesses and Public Service Corporations, business furniture and fixtures, and computers.

<sup>2</sup> On April 30, 1990, the Board of Supervisors established a subclass for personal property taxation purposes. This subclass includes vehicles specifically equipped for the handicapped, privately-owned vans used for van pools, and vehicles belonging to volunteer fire and rescue squad members. The same rate also applies to antique automobiles. In FY 1996, vehicles owned by auxiliary police officers, aircraft and flight simulators, and property owned by homeowners' associations were added to the special subclass. Boats were added in FY 2000 and vehicles owned by reserve deputy sheriffs were included in FY 2007. Beginning in FY 2012, one vehicle owned by a fully disabled veteran is included in this special subclass.

<sup>3</sup> In accordance with the [Code of Virginia](#), mobile homes are considered a separate class of Personal Property and are assessed and taxed in the same manner as local real property.

**SUMMARY OF SELECTED NON-GENERAL FUND TAX RATES**  
**FY 2006 - FY 2015**

Tax Category	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015 Proposed
<b>Sewage Rates (Fund 69000)</b>										
Sewer Charge (per 1,000 gal.)	\$3.28	\$3.50	\$3.74	\$4.10	\$4.50	\$5.27	\$6.01	\$6.55	\$6.55	\$6.62
Availability Fee - Single Family Home	\$5,874	\$6,138	\$6,506	\$6,896	\$7,310	\$7,750	\$7,750	\$7,750	\$7,750	\$7,750
<b>Refuse Rates</b>										
Leaf Collection (Fund 40130) <sup>1</sup>	\$0.015	\$0.015	\$0.015	\$0.015	\$0.015	\$0.015	\$0.015	\$0.015	\$0.015	\$0.015
Refuse Collection per unit (Fund 40140)	\$270	\$315	\$330	\$345	\$345	\$345	\$345	\$345	\$345	\$345
Refuse Disposal per ton (Fund 40150)	\$48.00	\$50.00	\$52.00	\$57.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$62.00
<b>Community Centers</b>										
Reston (Fund 40050) <sup>1</sup>	\$0.052	\$0.047	\$0.047	\$0.047	\$0.047	\$0.047	\$0.047	\$0.047	\$0.047	\$0.047
McLean (Fund 40060) <sup>1</sup>	\$0.028	\$0.028	\$0.028	\$0.026	\$0.024	\$0.024	\$0.023	\$0.022	\$0.022	\$0.023
Burgundy Village (Fund 40070) <sup>1</sup>	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02
<b>Other Special Taxing Districts</b>										
Commercial & Industrial Tax for Transportation Projects (Fund 40010) <sup>1,2</sup>	--	--	--	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.125	\$0.125
Integrated Pest Management Program (Fund 40080) <sup>1</sup>	\$0.001	\$0.001	\$0.001	\$0.001	\$0.001	\$0.001	\$0.001	\$0.001	\$0.001	\$0.001
Stormwater Services (Fund 40100) <sup>1,3</sup>	--	--	--	--	\$0.010	\$0.015	\$0.015	\$0.020	\$0.020	\$0.0225
Dulles Rail Phase I (Fund 40110) <sup>1</sup>	\$0.22	\$0.22	\$0.22	\$0.22	\$0.22	\$0.22	\$0.22	\$0.22	\$0.21	\$0.21
Dulles Rail Phase II (Fund 40120) <sup>1</sup>	--	--	--	--	--	\$0.05	\$0.10	\$0.15	\$0.20	\$0.20
Tysons Service District (Fund 40180) <sup>1,4</sup>	--	--	--	--	--	--	--	--	\$0.04	\$0.05
Route 28 Corridor (Fund 70000) <sup>1</sup>	\$0.20	\$0.20	\$0.20	\$0.20	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18

<sup>1</sup> Per \$100 of assessed value.

<sup>2</sup> This district was created in FY 2009 after the Virginia General Assembly enacted legislation allowing Northern Virginia jurisdictions to levy an additional real estate tax on commercial and industrial properties for new transportation initiatives.

<sup>3</sup> This service district was created in FY 2010 to support stormwater management operating and capital requirements, as authorized by the Code of Virginia §15.2-2400.

<sup>4</sup> This service district was established on January 8, 2013 to fund transportation infrastructure in Tysons.

## ASSESSED VALUATION, TAX RATES, LEVIES AND COLLECTIONS GENERAL FUND, FISCAL YEARS 2013-2015

	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan
<b>ASSESSED VALUATION OF TAXABLE PROPERTY</b>				
<b>Real Estate</b>				
Local Assessment	\$200,263,343,910	\$207,073,144,800	\$207,073,144,800	\$219,021,273,450
Public Service Corporations	851,077,767	851,084,042	876,142,949	876,142,949
Supplemental Assessments	247,232,071	272,756,001	329,549,538	364,880,700
Less: Tax Relief for Elderly/Disabled	(2,358,565,501)	(2,492,829,265)	(2,391,532,894)	(2,424,019,405)
Less: Exonerations/Certificates/Tax Abatements	(684,847,568)	(766,170,636)	(547,184,340)	(615,561,547)
Less: Tax Increment Financing (TIF) <sup>1</sup>	(139,485,890)	(204,109,200)	(204,109,200)	(356,147,860)
<b>Total Real Estate Taxable Valuation</b>	<b>\$198,178,754,789</b>	<b>\$204,733,875,742</b>	<b>\$205,136,010,853</b>	<b>\$216,866,568,287</b>
<b>Personal Property</b>				
Vehicles	\$10,902,893,134	\$10,847,566,887	\$11,168,095,371	\$11,383,173,900
Business Property (excluding vehicles)	2,598,702,607	2,586,668,944	2,616,282,436	2,666,667,589
Mobile Homes	18,895,969	16,907,738	18,778,355	19,139,994
Other Personal Property <sup>2</sup>	16,809,838	16,994,996	17,162,907	17,493,435
Public Service Corporations	2,516,579,986	2,518,047,486	2,531,996,235	2,518,047,486
<b>Total Personal Property Valuation</b>	<b>\$16,053,881,534</b>	<b>\$15,986,186,051</b>	<b>\$16,352,315,304</b>	<b>\$16,604,522,404</b>
<b>Total Taxable Property Valuation</b>	<b>\$214,232,636,323</b>	<b>\$220,720,061,793</b>	<b>\$221,488,326,157</b>	<b>\$233,471,090,691</b>
<b>TAX RATE (per \$100 assessed value)</b>				
<b>Real Estate</b>				
Regular-Local Assessment	\$1.075	\$1.085	\$1.085	\$1.085
Public Service Corporations-Equalized	1.075	1.085	1.085	1.085
<b>Personal Property</b>				
Vehicle/Business/Other	\$4.57	\$4.57	\$4.57	\$4.57
Public Service Corporations-Equalized	1.075	1.085	1.085	1.085
Mobile Homes	1.075	1.085	1.085	1.085
<b>LEVIES AND COLLECTIONS</b>				
<b>Property Tax Levy</b>				
Real Estate Tax Levy	\$2,130,421,615	\$2,221,362,551	\$2,225,725,717	\$2,353,002,266
Personal Property Tax Levy	554,764,577	554,396,260	561,816,579	576,444,235
<b>Total Property Tax Levy</b>	<b>\$2,685,186,192</b>	<b>\$2,775,758,811</b>	<b>\$2,787,542,296</b>	<b>\$2,929,446,501</b>
<b>Property Tax Collections</b>				
Collection of Current Taxes <sup>3</sup>	\$2,679,668,935	\$2,761,707,880	\$2,773,330,593	\$2,914,686,906
Percentage of Total Levy Collected	99.8%	99.5%	99.5%	99.5%
Net Collections of Delinquent Taxes	18,659,978	3,985,502	19,221,607	19,221,607
<b>Total Property Tax Collections</b>	<b>\$2,698,328,913</b>	<b>\$2,765,693,382</b>	<b>\$2,792,552,200</b>	<b>\$2,933,908,513</b>
Yield of \$0.01 per \$100 of Real Estate Tax Collections	\$20,013,195	\$20,654,537	\$20,696,105	\$21,864,838
Yield of \$0.01 per \$100 of Personal Property Tax Collections	\$1,155,790	\$1,140,031	\$1,154,901	\$1,186,707

<sup>1</sup> Tax Increment Financing (TIF) includes the Mosaic District and reflects the difference between the 2007 base assessed value and the current assessed value.

<sup>2</sup> Other Personal Property includes boats, trailers, and miscellaneous.

<sup>3</sup> Includes the approximate value of one-half of one cent on the Real Estate Tax rate, which is directed to The Penny for Affordable Housing Fund. The value is \$9.98 million, \$10.33 million and \$10.93 million in FY 2013, FY 2014 and FY 2015, respectively.

## FY 2015 ADVERTISED GENERAL FUND REVENUE

Revenue Category	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
<b><u>TOTAL REAL PROPERTY TAXES</u></b>						
Real Estate Tax - Current	\$2,105,204,893	\$2,194,055,840	\$2,198,132,798	\$2,324,363,879	\$126,231,081	5.7%
R. E. Tax - Public Service Corps	9,161,979	9,234,262	9,506,151	9,506,151	0	0.0%
<b>Subtotal R. E. Tax - Current</b>	<b>\$2,114,366,872</b>	<b>\$2,203,290,102</b>	<b>\$2,207,638,949</b>	<b>\$2,333,870,030</b>	<b>\$126,231,081</b>	<b>5.7%</b>
R. E. Tax Penalties - Current	\$3,964,407	\$4,418,412	\$3,954,824	\$3,954,824	\$0	0.0%
R. E. Tax Interest - Current	91,121	63,249	63,249	63,249	0	0.0%
R. E. PSC - Penalty Current	18	2,038	2,038	2,038	0	0.0%
R. E. PSC - Interest Current	0	42	42	42	0	0.0%
R.E. Tax Delinquent - Prior Years	4,317,675	4,469,744	4,317,675	4,317,675	0	0.0%
R.E. Tax Penalties - Prior years	544,570	659,812	544,570	544,570	0	0.0%
R.E. Tax Interest - Prior Years	122,037	78,617	78,617	78,617	0	0.0%
<b>Subtotal R. E. Tax - Delinq Collections</b>	<b>\$9,039,828</b>	<b>\$9,691,914</b>	<b>\$8,961,015</b>	<b>\$8,961,015</b>	<b>\$0</b>	<b>0.0%</b>
Potential Real Estate Tax Refunds	0	(5,000,000)	0	0	0	--
<b>Subtotal R. E. Tax - Delinq Less Refunds</b>	<b>\$9,039,828</b>	<b>\$4,691,914</b>	<b>\$8,961,015</b>	<b>\$8,961,015</b>	<b>\$0</b>	<b>0.0%</b>
<b>TOTAL REAL PROPERTY TAXES</b>	<b>\$2,123,406,700</b>	<b>\$2,207,982,016</b>	<b>\$2,216,599,964</b>	<b>\$2,342,831,045</b>	<b>\$126,231,081</b>	<b>5.7%</b>
<b><u>PERSONAL PROPERTY TAXES</u></b>						
Personal Property Tax - Current	\$316,622,207	\$309,116,308	\$316,291,823	\$330,801,680	\$14,509,857	4.6%
P. P. Tax - Public Service Corps	27,390,912	27,657,526	27,755,877	27,771,252	15,375	0.1%
<b>Subtotal P. P. Tax - Current</b>	<b>\$344,013,118</b>	<b>\$336,773,834</b>	<b>\$344,047,700</b>	<b>\$358,572,932</b>	<b>\$14,525,232</b>	<b>4.2%</b>
P. P. Tax Penalties - Current	\$4,953,866	\$3,116,868	\$4,083,872	\$4,083,872	\$0	0.0%
P.P. Tax Interest - Current	384,709	112,356	112,356	112,356	0	0.0%
P.P. Tax Delinquent - Prior Years	3,247,085	5,363,291	5,363,291	5,363,291	0	0.0%
P.P. Tax Penalties - Prior Years	994,073	469,757	469,757	469,757	0	0.0%
P.P. Tax Interest - Prior Years	40,417	231,316	231,316	231,316	0	0.0%
<b>Subtotal P. P. Tax - Delinquent</b>	<b>\$9,620,150</b>	<b>\$9,293,588</b>	<b>\$10,260,592</b>	<b>\$10,260,592</b>	<b>\$0</b>	<b>0.0%</b>
Potential Personal Property Tax Refunds	0	(10,000,000)	0	0	0	--
<b>Subtotal P. P. Tax - Delinq Less Refunds</b>	<b>\$9,620,150</b>	<b>(\$706,412)</b>	<b>\$10,260,592</b>	<b>\$10,260,592</b>	<b>\$0</b>	<b>0.0%</b>
<b>TOTAL PERSONAL PROPERTY TAXES</b>	<b>\$353,633,269</b>	<b>\$336,067,422</b>	<b>\$354,308,292</b>	<b>\$368,833,524</b>	<b>\$14,525,232</b>	<b>4.1%</b>
<b><u>GENERAL OTHER LOCAL TAXES</u></b>						
Short-Term Daily Rental	\$274,673	\$347,541	\$347,541	\$347,541	\$0	0.0%
Vehicle Registration Fee	25,815,395	26,049,656	26,049,656	26,310,153	260,497	1.0%
Vehicle Registration Fee - Delinquent	608,929	562,746	562,746	562,746	0	0.0%
Auto Delinquent - DMV Hold	(49,073)	0	0	0	0	--
Bank Franchise Tax	16,954,511	15,153,475	15,153,475	15,153,475	0	0.0%
Cigarette Tax	8,329,640	9,051,472	7,951,980	7,912,220	(39,760)	(0.5%)
Gross Receipts Tax on Rental Cars	2,705,778	2,903,715	2,462,984	2,366,384	(96,600)	(3.9%)
Land Transfer Fees	26,322	24,000	27,100	27,650	550	2.0%
Communication Sales and Use Tax	47,933,955	48,526,451	46,802,582	23,189,500	(23,613,082)	(50.5%)
<b>Subtotal</b>	<b>\$102,600,130</b>	<b>\$102,619,056</b>	<b>\$99,358,064</b>	<b>\$75,869,669</b>	<b>(\$23,488,395)</b>	<b>(23.6%)</b>

## FY 2015 ADVERTISED GENERAL FUND REVENUE

Revenue Category	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Sales Tax - Local	\$166,834,978	\$171,302,177	\$167,699,109	\$169,376,850	\$1,677,741	1.0%
Sales Tax - Mobile Home	58,869	75,000	75,000	75,000	0	0.0%
<b>Subtotal Sales Tax</b>	<b>\$166,893,847</b>	<b>\$171,377,177</b>	<b>\$167,774,109</b>	<b>\$169,451,850</b>	<b>\$1,677,741</b>	<b>1.0%</b>
Deed of Conveyance Tax	\$5,374,337	\$4,661,263	\$5,468,325	\$5,468,325	\$0	0.0%
Recordation Tax	28,281,179	24,307,372	22,997,632	22,997,632	0	0.0%
<b>Subtotal Deed of Conveyance/Recordation</b>	<b>\$33,655,517</b>	<b>\$28,968,635</b>	<b>\$28,465,957</b>	<b>\$28,465,957</b>	<b>\$0</b>	<b>0.0%</b>
Transient Occupancy Tax	\$9,219,973	\$9,966,585	\$8,751,972	\$8,927,010	\$175,038	2.0%
Transient Occupancy Tax -- Additional	9,770,228	10,802,004	9,274,297	9,459,784	185,487	2.0%
<b>Subtotal Transient Occupancy Tax</b>	<b>\$18,990,201</b>	<b>\$20,768,589</b>	<b>\$18,026,269</b>	<b>\$18,386,794</b>	<b>\$360,525</b>	<b>2.0%</b>
<b>TOTAL Other Local Taxes</b>	<b>\$322,139,695</b>	<b>\$323,733,457</b>	<b>\$313,624,399</b>	<b>\$292,174,270</b>	<b>(\$21,450,129)</b>	<b>(6.8%)</b>
Electric Utility Tax - Dominion Virginia Power	\$34,402,683	\$34,701,657	\$34,701,657	\$34,701,657	\$0	0.0%
Electric Utility Tax - No. Va. Elec.	1,728,328	1,723,317	1,723,317	1,723,317	0	0.0%
<b>Subtotal Electric Utility Tax</b>	<b>\$36,131,011</b>	<b>\$36,424,974</b>	<b>\$36,424,974</b>	<b>\$36,424,974</b>	<b>\$0</b>	<b>0.0%</b>
Gas Utility Tax - Washington Gas	\$8,881,471	\$8,420,723	\$8,420,723	\$8,420,723	\$0	0.0%
Gas Utility Tax - Columbia Gas of VA	520,610	484,795	484,795	484,795	0	0.0%
<b>Subtotal Gas Utility Tax</b>	<b>\$9,402,081</b>	<b>\$8,905,518</b>	<b>\$8,905,518</b>	<b>\$8,905,518</b>	<b>\$0</b>	<b>0.0%</b>
<b>TOTAL Consumer Utility Tax</b>	<b>\$45,533,092</b>	<b>\$45,330,492</b>	<b>\$45,330,492</b>	<b>\$45,330,492</b>	<b>\$0</b>	<b>0.0%</b>
Electric Consumption Tax	\$3,202,378	\$2,953,515	\$2,953,515	\$2,953,515	\$0	0.0%
Natural Gas Consumption Tax	768,215	649,999	649,999	649,999	0	0.0%
<b>Total Consumption Tax</b>	<b>\$3,970,593</b>	<b>\$3,603,514</b>	<b>\$3,603,514</b>	<b>\$3,603,514</b>	<b>\$0</b>	<b>0.0%</b>
BPOL Tax - Amusements	\$226,904	\$232,795	\$226,904	\$229,173	\$2,269	1.0%
BPOL Tax - Builders and Developers	260,489	245,595	260,489	263,094	2,605	1.0%
BPOL Tax - Business Service Occupation	38,026,557	38,285,376	38,026,557	38,406,823	380,266	1.0%
BPOL Tax - Consultant/Specialist	33,691,645	35,060,430	33,691,645	34,028,560	336,915	1.0%
BPOL Tax - Contractors	8,081,755	8,600,966	8,081,755	8,162,573	80,818	1.0%
BPOL Tax - Hotels and Motels	1,421,880	1,482,772	1,421,880	1,436,099	14,219	1.0%
BPOL Tax - Money Lenders	1,002,193	1,105,000	1,002,193	1,012,215	10,022	1.0%
BPOL Tax - Personal Service Occupation	6,400,912	6,607,213	6,400,912	6,464,921	64,009	1.0%
BPOL Tax - Prof. & Spec Occupations	17,935,200	18,613,116	17,935,200	18,114,552	179,352	1.0%
BPOL Tax - Real Estate Brokers	1,474,680	1,575,000	1,474,680	1,489,427	14,747	1.0%
BPOL Tax - Rent of House, Apt & Condo	11,414,183	11,728,406	11,414,183	11,528,325	114,142	1.0%
BPOL Tax - Repair Service	1,591,715	1,988,705	1,591,715	1,607,632	15,917	1.0%
BPOL Tax - Research and Development	919,448	996,358	919,448	928,642	9,194	1.0%
BPOL Tax - Retail Merchants	28,586,407	29,147,040	28,586,407	28,872,270	285,863	1.0%
BPOL Tax - Telephone Companies	3,370,390	3,267,638	3,370,390	3,404,094	33,704	1.0%
BPOL Tax - Wholesale Merchants	1,765,950	1,762,490	1,765,950	1,783,610	17,660	1.0%
<b>Subtotal BPOL - Current</b>	<b>\$156,170,308</b>	<b>\$160,698,900</b>	<b>\$156,170,308</b>	<b>\$157,732,010</b>	<b>\$1,561,702</b>	<b>1.0%</b>

## FY 2015 ADVERTISED GENERAL FUND REVENUE

Revenue Category	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
BPOL Tax - Penalties & Interest - Current Year	\$111,370	\$360,000	\$360,000	\$360,000	\$0	0.0%
BPOL Tax - Delinquent Taxes - Prior Years	2,723,663	2,731,264	2,731,264	2,731,264	0	0.0%
BPOL Tax - Delinquent Penalty & Interest - Prior Years	311,693	150,000	150,000	150,000	0	0.0%
<b>Subtotal BPOL - Delinquents</b>	<b>\$3,146,726</b>	<b>\$3,241,264</b>	<b>\$3,241,264</b>	<b>\$3,241,264</b>	<b>\$0</b>	<b>0.0%</b>
Potential BPOL Refunds	0	(10,000,000)	0	0	0	--
<b>Subtotal BPOL - Delinq Less Refunds</b>	<b>\$3,146,726</b>	<b>(\$6,758,736)</b>	<b>\$3,241,264</b>	<b>\$3,241,264</b>	<b>\$0</b>	<b>0.0%</b>
<b>TOTAL Business, Professional &amp; Occupational Licenses</b>	<b>\$159,317,034</b>	<b>\$153,940,164</b>	<b>\$159,411,572</b>	<b>\$160,973,274</b>	<b>\$1,561,702</b>	<b>1.0%</b>
<b>TOTAL GENERAL OTHER LOCAL TAXES</b>	<b>\$530,960,414</b>	<b>\$526,607,627</b>	<b>\$521,969,977</b>	<b>\$502,081,550</b>	<b>(\$19,888,427)</b>	<b>(3.8%)</b>
<b>PERMITS, FEES &amp; REGULATORY LICENSES</b>						
Building Permits	\$8,224,762	\$9,865,668	\$8,224,762	\$8,413,144	\$188,382	2.3%
Electrical Permits	2,620,001	2,183,180	2,620,001	2,680,010	60,009	2.3%
Plumbing Permits	1,710,886	1,410,910	1,710,886	1,750,072	39,186	2.3%
Mechanical Permits	1,894,827	1,590,130	1,894,827	1,938,226	43,399	2.3%
Cross Connection Charges	1,246,919	572,020	1,246,919	1,275,479	28,560	2.3%
Home Improvement Inspection Licenses	7,846	25,077	7,846	8,025	179	2.3%
Elevator Inspection Licenses	1,688,092	1,682,577	1,688,092	1,726,756	38,664	2.3%
Appliance Permits	461,625	348,075	461,625	472,198	10,573	2.3%
Building Re-inspection Fees	22,588	11,922	22,588	23,105	517	2.3%
Electrical Re-inspection Fees	10,397	17,788	10,397	10,635	238	2.3%
Plumbing Re-inspection Fees	9,801	7,925	9,801	10,025	224	2.3%
Mechanical Re-inspection Fees	10,736	9,069	10,736	10,982	246	2.3%
Plan Resubmission Fee -New Construction	257,713	247,391	257,713	263,615	5,902	2.3%
Plan Resubmission Fee - Alteration Construction	382,537	418,172	382,537	391,300	8,763	2.3%
<b>Subtotal Inspection Services</b>	<b>\$18,548,730</b>	<b>\$18,389,904</b>	<b>\$18,548,730</b>	<b>\$18,973,572</b>	<b>\$424,842</b>	<b>2.3%</b>
Site Plan Fees	\$3,427,874	\$2,967,590	\$3,427,874	\$3,506,387	\$78,513	2.3%
Subdivision Plat Fees	200,612	225,956	200,612	205,207	4,595	2.3%
Subdivision Plan Fees	1,892,572	1,657,955	1,892,572	1,935,920	43,348	2.3%
Landfill Special Fees	149,982	0	149,982	153,417	3,435	2.3%
Utility Permit Fees	19,340	23,765	19,340	19,783	443	2.3%
Developer Bond Extension	363,135	444,006	363,135	371,452	8,317	2.3%
Inspection - Site Plans	2,988,788	2,412,293	2,988,788	3,057,243	68,455	2.3%
Inspection - Subplans	662,494	729,047	662,494	677,667	15,173	2.3%
<b>Subtotal Design Review</b>	<b>\$9,704,797</b>	<b>\$8,460,612</b>	<b>\$9,704,797</b>	<b>\$9,927,076</b>	<b>\$222,279</b>	<b>2.3%</b>
<b>TOTAL Inspection Services and Design Review</b>	<b>\$28,253,527</b>	<b>\$26,850,516</b>	<b>\$28,253,527</b>	<b>\$28,900,648</b>	<b>\$647,121</b>	<b>2.3%</b>

## FY 2015 ADVERTISED GENERAL FUND REVENUE

Revenue Category	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Zoning Fees	\$1,489,895	\$1,936,886	\$1,936,886	\$1,936,886	\$0	0.0%
Sign Permit Fees	136,724	106,637	136,724	136,724	0	0.0%
Quarry Inspection Fees	0	0	0	0	0	--
Board of Zoning Appeals Fees	266,673	152,414	277,675	277,675	0	0.0%
Wetlands Permits	600	600	600	600	0	0.0%
Non-Residential Use Permits Fees (NON-RUP's fees)	157,360	136,565	158,600	160,186	1,586	1.0%
Zoning Compliance Letters/Temp Special Permits	209,280	189,427	233,120	233,779	659	0.3%
<b>TOTAL Zoning Revenue</b>	<b>\$2,260,532</b>	<b>\$2,522,529</b>	<b>\$2,743,605</b>	<b>\$2,745,850</b>	<b>\$2,245</b>	<b>0.1%</b>
Dog Licenses & Dangerous Dog Fees	\$916,195	\$883,845	\$913,140	\$913,140	\$0	0.0%
Auto Graveyard Licenses	100	100	100	100	0	0.0%
Bondsmen Licenses	0	30	30	30	0	0.0%
Carnival Permits	25	0	0	0	0	--
Dance Hall Licenses	3,690	1,840	1,840	1,840	0	0.0%
Fortune Teller Licenses	500	1,000	1,000	1,000	0	0.0%
Mixed Drink Establishment Licenses	134,367	135,525	135,525	135,525	0	0.0%
Land Use Assessment Application Fees	2,895	1,241	1,241	1,241	0	0.0%
Massage Therapist Permits	40,775	40,940	40,940	40,940	0	0.0%
Election Filing Fees	1,250	1,000	1,000	1,000	0	0.0%
Concealed Weapon Permits	258,452	157,375	203,675	213,869	10,194	5.0%
Precious Metal & Gem Dealers / Pawnbrokers Licenses	13,350	11,850	11,850	11,850	0	0.0%
Solicitors Licenses	11,580	11,520	11,520	11,520	0	0.0%
Going Out of Business Fees	65	65	65	65	0	0.0%
Towing Permit	3,150	0	3,150	3,150	0	0.0%
Fire Prevention Code Permits	1,416,027	1,433,100	1,433,100	1,461,762	28,662	2.0%
Fire Marshal Fees	3,684,216	3,654,000	3,706,000	3,761,590	55,590	1.5%
Acceptance Test Overtime Fees	50,688	46,080	54,600	54,600	0	0.0%
Home Childcare Permits	23,957	24,891	24,891	25,140	249	1.0%
Tax Abatement Application Fees	0	500	500	500	0	0.0%
Alarm Systems Registrations	116,455	122,795	122,795	122,795	0	0.0%
Taxicab Licenses	151,230	149,390	149,390	149,390	0	0.0%
<b>Subtotal Misc. Permits, Fees &amp; Licenses</b>	<b>\$6,828,966</b>	<b>\$6,677,087</b>	<b>\$6,816,352</b>	<b>\$6,911,047</b>	<b>\$94,695</b>	<b>1.4%</b>
Swimming Pool Licenses	\$247,632	\$254,182	\$254,182	\$254,182	\$0	0.0%
Alternate Discharge Permits	780	525	525	525	0	0.0%
Alternative Sewage Systems Plan Review	22,800	16,900	26,000	26,600	600	2.3%
Camps/Campgrounds--State Health Fee	360	240	240	360	120	50.0%
Food Establishment Operating Permits	91,890	90,625	90,625	90,625	0	0.0%
Building Permits Review	48,375	49,500	49,500	50,250	750	1.5%
Site Development Review	17,670	18,700	18,700	19,125	425	2.3%
Hotel Permits--State Health Fee	5,520	5,240	5,520	5,600	80	1.4%
Miscellaneous Environmental Fees	5,001	6,230	3,500	3,500	0	0.0%
Portable Toilet Fees	540	600	600	600	0	0.0%
Private Schools/Day Care Center Licenses	16,615	16,750	17,100	17,570	470	2.7%
Public Establishment Review	26,432	16,100	26,900	26,900	0	0.0%
Restaurants--State Health Fee	56,360	52,425	52,425	52,425	0	0.0%
State Share Septic Tank Permits	96,590	78,400	98,930	100,900	1,970	2.0%
State Share Well Permit Fees	39,560	42,850	42,850	42,850	0	0.0%
Routine Water Sample Fees	2,975	3,840	3,840	3,840	0	0.0%

## FY 2015 ADVERTISED GENERAL FUND REVENUE

Revenue Category	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Sanitation Inspection Licenses	2,350	2,400	2,400	2,400	0	0.0%
Septic Tank Permits	64,865	60,125	67,050	68,400	1,350	2.0%
Septic Tank Truck Licenses	80,638	75,690	80,638	80,638	0	0.0%
Well Water Supply Permits	30,560	27,900	30,560	30,560	0	0.0%
Well Water Supply Licenses	815	900	900	900	0	0.0%
Soil Consultant License	0	0	2,100	2,100	0	0.0%
<b>Subtotal Health Dept. Permits, Fees &amp; Licenses</b>	<b>\$858,327</b>	<b>\$820,122</b>	<b>\$875,085</b>	<b>\$880,850</b>	<b>\$5,765</b>	<b>0.7%</b>
<b>TOTAL Misc. Permits Fees &amp; Licenses</b>	<b>\$7,687,293</b>	<b>\$7,497,209</b>	<b>\$7,691,437</b>	<b>\$7,791,897</b>	<b>\$100,460</b>	<b>1.3%</b>
<b>TOTAL PERMITS, FEES &amp; REGULATORY LICENSES</b>	<b>\$38,201,352</b>	<b>\$36,870,254</b>	<b>\$38,688,569</b>	<b>\$39,438,395</b>	<b>\$749,826</b>	<b>1.9%</b>
<b><u>FINES AND FORFEITURES</u></b>						
Attorney Fee - Collection of Delinquent Taxes	\$8,197	\$8,988	\$8,197	\$8,197	\$0	0.0%
Circuit Court Fines and Penalties	140,533	153,612	140,533	140,533	0	0.0%
County Fee - Administrative - Collections of Delinquent Taxes	1,828,203	1,691,159	1,828,203	1,828,203	0	0.0%
Juvenile & Domestic Relations Court (J&DR) Fines/Interest	1,434	842	842	842	0	0.0%
General District Court Fines/Interest	124,570	96,000	96,000	96,000	0	0.0%
General District Court Fines	8,400,456	8,307,930	8,307,930	8,307,930	0	0.0%
County Fines - J&DR Court	60,265	79,659	79,659	79,659	0	0.0%
Alarm Ordinance Violations	525,295	598,499	528,630	531,273	2,643	0.5%
Collection Agency Fees	(31,493)	0	0	0	0	--
State Set-Off Debt Service (SOF)	198,400	200,600	196,250	196,250	0	0.0%
County Fines/Penalties	899	15,930	15,930	15,930	0	0.0%
Parking Violations	2,849,555	3,250,000	2,928,810	2,943,454	14,644	0.5%
Non-Tax Penalty for Late Payment	17,131	455,000	70,800	70,800	0	0.0%
Non-Tax Interest	6,271	3,000	14,000	14,000	0	0.0%
Non-Sufficient Funds Check Return	1,805	2,000	2,000	2,000	0	0.0%
<b>TOTAL FINES AND FORFEITURES</b>	<b>\$14,131,523</b>	<b>\$14,863,219</b>	<b>\$14,217,784</b>	<b>\$14,235,071</b>	<b>\$17,287</b>	<b>0.1%</b>
<b><u>REVENUE FROM USE OF MONEY &amp; PROPERTY</u></b>						
Interest on Investments	\$13,297,996	\$12,585,530	\$10,631,656	\$9,909,316	(\$722,340)	(6.8%)
Rent of Real Estate	3,290,711	3,356,550	3,356,550	3,434,433	77,883	2.3%
Rent on Communication Sites	827,391	896,524	877,775	780,370	(97,405)	(11.1%)
Cafeteria Commissions/Vending Machines	93,165	96,018	96,018	96,018	0	0.0%
Cash Over and Short	(41)	0	0	0	0	--
Bicycle Locker Rentals	1,860	1,800	1,800	1,800	0	0.0%
<b>TOTAL REV. FROM USE OF MONEY &amp; PROPERTY</b>	<b>\$17,511,082</b>	<b>\$16,936,422</b>	<b>\$14,963,799</b>	<b>\$14,221,937</b>	<b>(\$741,862)</b>	<b>(5.0%)</b>



## FY 2015 ADVERTISED GENERAL FUND REVENUE

Revenue Category	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
<b><u>CHARGES FOR SERVICES</u></b>						
Courthouse Maintenance Fees	\$459,451	\$531,000	\$459,451	\$459,451	\$0	0.0%
Court Security Fees	1,932,052	2,185,820	1,932,052	1,932,052	0	0.0%
Criminal Justice Academy Fee on Criminal Offenses	193,814	226,820	226,820	226,820	0	0.0%
EMS Transport Fee	16,615,023	15,492,187	16,615,000	17,615,000	1,000,000	6.0%
Copying Machine Revenue	117,845	117,279	117,845	117,845	0	0.0%
Reimbursement for Recorded Tapes/FOIA Fees	10,404	8,174	10,404	10,404	0	0.0%
Proposed Vacation Fees	1,200	800	800	800	0	0.0%
Refuse Collection Fees	27,614	2,900	2,900	2,900	0	0.0%
Jail Fees / DNA Fees	75,436	82,980	82,980	82,980	0	0.0%
Parental Support - Boys Probation House	8,950	12,633	12,633	12,633	0	0.0%
Parental Support - Girls Probation House	1,622	2,297	2,297	2,297	0	0.0%
Parental Support - Supervised Visitation	5,868	10,892	5,868	5,868	0	0.0%
Commonwealth's Attorney Fees	32,104	28,986	32,104	32,104	0	0.0%
Police Reports and Photo Fees	256,199	267,236	256,199	256,199	0	0.0%
Sheriff Fees	66,271	66,271	66,271	66,271	0	0.0%
Police Reimbursement	2,365,014	1,566,670	2,365,014	2,532,930	167,916	7.1%
Animal Shelter Fees	84,107	86,327	86,327	188,487	102,160	118.3%
Miscellaneous Charges for Services	5,995	8,800	8,800	8,800	0	0.0%
Seniors on the Go	48,700	55,000	44,100	44,100	0	0.0%
Taxi Access	10,480	10,300	10,300	10,300	0	0.0%
Parking Garage Fees	969,382	908,930	969,382	969,382	0	0.0%
Adoption Service Fees	7,174	5,408	5,408	5,408	0	0.0%
Street Sign Fees	1,737	2,180	1,737	1,737	0	0.0%
Restricted Parking Fees	1,870	2,000	2,000	2,000	0	0.0%
Sales - Mapping Division	22,153	23,088	23,088	23,088	0	0.0%
Copay - Inmate Medical	15,494	15,135	16,140	16,140	0	0.0%
Coin-Operated Copiers	151,074	150,474	163,480	163,480	0	0.0%
Library Database Fees	15,710	21,018	16,000	16,000	0	0.0%
Library Overdue Penalties	1,278,168	1,277,251	1,277,251	1,277,251	0	0.0%
Employee Child Care Center Fees	1,126,425	1,153,963	1,163,980	1,180,526	16,546	1.4%
School Age Child Care (SACC) Fees	33,929,015	35,951,301	35,951,301	36,460,501	509,200	1.4%
County Clerk Fees	6,090,772	5,392,416	5,979,269	5,979,269	0	0.0%
Domestic Violence Services Client Fees - ADAPT	73,270	90,334	73,270	73,270	0	0.0%
FASTRAN Rider Fees	20,229	30,425	20,229	187,879	167,650	828.8%
<b>Subtotal Misc. Charges for Services</b>	<b>\$66,020,620</b>	<b>\$65,787,295</b>	<b>\$68,000,700</b>	<b>\$69,964,172</b>	<b>\$1,963,472</b>	<b>2.9%</b>
Senior+ Monthly Participant Fees	\$46,705	\$47,125	\$47,125	\$47,125	\$0	0.0%
Senior Center Annual Participant Fees	152,994	152,000	155,850	162,850	7,000	4.5%
James Lee Theatre	8,915	10,500	10,500	10,500	0	0.0%
Recreation Athletic Programs	512,644	472,779	472,779	472,779	0	0.0%
Recreation Community Use Fees	39,751	56,113	39,751	39,751	0	0.0%
Recreation Classes Fees	1,530,255	1,830,093	1,532,166	1,532,166	0	0.0%
Recreation Neighborhood Center Fees	281,635	275,411	292,197	292,197	0	0.0%
Custodial Fees	272,792	237,475	237,475	237,475	0	0.0%
<b>Subtotal Recreation Revenue</b>	<b>\$2,845,692</b>	<b>\$3,081,496</b>	<b>\$2,787,843</b>	<b>\$2,794,843</b>	<b>\$7,000</b>	<b>0.3%</b>

## FY 2015 ADVERTISED GENERAL FUND REVENUE

Revenue Category	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Pre-Screening for Nursing Homes	\$90,258	\$85,006	\$95,850	\$97,767	\$1,917	2.0%
Speech Fees	179,595	165,981	165,981	165,981	0	0.0%
Hearing Fees	43,885	49,750	43,885	43,885	0	0.0%
Vital Statistic Fees	620,263	590,717	620,263	629,847	9,584	1.5%
Dental Health Fees	26,354	17,500	26,354	26,354	0	0.0%
Pharmacy Fees	31	25	25	25	0	0.0%
X-Ray Fees	11,395	21,887	11,395	11,395	0	0.0%
General Medical Clinic Fees	948,274	931,154	931,154	931,154	0	0.0%
Family Planning Services	41,430	43,298	43,298	43,298	0	0.0%
Medicaid Dental Fees	46,425	65,535	46,425	46,425	0	0.0%
Lab Services Fees	387,247	392,880	392,880	396,809	3,929	1.0%
Administrative Fees - Health Dept.	4,373	2,435	4,373	4,373	0	0.0%
Non-Medicaid Pediatric Clinic Visits	0	30	0	0	0	--
Non-Medicaid Maternal Clinic Visits	46,293	58,352	15,430	0	(15,430)	(100.0%)
Sewage Disposal/Well Water Evaluation	4,900	7,500	4,900	4,900	0	0.0%
Adult Day Health Care Fees	1,056,021	1,127,428	1,056,021	1,056,021	0	0.0%
Adult Day Health Care Medicaid Reimbursement	301,017	262,224	262,224	262,224	0	0.0%
<b>Subtotal Health Dept. Revenue</b>	<b>\$3,807,761</b>	<b>\$3,821,702</b>	<b>\$3,720,458</b>	<b>\$3,720,458</b>	<b>\$0</b>	<b>0.0%</b>
<b>TOTAL CHARGES FOR SERVICES</b>	<b>\$72,674,073</b>	<b>\$72,690,493</b>	<b>\$74,509,001</b>	<b>\$76,479,473</b>	<b>\$1,970,472</b>	<b>2.6%</b>

### RECOVERED COSTS

City of Fairfax Shared Govt. Expenses	\$3,151,544	\$3,151,544	\$3,119,876	\$3,119,876	\$0	0.0%
City of Fairfax Public Assistance	935,647	867,612	935,647	935,647	0	0.0%
City of Fairfax - FASTRAN/Employment	18,041	12,839	18,041	18,041	0	0.0%
Falls Church Public Assistance	714,653	698,559	714,653	714,653	0	0.0%
Falls Church - FASTRAN/Employment	0	14,119	0	0	0	--
Falls Church Health Dept. Services	278,859	279,764	279,764	279,764	0	0.0%
Inmate Room and Board	660,111	661,794	637,280	637,280	0	0.0%
Boarding of Prisoners	318,320	295,253	318,320	323,095	4,775	1.5%
Professional Dues Deduction	41,231	41,240	41,240	42,026	786	1.9%
Recovered Costs - Circuit Court	108	200	200	200	0	0.0%
Recovered Costs - General District Court	122,767	134,406	124,046	125,275	1,229	1.0%
E-Rate Telecom Program	78,600	0	39,300	39,300	0	0.0%
Misc. Recovered Costs - Other	67,637	45,435	45,435	35,435	(10,000)	(22.0%)
Credit Card Charges	(161)	0	0	0	0	--
Child Care Services for Other Jurisdictions	141,760	135,555	135,555	135,555	0	0.0%
CPAN, Circuit Court Computer Service	320,791	317,606	324,090	327,300	3,210	1.0%
Golden Gazette	86,758	83,343	88,500	88,500	0	0.0%
Police Academy Cost Recovery	38,900	26,850	38,900	38,900	0	0.0%
FASTRAN	85,299	84,375	84,375	84,375	0	0.0%
Reimbursement - School Health	3,995,766	3,877,215	3,877,215	3,877,215	0	0.0%
State Reimbursement Adult Detention Center	2,630,460	2,633,103	2,633,103	2,633,103	0	0.0%
Admin -- City of Fairfax	6,195	7,131	7,131	7,131	0	0.0%
<b>TOTAL RECOVERED COSTS</b>	<b>\$13,693,285</b>	<b>\$13,367,943</b>	<b>\$13,462,671</b>	<b>\$13,462,671</b>	<b>\$0</b>	<b>0.0%</b>

## FY 2015 ADVERTISED GENERAL FUND REVENUE

Revenue Category	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
<b>REVENUE FROM THE COMMONWEALTH</b>						
Reduction in State Aid - Requires Locality to Choose Funding Stream to Cut	(\$3,579,330)	\$0	\$0	\$0	\$0	--
State Shared Rolling Stock Tax	\$114,324	\$105,405	\$115,977	\$115,977	\$0	0.0%
State Law Enforcement Funding (HB 599)	23,731,260	23,731,261	23,731,261	23,731,261	0	0.0%
State Indirect Aid	48,878	54,217	54,217	54,217	0	0.0%
<b>Subtotal Non-Categorical State Aid</b>	<b>\$23,894,461</b>	<b>\$23,890,883</b>	<b>\$23,901,455</b>	<b>\$23,901,455</b>	<b>\$0</b>	<b>0.0%</b>
State Shared Retirement - Circuit Court	\$176,465	\$171,033	\$176,465	\$176,465	\$0	0.0%
State Shared Commonwealth Atty. Expenses	1,637,940	1,658,832	1,687,078	1,687,078	0	0.0%
State Shared Retirement - Commonwealth Atty.	32,309	29,848	32,309	32,309	0	0.0%
State Shared Dept. of Tax Admin/Finance Expenses	1,978,305	1,844,876	2,037,654	2,037,654	0	0.0%
State Shared Retirement - Dept. of Tax Admin./Finance	41,080	55,172	55,172	55,172	0	0.0%
State Shared Sheriff Expenses	14,174,465	14,390,224	14,599,700	14,599,700	0	0.0%
State Shared General Retirement - Sheriff	278,576	300,534	278,576	278,576	0	0.0%
State Shared General Registrar/ Electoral Board Expenses	82,867	84,476	84,476	84,476	0	0.0%
<b>Subtotal Shared Expenses</b>	<b>\$18,402,006</b>	<b>\$18,534,995</b>	<b>\$18,951,430</b>	<b>\$18,951,430</b>	<b>\$0</b>	<b>0.0%</b>
Libraries State Aid	\$492,418	\$532,949	\$532,949	\$532,949	\$0	0.0%
Virginia Share Public Assistance Programs	36,504,733	38,581,367	38,699,392	38,021,457	(677,935)	(1.8%)
Va. Juvenile Crime Control Act Funding	612,799	621,170	621,170	621,170	0	0.0%
State Share J&DR Court Residential Services	2,620,835	2,566,428	2,566,428	2,566,428	0	0.0%
<b>Subtotal Categorical State Aid</b>	<b>\$40,230,786</b>	<b>\$42,301,914</b>	<b>\$42,419,939</b>	<b>\$41,742,004</b>	<b>(\$677,935)</b>	<b>(1.6%)</b>
State Reimb. - General District Court	\$82,628	\$85,265	\$85,265	\$85,265	\$0	0.0%
State Reimb. - Health Department	9,314,714	9,314,714	9,314,714	9,314,714	0	0.0%
State Reimb. - Residential Beds - JDC	1,450	10,850	10,850	10,850	0	0.0%
State Reimb. - Commonwealth Atty. Witness Expense	11,285	16,400	16,400	16,400	0	0.0%
State Reimb.- Police Intoxication	6,425	6,125	6,125	6,125	0	0.0%
State Share J&DR Court Services	1,447,550	1,443,581	1,443,581	1,443,581	0	0.0%
<b>Subtotal State Recovered Costs</b>	<b>\$10,864,052</b>	<b>\$10,876,935</b>	<b>\$10,876,935</b>	<b>\$10,876,935</b>	<b>\$0</b>	<b>0.0%</b>
State Reimb - Personal Property Tax (PPTRA)	\$211,313,944	\$211,313,944	\$211,313,944	\$211,313,944	\$0	0%
<b>TOTAL REVENUE FROM THE COMMONWEALTH</b>	<b>\$301,125,920</b>	<b>\$306,918,671</b>	<b>\$307,463,703</b>	<b>\$306,785,768</b>	<b>(\$677,935)</b>	<b>(0.2%)</b>

### REVENUE FROM THE FEDERAL GOVT.

J&DR Court - USA Grant	\$99,403	\$121,660	\$99,500	\$99,500	\$0	0.0%
USDA Grant - Office for Children/Human Svc.	51,303	44,689	44,689	44,689	0	0.0%
Federal Direct Aid	22,702	0	23,000	23,000	0	0.0%
Criminal Alien Assistance Program	891,858	0	737,644	0	(737,644)	(100.0%)
Federal Emergency Assistance	145,303	0	0	0	0	--
<b>Subtotal Categorical Federal Aid</b>	<b>\$1,210,569</b>	<b>\$166,349</b>	<b>\$904,833</b>	<b>\$167,189</b>	<b>(\$737,644)</b>	<b>(81.5%)</b>

## FY 2015 ADVERTISED GENERAL FUND REVENUE

Revenue Category	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
DFS Federal and Federal Pass-Through	\$29,602,971	\$25,455,737	\$25,626,787	\$27,261,561	\$1,634,774	6.4%
Shelter Program	66,664	0	0	0	0	--
Payments in Lieu of Taxes - Federal	42,015	54,000	45,000	45,000	0	0.0%
Federal Aid for Indirect Costs	230,586	0	0	0	0	--
<b>TOTAL REVENUE FROM THE FEDERAL GOVERNMENT</b>	<b>\$31,152,805</b>	<b>\$25,676,086</b>	<b>\$26,576,620</b>	<b>\$27,473,750</b>	<b>\$897,130</b>	<b>3.4%</b>
<b>Combined State &amp; Federal Public Assistance</b>	<b>\$66,107,704</b>	<b>\$64,037,104</b>	<b>\$64,326,179</b>	<b>\$65,283,018</b>	<b>\$956,839</b>	<b>1.5%</b>
<b>MISCELLANEOUS REVENUE - GIFTS, DONATIONS, OTHER FINANCING SOURCES</b>						
Litigation Proceeds	\$112,768	\$115,000	\$115,000	\$115,000	\$0	0.0%
Miscellaneous Revenue - Environ Mgmt.	34,348	20,000	20,000	20,000	0	0.0%
Contract Rebates	1,174,053	1,189,635	1,189,635	1,482,079	292,444	24.6%
Gifts, Donations & Miscellaneous Revenue	150,938	127,854	127,854	130,000	2,146	1.7%
Linebarger Collection Fees	8,247	0	0	0	0	--
Sales of Vehicles and Salvage	124,301	115,005	115,005	115,005	0	0.0%
<b>TOTAL MISCELLANEOUS/OTHER</b>	<b>\$1,604,654</b>	<b>\$1,567,494</b>	<b>\$1,567,494</b>	<b>\$1,862,084</b>	<b>\$294,590</b>	<b>18.8%</b>
<b>Total Recovered Costs/Misc./Other Revenue</b>	<b>\$15,297,940</b>	<b>\$14,935,437</b>	<b>\$15,030,165</b>	<b>\$15,324,755</b>	<b>\$294,590</b>	<b>2.0%</b>
<b>GRAND TOTAL GENERAL FUND REVENUE</b>	<b>\$3,498,095,077</b>	<b>\$3,559,547,647</b>	<b>\$3,584,327,874</b>	<b>\$3,707,705,268</b>	<b>\$123,377,394</b>	<b>3.4%</b>

**FY 2015 ADVERTISED  
REVENUE FROM THE COMMONWEALTH <sup>1</sup>**

Fund/Fund Title	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
10001 General Fund <sup>2</sup>	\$301,125,918	\$306,918,671	\$307,463,703	\$306,785,768	(\$677,935)	(0.22%)
30010 General Construction and Contributions	209,103	0	3,838,964	0	(3,838,964)	(100.00%)
30020 Capital Renewal Construction	441,514	0	0	0	0	-
30040 Contributed Roadway Improvement	200,000	0	700,000	0	(700,000)	(100.00%)
30050 Transportation Improvements	172,459	0	0	0	0	-
30060 Pedestrian Walkway Improvements	107,592	0	872,660	0	(872,660)	(100.00%)
30080 Commercial Revitalization Program	16,211	0	1,289,539	0	(1,289,539)	(100.00%)
40000 County Transit Systems	18,201,878	24,829,770	24,829,770	26,491,972	1,662,202	6.69%
40040 Fairfax-Falls Church Community Services Board	12,712,937	12,713,033	12,713,033	13,153,665	440,632	3.47%
40090 E-911	3,577,720	4,200,000	4,200,000	4,400,000	200,000	4.76%
40140 Refuse Collection and Recycling Operations	145,292	100,879	100,879	145,292	44,413	44.03%
50000 Federal/State Grants	21,356,812	23,452,919	28,618,774	25,880,228	(2,738,546)	(9.57%)
69310 Sewer Bond Construction	1,107,952	0	11,421,090	0	(11,421,090)	(100.00%)
S10000 Public School Operating	549,948,652	548,186,877	557,058,694	547,537,195	(9,521,499)	(1.71%)
S40000 Public School Food and Nutrition Services	981,400	892,202	991,214	1,048,179	56,965	5.75%
S43000 Public School Adult and Community Education	924,913	923,731	923,731	1,172,815	249,084	26.96%
S50000 Public School Grants and Self Supporting Programs	10,753,882	9,778,373	9,525,196	10,273,469	748,273	7.86%
<b>Total Revenue from the Commonwealth</b>	<b>\$921,984,235</b>	<b>\$931,996,455</b>	<b>\$964,547,247</b>	<b>\$936,888,583</b>	<b>(\$27,658,664)</b>	<b>(2.87%)</b>

<sup>1</sup> In addition to funds received by the County directly from the State in the funds listed herein, it is projected the State will provide \$72,789,153 to the Northern Virginia Transportation Commission (NVTC) in FY 2015 as a credit to help offset Fairfax County's Operating Subsidy and \$2,689,845 as a credit to help offset Fairfax County's Capital Construction Subsidy in Fund 30000, Metro Operations and Construction. State aid in the amount of \$20,791,972 is also projected to be disbursed to NVTC in FY 2015 which will be utilized to offset operations in Fund 40000, County Transit Systems.

<sup>2</sup> Personal Property Taxes of \$211,313,944 that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Revenue from the Commonwealth category in accordance with guidelines from the State Auditor of Public Accounts.

**FY 2015 ADVERTISED  
REVENUE FROM THE FEDERAL GOVERNMENT**

Fund/Fund Title	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
10001 General Fund	\$31,152,806	\$25,676,086	\$26,576,620	\$27,473,750	\$897,130	3.38%
20000 Consolidated Debt Service	3,182,291	0	0	0	0	-
30010 General Construction and Contributions	1,019,580	0	0	0	0	-
30040 Contributed Roadway Improvement	0	0	290,375	0	(290,375)	(100.00%)
30060 Pedestrian Walkway Improvements	0	0	1,519,800	0	(1,519,800)	(100.00%)
30310 Housing Assistance Program	0	0	313,228	0	(313,228)	(100.00%)
40010 County and Regional Transportation Projects	0	0	5,000,000	5,000,000	0	0.00%
40040 Fairfax-Falls Church Community Services Board	4,573,959	4,358,839	4,358,839	4,234,459	(124,380)	(2.85%)
40100 Stormwater Services	23,321	0	1,825,863	0	(1,825,863)	(100.00%)
50000 Federal/State Grants	57,563,150	60,029,672	116,142,350	66,831,988	(49,310,362)	(42.46%)
50800 Community Development Block Grant	5,928,327	4,414,224	9,269,369	4,750,027	(4,519,342)	(48.76%)
50810 Home Investment Partnership Grant	5,603,505	1,405,283	4,754,413	1,417,514	(3,336,899)	(70.19%)
73030 OPEB Trust	1,262,891	1,300,000	1,300,000	1,250,000	(50,000)	(3.85%)
S10000 Public School Operating	42,892,996	42,489,699	54,806,855	41,964,699	(12,842,156)	(23.43%)
S31000 Public School Construction	56,377	0	0	0	0	-
S40000 Public School Food and Nutrition Services	31,574,159	31,517,587	31,889,901	33,933,782	2,043,881	6.41%
S43000 Public School Adult and Community Education	1,872,980	1,781,117	1,941,271	1,666,438	(274,833)	(14.16%)
S50000 Public School Grants and Self Supporting Programs	33,499,581	31,066,002	36,560,574	26,441,526	(10,119,048)	(27.68%)
S62000 Public School Health and Flexible Benefits	2,740,685	3,254,730	3,556,895	5,000,000	1,443,105	40.57%
<b>Total Revenue from the Federal Government</b>	<b>\$222,946,608</b>	<b>\$207,293,239</b>	<b>\$300,106,353</b>	<b>\$219,964,183</b>	<b>(\$80,142,170)</b>	<b>(26.70%)</b>

**FAIRFAX COUNTY**  
**FY 2013 - FY 2015 County Funded Programs**  
**for School-Related Services**

	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan
<b>General Fund Transfers</b>				
General Fund Transfer to School Operating Fund	\$1,683,322,285	\$1,716,988,731	\$1,716,988,731	\$1,751,328,506
General Fund Transfer to School Debt Service	164,757,064	172,367,649	172,367,649	177,141,176
<b>Subtotal</b>	<b>\$1,848,079,349</b>	<b>\$1,889,356,380</b>	<b>\$1,889,356,380</b>	<b>\$1,928,469,682</b>
<b>Police Department</b>				
School Resource Officers (55/55.0 FTE)	\$5,897,672	\$6,639,668	\$5,904,102	\$6,380,689
Non-Billable Overtime Hours	267,640	267,640	172,665	172,665
School Crossing Guards (64/64.0 FTE)	2,769,071	2,793,863	2,896,304	2,867,298
<b>Subtotal</b>	<b>\$8,934,383</b>	<b>\$9,701,171</b>	<b>\$8,973,071</b>	<b>\$9,420,652</b>
<b>Fire Department</b>				
Fire safety programs for pre-school through middle school aged students	\$142,397	\$149,765	\$147,641	\$144,722
<b>Subtotal</b>	<b>\$142,397</b>	<b>\$149,765</b>	<b>\$147,641</b>	<b>\$144,722</b>
<b>Health Department</b>				
School Health (275/195.54 FTE)	\$13,332,378	\$14,957,813	\$14,419,653	\$14,275,010
<b>Subtotal</b>	<b>\$13,332,378</b>	<b>\$14,957,813</b>	<b>\$14,419,653</b>	<b>\$14,275,010</b>
<b>Community Services Board (CSB) - Treatment</b>				
Pre-Kindergarten programming (74/2.58 FTE)	\$206,502	\$174,185	\$248,225	\$254,872
Elementary school programming	0	1,437	0	0
Middle school programming	0	1,437	0	0
High school and alternative school programming (15/7.63 FTE)	710,206	732,775	714,845	733,985
<b>Subtotal</b>	<b>\$916,708</b>	<b>\$909,834</b>	<b>\$963,070</b>	<b>\$988,857</b>
<b>Community Services Board (CSB) - Community Living<sup>1</sup></b>				
Elementary school programming (6/2.33 FTE)	420,917	261,549	463,931	469,766
Middle school programming (44/2.19 FTE)	159,857	217,569	222,854	230,704
High school and alternative school programming (208/4.74 FTE)	242,117	448,514	471,277	480,394
<b>Subtotal</b>	<b>\$822,891</b>	<b>\$927,632</b>	<b>\$1,158,062</b>	<b>\$1,180,864</b>

**FAIRFAX COUNTY**  
**FY 2013 - FY 2015 County Funded Programs**  
**for School-Related Services**

	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan
<b>Department of Family Services</b>				
Net Cost of the School-Age Child Care (SACC) Program (560/518.68 FTE) - includes general services and services for special needs clients, partially offset by program revenues <sup>2</sup>	\$10,535,155	\$8,804,738	\$10,973,144	\$8,843,930
Net Cost of Locally Funded Head Start and School Readiness Activities (21/21.0 FTE) <sup>3</sup>	6,695,215	6,564,836	7,011,759	7,601,804
Local Cash Match Associated with the Head Start/Early Head Grant Funding <sup>4</sup>	988,290	1,019,786	1,595,001	1,019,786
Local Cash Match Associated with the Virginia Preschool Initiative Grant Funding	40,790	100,000	259,210	250,000
Behavioral Health Services for Youth (3/3.0 FTE) <sup>3</sup>	0	0	200,000	1,200,000
Net Cost of Comprehensive Services Act (10/10.0 FTE) <sup>3</sup>	19,112,995	20,771,584	21,548,715	21,537,800
County contribution to Schools for SACC space	750,000	750,000	750,000	750,000
<b>Subtotal</b>	<b>\$38,122,445</b>	<b>\$38,010,944</b>	<b>\$42,337,829</b>	<b>\$41,203,319</b>
<b>Department of Neighborhood and Community Services</b>				
After School Programs at Fairfax County Middle Schools	\$3,289,710	\$2,918,173	\$2,918,173	\$3,043,173
After School Partnership Program	145,000	145,000	145,000	145,000
Field improvements <sup>5</sup>	2,098	200,000	533,485	250,000
Therapeutic recreation	61,146	66,242	63,530	63,381
<b>Subtotal</b>	<b>\$3,497,954</b>	<b>\$3,329,415</b>	<b>\$3,660,188</b>	<b>\$3,501,554</b>
<b>Fairfax County Park Authority</b>				
Maintenance of Fairfax County Public Schools' athletic fields	\$1,638,758	\$1,772,535	\$2,759,554	\$1,910,338
<b>Subtotal</b>	<b>\$1,638,758</b>	<b>\$1,772,535</b>	<b>\$2,759,554</b>	<b>\$1,910,338</b>
<b>TOTAL: County Funding for School Related Services</b>	<b>\$1,915,487,264</b>	<b>\$1,959,115,489</b>	<b>\$1,963,775,448</b>	<b>\$2,001,094,998</b>

<sup>1</sup> Consistent with adjustments to specific Wellness and Health Promotion programs in schools as approved by the Board of Supervisors in the *FY 2012 Carryover Review* budget management plan, and resulting realignment of resources to broader community prevention programs, specific costs for these school-related services are reduced in the *FY 2013 Revised Budget Plan* and *FY 2014 Adopted Budget Plan*.

<sup>2</sup> Includes Fringe Benefits in an effort to more accurately reflect program costs associated with the SACC program and to be consistent with SACC rate setting methodology.

<sup>3</sup> FY 2013 Actuals, FY 2014 Revised Budget and FY 2015 Advertised Budget includes Fringe Benefits in an effort to more accurately reflect program costs.

<sup>4</sup> This includes Local Cash Match funding for Federal Head Start and Early Head Start for the Higher Horizons, Gum Springs and Schools' contracts.

<sup>5</sup> Only the cost of athletic field lighting is reflected here. All other Fairfax County Public Schools-related field improvement funding is managed by, and shown under, the Fairfax County Park Authority.



**FAIRFAX COUNTY**  
**FY 2013 - FY 2015 Additional County Funded Programs**  
**for General Youth Services**

	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan
<b>Additional County Funded Youth Programs</b>				
Family Services - Net cost of services for children (excluding SACC, Head Start, School Readiness)	\$23,344,303	\$23,793,560	\$23,495,342	\$23,278,261
Juvenile and Domestic Relations District Court - Residential Services	3,167,136	2,892,912	3,321,567	2,927,938
Department of Neighborhood and Community Services - Therapeutic Recreation	1,222,912	1,324,840	1,270,604	1,276,628
Department of Neighborhood and Community Services - Teen Centers (excluding Club 78)	1,176,016	1,390,302	1,247,214	1,259,803
Department of Neighborhood and Community Services - Community Centers	1,845,586	2,004,718	2,315,405	2,246,970
Department of Neighborhood and Community Services - Net cost Extension/Community Education	65,313	71,000	75,687	71,000
Department of Neighborhood and Community Services - Youth Sports Scholarship	150,000	150,000	150,067	150,000
Fairfax County Park Authority - Athletic Field Maintenance (non-school fields)	2,602,316	2,500,000	2,588,912	2,700,000
<b>Subtotal: Additional County Funded Programs for General Youth Services (Non-School)</b>	<b>\$33,573,581</b>	<b>\$34,127,332</b>	<b>\$34,464,798</b>	<b>\$33,910,600</b>
<b>TOTAL: County Funded Programs for Youth (Includes Both School and Non-School Programs)</b>	<b>\$1,949,060,845</b>	<b>\$1,993,242,821</b>	<b>\$1,996,775,697</b>	<b>\$2,033,490,322</b>

**FAIRFAX COUNTY**  
**FY 2013 - FY 2015 Additional County-Administered Programs**  
**for School-Related Services**  
Funding can be Federal, State, Local, or a Combination Thereof  
(Actual Direct County Funding is Minimal)

	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan
<b>Additional County-Administered Programs for School-Related Services</b>				
Head Start Grant Funding Administered by DFS <sup>1</sup>	\$4,860,776	\$4,997,402	\$5,298,413	\$4,997,402
Early Head Start Grant Funding Administered by DFS <sup>1</sup>	3,964,858	3,929,327	4,364,503	3,929,327
Virginia Preschool Initiative Administered by DFS <sup>1</sup>	3,438,516	3,957,350	4,482,510	4,226,071
<b>Subtotal: County-Administered Programs</b>	<b>\$12,264,150</b>	<b>\$12,884,079</b>	<b>\$14,145,426</b>	<b>\$13,152,800</b>
<b>GRAND TOTAL</b>	<b>\$1,961,324,995</b>	<b>\$2,006,126,900</b>	<b>\$2,010,921,123</b>	<b>\$2,046,643,122</b>

<sup>1</sup> It should be noted that these expenditures/budgets are by fiscal year. The amounts contain multiple program years in each fiscal year and therefore do not correlate to annual awards for these grants.

## Services for Older Adults

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Fairfax County projects a significant increase in the older adult population. Between 2005 and 2030, the County expects the 50-and-over population to increase by 40 percent and the 70-and-over age group by 88 percent. The Fairfax County Board of Supervisors, together with the Fairfax Area Commission on Aging, is working to create a more livable community for older residents, and in the summer of 2013, hosted community forums throughout the County to hear resident ideas on housing and transportation; easy access to services; and healthy lifestyles and community engagement. A new Fairfax 50+ Action Plan is also being developed. Given this aging of the population, the County highlights services currently provided to older adults. It should be noted that the figures in the following table do not reflect the cost of all services provided to older adults, as only those services specifically designed for older adults, or those where participation by this population has been tracked or can be reasonably estimated, have been included. There are many general County services that are used extensively by the older adult population, such as Emergency Medical Services and cultural tours, but limited data on actual utilization rates makes it difficult to quantify those costs.

Given the rapid growth in the older adult population in the County, the increasing trend of older adults aging in place and the commensurate increase in demand for services, a large number of service delivery models have been undertaken in various County agencies in recent years. Following the adoption of the FY 2010 budget and at the direction of the Board of Supervisors, staff from agencies providing services to older adults, including the Department of Family Services, the Fairfax-Falls Church Community Services Board, the Department of Housing and Community Development, the Health Department and the Department of Neighborhood and Community Services have evaluated the continuum of older adult services including but not limited to Senior Centers, Senior+ and Adult Day Health Care Centers to ensure coordination of programs and opportunities for provision of more cost efficient service delivery with the ultimate goal to promote long term sustainability.

The table on the following pages details the cost of services provided specifically to older adults included in the [FY 2015 Advertised Budget Plan](#). Following the table is a description of the programs, as well as utilization data by age if available. In FY 2015, services to older adults total \$74.3 million or 2.0 percent of General Fund Disbursements of \$3.7 billion. Excluding the General Fund Transfer to Fairfax County Public Schools and School Debt Service of \$1.9 billion, spending on services for older adults is approximately 4.2 percent of the remaining General Fund Disbursements.

## Services for Older Adults

### County Funded Programs for Older Adults<sup>1</sup>

	FY 2013 Actual	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget
<b>Facilities Management Department</b>			
Lease for the Lorton Senior Center at Gunston Plaza (Operated by the Department of Neighborhood and Community Services)	\$100,279	\$112,984	\$126,301
<b>Department of Neighborhood and Community Services</b>			
Senior Center and Senior Plus Program	\$3,581,136	\$3,520,294	\$3,527,064
<i>Seniors-On-the-Go!</i> Taxi Cab Voucher Program	177,358	316,405	314,000
Subtotal Department of Neighborhood and Community Services	\$3,758,494	\$3,836,699	\$3,841,064
<b>Fairfax County Public Library</b>			
Programs Primarily Used by Older Adults	\$366,600	\$367,200	\$367,200
<b>Department of Tax Administration</b>			
Tax Relief for the Elderly and Disabled	\$24,365,901	\$25,113,397	\$25,691,005
<b>Department of Family Services</b>			
Adult Protective Services	\$1,577,047	\$1,950,656	\$1,954,593
Adult and Aging Services	10,858,701	12,622,149	11,150,003
Subtotal Department of Family Services	\$12,435,748	\$14,572,805	\$13,104,596
<b>Health Department</b>			
Long-Term Care Developmental Services <sup>2</sup>	\$3,383,273	\$3,657,390	\$3,666,434
<b>Fire and Rescue Department</b>			
Senior Safety Programs <sup>3</sup>	\$61,058	\$62,303	\$63,954
<b>Subtotal - General Fund</b>	<b>\$44,471,353</b>	<b>\$47,722,778</b>	<b>\$46,860,554</b>

# Services for Older Adults

## County Funded Programs for Older Adults<sup>1</sup>

Name and Description of Service	FY 2013 Actual	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan
<b>Fund 50000, Federal-State Grant Fund</b>			
Community-Based Social Services	\$928,998	\$413,651	\$903,432
Ombudsman	592,265	303,124	596,327
Fee for Service	166,320	350,010	250,784
Congregate Meals	1,526,096	3,505,494	1,707,782
Home-Delivered Meals	784,201	1,008,006	1,436,682
Care-Coordination	712,795	892,949	737,535
Caregiver Support	247,480	342,404	342,629
Chronic Disease Self Management	8,412	40,627	44,836
ARRA Funding <sup>4</sup>	14,708	0	0
<b>Subtotal Fund 50000</b>	<b>\$4,981,275</b>	<b>\$6,856,265</b>	<b>\$6,020,007</b>
<b>Fund 40040, Community Services Board</b>			
Countywide Older Adults and Families Program	\$859,443	\$1,097,533	\$1,111,691
<b>Fund 10030, Contributory Fund</b>			
Northern Virginia Healthcare Center/Birmingham Green Adult Care Residence	\$2,447,789	\$2,517,960	\$2,575,761
<b>Fund 40330, Elderly Housing Programs<sup>5</sup></b>			
Lewinsville Senior Residence, Little River Glen, and Lincolnia Center	\$3,620,011	\$4,373,279	\$3,339,229
<b>Fund 30000, Metro Operations and Construction</b>			
MetroAccess	\$12,424,377	\$13,351,129	\$14,018,685
<b>Fund 60030, Technology Infrastructure Services</b>			
Computer Labs	\$315,047	\$327,649	\$327,649
<b>Subtotal - General Fund Supported</b>	<b>\$24,647,942</b>	<b>\$28,523,815</b>	<b>\$27,393,022</b>
<b>TOTALSERVICES FOR OLDER ADULTS</b>	<b>\$69,119,295</b>	<b>\$76,246,593</b>	<b>\$74,253,576</b>

<sup>1</sup> This analysis reflects only those services included in General Fund and General Fund Supported agencies, and does not include services supported by non-General Fund or non-appropriated funds, such as rent relief provided through Fund 81100, Fairfax County Rental Program, or recreational activities provided by Fund 40050, Reston Community Center. Likewise, this analysis does not include capital projects funded in prior years, such as senior centers or adult day health care facilities. Capital expenses vary significantly from year to year and one year's data cannot serve as a proxy for "average" capital expenditures in a particular service area.

<sup>2</sup> Includes Insight Memory Care Center, formerly known as Alzheimer's Family Day Center.

<sup>3</sup> The FY 2015 funding level is based on estimated expenditures and actual funding may differ based on available resources including the use of grant funding in Fund 50000, Federal-State Grant Fund.

<sup>4</sup> Funding received as part of the American Recovery and Reinvestment Act of 2009.

<sup>5</sup> The FY 2015 Advertised Budget Plan expenditure decrease is associated with a reduction in building maintenance and management contract services at the Lincolnia, Little River Glen and Lewinsville facilities, as well as Lincolnia architectural and engineering services, and relocation expenses for Lincolnia residents during property renovations.

## Services for Older Adults

The following provides a brief description of the programs, as well as utilization data if available, included in the Services for Older Adults table above. For additional information please refer to the specific agency narrative in Volume 1 and Volume 2.

### **Department of Neighborhood and Community Services**

#### **Senior Center and Senior Plus Program**

The Department of Neighborhood and Community Services offers services to individuals aged 55 years and older. Services are primarily offered through the 13 senior centers located throughout the County. The Senior Plus Program provides services for older adults who require a higher level of assistance to participate in older adult activities.

#### ***Seniors on the Go! Taxi Cab Voucher Program***

The *Seniors on the Go!* Taxi Cab Voucher Program allows older adults to purchase vouchers that partially subsidize the cost of taxi rides. Vouchers can be used by married couples over 65 with less than \$50,000 in combined income and by single persons over 65 with less than \$40,000 in income. In FY 2013, 177 older adults were newly enrolled in the program. In FY 2014, the program is averaging approximately 15 new consumers per month.

### **Fairfax County Public Library**

#### **Programs Primarily Used by Older Adults**

The Fairfax County Public Library offers several programs which, although not limited to the older adult population, are heavily used by older adults (those 62 and older). Examples of programs include talking books; home delivery program; book collections maintained at older adult residences, nursing homes, and adult day care centers; large print books; and Dimview, a self-help group for adults who are coping with loss of vision.

### **Department of Tax Administration**

#### **Tax Relief for the Elderly and Disabled**

Tax relief is provided to adults 65 and older and disabled persons on a graduated scale depending upon the level of income and net assets, which must not exceed \$72,000 and \$340,000, respectively. In FY 2013, 7,814 people participated in the program.

### **Department of Family Services**

#### **Adult Protective Services**

Adult Protective Services provides mandated investigations of situations of suspected abuse, neglect or exploitation involving older adults age 60+ and incapacitated adults age 18+ as well as case management services to provide protection for at-risk adults in the community and in public and private facilities. In FY 2013, 993 investigations were conducted.

#### **Adult Services and Aging Services**

Adult Services and Aging Services provides case management, including needs assessment, care plans, coordination/authorization of services, and follow-up for adults age 60 and older and adults age 18 and older with disabilities. Services may include home-based care and mandated Medicaid preadmission screenings. Some services may have functional and financial eligibility requirements. In FY 2013, 2,438 clients were served. Transportation services are also provided between older adults' residences and their local senior center and adult day health care facility as well as trips in support of basic living. A fee of \$0.50 is charged for each one-way trip. Older adults 60 and older who are attendees of a senior center, adult day health center, or residents of senior housing are eligible for services.

# Services for Older Adults

## Health Department

### Long-Term Care Developmental Services

Long-Term Care Developmental Services includes both the Adult Day Health Care program and the Insight Memory Care Center, formerly known as Alzheimer's Family Day Center. The Adult Day Health Care program provides therapeutic recreational activities, supervision and health care to meet the needs of adults, 18 years and older who have physical and/or cognitive disabilities. Services are provided on a sliding fee scale. The goal is to provide services to 294 older adults in FY 2015, and that 90 percent of family caregivers will state that their loved one's participation in the program enables them to continue to live at home in the community. The Insight Memory Care Center provides specialized day care services for people with Alzheimer's type illnesses as well as respite, support and education for their care giving families. In FY 2013, Insight Memory Care Center reached 589 Fairfax family caregivers and the Health Department, Adult Day Health Care program, reached over 600 caregivers by providing community outreach, education, support and training.

## Fire and Rescue Department

### Senior Safety Programs

The Fire and Rescue Department offers various older adult safety programs for individuals 55 and older, including Basic Fire Safety, Emergency Preparedness for the Older Adult, Life Safety Education Seniors Program, Caregiver and Staff Training for those who care for older adults, "Battery for Life" which provides free smoke alarm batteries, and the "File of Life" Program which is an educational program that stresses the importance of maintaining current medication dosages and current physician information. The department plans to reach 8,500 older adults in FY 2014.

## Fund 50000, Federal-State Grant Fund

### Community-Based Services

Community-Based Services provides services to adults age 60 and older to enable them to live as independently as possible in the community. This includes assisted transportation, information and referral, telephone reassurance, volunteer home services, insurance counseling, and other related services. In FY 2012, 12,843 callers or persons making email inquiries to the Adult and Aging Division within the Department of Family Services received information and referral services and/or access to the services.

### Ombudsman

The Ombudsman Program, serving the City of Alexandria and the counties of Arlington, Fairfax, Loudoun and Prince William, improves quality of life for the more than 11,204 residents in 119 nursing and assisted living facilities by educating residents and care providers about patient rights and by resolving complaints against nursing and assisted living facilities, as well as home care agencies, through counseling, negotiation and investigation. More than 62 trained volunteers are part of this program. The program also provides information about long-term care providers and educates the community about long-term care issues.

### Fee for Service

Fee for Service provides home-based care to adults age 60 and older to enable them to remain in their homes rather than in more restrictive settings. Services are primarily targeted toward those older adults who are frail, isolated, of a minority group or in economic need.

### Congregate Meals

Congregate Meals are provided in 31 congregate meal sites around the County including the County's senior and adult day health centers, several private senior centers and other sites serving older adults such as the Alzheimer's Family Day Center. Congregate Meals are also provided to residents of the

## Services for Older Adults

five County senior housing complexes. In FY 2012, 253,001 congregate meals were served to 2,309 participants.

### **Home-Delivered Meals**

Home-Delivered Meals provides meals to frail, homebound, low-income residents age 60 and older who cannot prepare their own meals. In FY 2012, 184,476 meals were provided to 679 older adults and younger adults with disabilities. Meals are delivered through partnerships with 21 community volunteer organizations that drive 46 delivery routes.

The Nutritional Supplement program targets low-income and minority individuals who are unable to consume sufficient calories from solid food due to chronic disabling conditions, dementia, or terminal illnesses. In FY 2012, the program provided 42,662 nutritional supplement meals to 206 older adults and younger adults with disabilities.

### **Caregiver Support**

Caregiver Support provides education and support services to caregivers of persons 60 and older, or older adults caring for grandchildren. Services include scholarships for respite care, gap-filling respite and bathing services, assisted transportation (which is also reflected in Community-Based Services), assistance paying for supplies and services, and other activities that contribute to the well-being of older adults and help to relieve caregiver stress. In FY 2012, 58 clients received services through the Adult Day Health Care respite scholarship, 11 clients through the bathing and respite program, 50 clients through the Discretionary Fund, and 52 clients received assisted transportation services, taking 1,407 one-way trips. Over 25,000 readers of the Golden Gazette received caregiver related information through a regular feature, *Caregivers Corner*. An online version of Caregivers Corner reached 1,890 subscribers.

### **Fund 40040, Community Services Board (CSB)**

#### **Countywide Older Adults and Families Program**

The Older Adults and Families Program of the Fairfax-Falls Church Community Services Board (CSB) provides strengths-based, person-centered, and solution-focused mental health outpatient treatment and case management services for older adults. Services support recovery and independence appropriate to the individual's physical and cognitive abilities and are provided in either an office or community-based setting. To address the unique needs of older adults, services include psychiatric evaluation, medication management, case management and supportive counseling, with linkage to and coordination of services with other community agencies, health care providers and family caregivers. In FY 2013, the program served 129 individuals for a total of 1,186 service hours. In FY 2014, to align the program with age eligibility used by other agencies and programs, CSB will change program criteria to serve older adults age 65 and over.

### **Fund 10030, Contributory Fund**

#### **Northern Virginia Healthcare Center/Birmingham Green Adult Care Residence**

This facility is owned by the counties of Fairfax, Fauquier, Loudoun and Prince William, and the City of Alexandria as tenants in common. During FY 2013, 137 Fairfax County citizens over the age of 55 were served in the facility (100 in the nursing facility and 37 in assisted living). To be eligible for admission to the nursing and assisted living facilities, older adults and adults with disabilities must meet income, resource, and functional requirements. The Department of Family Services' Self Sufficiency Division accepts and processes applications for Medicaid and auxiliary grants, and the Department of Family Services' Adult and Aging Division assesses for functional eligibility.



## Services for Older Adults

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### **Fund 40330, Elderly Housing Programs**

#### **Lewinsville Senior Residence, Little River Glen, and Lincolnia Center**

The Department of Housing and Community Development provides services related to the County's support of the operation of three locally-funded elderly housing developments, Lewinsville Senior Residence, Little River Glen, and Lincolnia Center Residences, which are owned or leased by the Fairfax County Redevelopment and Housing Authority (FCRHA). The programs' 220 available units/beds in the three facilities support clients who are 62 and older and also meet income requirements.

### **Fund 30000, Metro Operations and Construction**

#### **MetroAccess**

MetroAccess is a door-to-door paratransit service for people with disabilities who are not able to use fixed-route forms (bus and rail) of public transportation due to functional limitations that relate to their disability. MetroAccess provided approximately 251,964 completed stops for Fairfax County residents in FY 2013. An estimated 54 percent of MetroAccess customers residing in Fairfax County are over 55 years old.

### **Fund 60030, Technology Infrastructure Services**

#### **Computer Labs**

The Department of Information Technology supports computer labs at libraries and recreation/senior centers that are used by citizens, many of whom are older adults.

# FY 2015

Advertised Budget Plan



## **Compensation and Positions**

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# Compensation and Positions

## Explanation of Schedules

### Personnel Services and Fringe Benefits

#### *Personnel Services Summary*

Summarizes Personnel Services funding by major expense categories (regular salaries, extra compensation, fringe benefits, etc.) for the General Fund, General Fund Supported Funds, and Other Funds.

#### *Personnel Services by Agency*

Displays Personnel Services funding, organized by fund, program area, and agency or fund.

#### *Summary of General Fund Employee Benefit Costs by Category*

Provides a breakdown of General Fund expenditures for all employee benefits by individual category, including health insurance, dental insurance, life insurance, FICA (Social Security), unemployment, language proficiency pay, employee assistance program, and training.

#### *Distribution of Fringe Benefits by General Fund Agency*

Combines personnel services, operating expenses, and capital equipment with fringe benefits expenditures for each General Fund agency to reflect a total cost per agency.

### Summary of Positions

#### *Regular Positions All Funds*

Displays the number of General Fund positions by Program Area, the number of positions in the General Fund Supported Funds, and in Other Funds.

#### *Summary of Position Changes*

Provides the total position count for all agencies and funds with funding appropriated by the Board of Supervisors. The change in the position count for each year is broken out into categories, including positions which have been "Abolished", were necessary to support "New Facilities", or required for "Other Changes", including workload increases. Also included is the number of positions that were added by the Board of Supervisors at other times during the fiscal year, i.e. "Other Reviews."

#### *Position Summaries*

Details the position count and full-time equivalents (FTE) for the prior, current and upcoming fiscal year, including regular County positions, State positions, and County grant positions.

## FY 2015 ADVERTISED PERSONNEL SERVICES SUMMARY

(All Appropriated Funds excluding Schools Funds)

	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan	Increase/ (Decrease) Over Revised
<b>Regular Positions</b>					
<i>General Fund</i>	9,686	9,652	9,707	9,712	5
<i>General Fund Supported</i>	1,572	1,556	1,551	1,551	0
<i>Other Funds</i>	1,023	1,032	1,032	1,040	8
<b>Total</b>	<b>12,281</b>	<b>12,240</b>	<b>12,290</b>	<b>12,303</b>	<b>13</b>
<b>Regular Salaries and Compensation Increases</b>					
<i>General Fund</i>	\$630,713,461	\$728,557,887	\$733,871,221	\$747,817,064	\$13,945,843
<i>General Fund Supported</i>	92,902,911	108,019,640	109,257,240	108,188,362	(1,068,878)
<i>Other Funds</i>	54,529,372	63,088,212	67,296,916	66,260,250	(1,036,666)
<b>Total</b>	<b>\$778,145,744</b>	<b>\$899,665,739</b>	<b>\$910,425,377</b>	<b>\$922,265,676</b>	<b>\$11,840,299</b>
<b>Limited Term</b>					
<i>General Fund</i>	\$16,604,656	\$13,000,710	\$15,668,701	\$16,683,031	\$1,014,330
<i>General Fund Supported</i>	4,998,954	3,270,689	3,270,689	5,551,901	2,281,212
<i>Other Funds</i>	3,132,226	3,064,809	2,928,348	3,328,434	400,086
<b>Total</b>	<b>\$24,735,836</b>	<b>\$19,336,208</b>	<b>\$21,867,738</b>	<b>\$25,563,366</b>	<b>\$3,695,628</b>
<b>Shift Differential</b>					
<i>General Fund</i>	\$3,754,134	\$4,496,553	\$4,496,553	\$4,553,545	\$56,992
<i>General Fund Supported</i>	527,777	799,955	799,955	533,941	(266,014)
<i>Other Funds</i>	65,908	73,720	73,720	794,297	720,577
<b>Total</b>	<b>\$4,347,819</b>	<b>\$5,370,228</b>	<b>\$5,370,228</b>	<b>\$5,881,783</b>	<b>\$511,555</b>
<b>Extra Compensation</b>					
<i>General Fund</i>	\$44,562,430	\$35,684,068	\$36,684,068	\$36,387,482	(\$296,586)
<i>General Fund Supported</i>	4,155,684	6,428,639	6,428,639	4,622,604	(1,806,035)
<i>Other Funds</i>	2,454,497	2,067,681	2,069,606	2,266,751	197,145
<b>Total</b>	<b>\$51,172,611</b>	<b>\$44,180,388</b>	<b>\$45,182,313</b>	<b>\$43,276,837</b>	<b>(\$1,905,476)</b>
<b>Position Turnover</b>					
<i>General Fund</i>	\$0	(\$58,891,760)	(\$58,891,850)	(\$59,634,367)	(\$742,517)
<i>General Fund Supported</i>	0	(9,097,868)	(9,097,868)	(9,198,114)	(100,246)
<i>Other Funds</i>	0	(2,201,907)	(2,201,907)	(1,986,028)	215,879
<b>Total</b>	<b>\$0</b>	<b>(\$70,191,535)</b>	<b>(\$70,191,625)</b>	<b>(\$70,818,509)</b>	<b>(\$626,884)</b>
<b>Total Salaries</b>					
<i>General Fund</i>	\$695,634,681	\$722,847,458	\$731,828,693	\$745,806,755	\$13,978,062
<i>General Fund Supported</i>	102,585,326	109,421,055	110,658,655	109,698,694	(959,961)
<i>Other Funds</i>	60,182,003	66,092,515	70,166,683	70,663,704	497,021
<b>Total</b>	<b>\$858,402,010</b>	<b>\$898,361,028</b>	<b>\$912,654,031</b>	<b>\$926,169,153</b>	<b>\$13,515,122</b>
<b>Fringe Benefits</b>					
<i>General Fund</i>	\$278,906,707	\$297,561,471	\$299,051,727	\$312,330,626	\$13,278,899
<i>General Fund Supported</i>	38,172,314	37,637,405	37,732,077	40,089,829	2,357,752
<i>Other Funds</i> <sup>1</sup>	158,353,197	186,711,039	192,068,310	191,577,751	(490,559)
<b>Total</b>	<b>\$475,432,218</b>	<b>\$521,909,915</b>	<b>\$528,852,114</b>	<b>\$543,998,206</b>	<b>\$15,146,092</b>
<b>Total Costs of Personnel Services</b>					
<i>General Fund</i>	\$974,541,388	\$1,020,408,929	\$1,030,880,420	\$1,058,137,381	\$27,256,961
<i>General Fund Supported</i>	140,757,640	147,058,460	148,390,732	149,788,523	1,397,791
<i>Other Funds</i>	218,535,200	252,803,554	262,234,993	262,241,455	6,462
<b>Total</b>	<b>\$1,333,834,228</b>	<b>\$1,420,270,943</b>	<b>\$1,441,506,145</b>	<b>\$1,470,167,359</b>	<b>\$28,661,214</b>

<sup>1</sup> It should be noted that the Other Funds amount for fringe benefits includes payments made for claims and administrative expenses for the County's self-insured health insurance plans in Fund 60040, Health Benefits Fund. Fringe benefit expenses for the General Fund, General Fund Supported funds, and all Other Funds include employer contributions made to the Health Benefits Fund to support claims and administrative expenses.

## FY 2015 ADVERTISED PERSONNEL SERVICES BY AGENCY

# / Agency Title	Regular Compensation <sup>1</sup>	Fringe Benefits	New Positions	Compensation Increases <sup>2</sup>	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
<b>Legislative-Executive Functions / Central Services</b>									
01 Board of Supervisors	\$4,646,458	\$0	\$0	\$59,935	\$0	\$0	\$0	(\$47,627)	\$4,658,766
02 Office of the County Executive	5,999,555	0	0	77,394	159,972	0	0	(339,823)	5,897,098
04 Department of Cable and Consumer Services	791,439	0	0	10,210	10,795	0	2,951	(89,501)	725,894
06 Department of Finance	4,359,046	0	0	57,506	0	0	0	(531,196)	3,885,356
11 Department of Human Resources	6,145,001	0	0	79,270	0	0	16,607	(299,211)	5,941,667
12 Department of Purchasing and Supply Management	3,370,606	0	205,657	46,134	76,456	0	6,492	(381,480)	3,323,865
13 Office of Public Affairs	1,430,785	0	0	18,441	36,599	0	0	(95,282)	1,390,543
15 Office of Elections	1,539,982	0	207,365	19,866	1,047,086	0	259,594	(88,753)	2,985,140
17 Office of the County Attorney	6,839,433	0	0	88,229	0	0	0	(428,621)	6,499,041
20 Department of Management and Budget	4,641,922	0	0	59,881	0	0	0	(389,060)	4,312,743
37 Office of the Financial and Program Auditor	318,416	0	0	4,108	0	0	0	0	322,524
41 Civil Service Commission	289,431	0	0	3,734	52,860	0	0	0	346,025
57 Department of Tax Administration	18,413,997	0	0	237,541	191,220	0	212,867	(1,895,210)	17,160,415
70 Department of Information Technology	23,531,877	0	0	302,282	109,555	0	31,573	(1,685,568)	22,289,719
<b>Total Legislative-Executive Functions / Central Services</b>	<b>\$82,317,948</b>	<b>\$0</b>	<b>\$413,022</b>	<b>\$1,064,531</b>	<b>\$1,684,543</b>	<b>\$0</b>	<b>\$530,084</b>	<b>(\$6,271,332)</b>	<b>\$79,738,796</b>
<b>Judicial Administration</b>									
80 Circuit Court and Records	\$9,151,622	\$0	\$0	\$117,908	\$145,116	\$0	\$85,350	(\$927,288)	\$8,572,708
82 Office of the Commonwealth's Attorney	3,299,381	0	324,876	38,032	60,000	0	0	(341,088)	3,381,201
85 General District Court	1,240,964	0	0	16,008	44,226	14,271	10,350	(63,381)	1,262,438
91 Office of the Sheriff	13,677,908	0	0	197,272	0	6,500	1,398,335	(1,345,042)	13,934,973
<b>Total Judicial Administration</b>	<b>\$27,369,875</b>	<b>\$0</b>	<b>\$324,876</b>	<b>\$369,220</b>	<b>\$249,342</b>	<b>\$20,771</b>	<b>\$1,494,035</b>	<b>(\$2,676,799)</b>	<b>\$27,151,320</b>
<b>Public Safety</b>									
04 Department of Cable and Consumer Services	\$654,853	\$0	\$0	\$8,447	\$0	\$0	\$0	(\$121,400)	\$541,900
31 Land Development Services	9,911,461	0	0	114,327	0	0	0	(1,912,100)	8,113,688
81 Juvenile and Domestic Relations District Court	19,458,247	0	171,553	261,407	671,858	173,109	419,160	(1,966,787)	19,188,547
90 Police Department	138,013,865	0	87,206	2,102,647	204,707	1,330,195	18,180,711	(6,708,742)	153,210,589
91 Office of the Sheriff	39,957,140	0	0	601,418	0	470,699	3,390,269	(4,889,725)	39,529,801
92 Fire and Rescue Department	145,998,952	0	167,510	5,748,917	306,285	2,409,768	10,543,147	(10,078,520)	155,096,059
93 Office of Emergency Management	1,268,187	0	0	16,360	0	0	0	(14,745)	1,269,802
97 Department of Code Compliance	3,349,528	0	10,447	43,344	247,789	0	177,917	(315,175)	3,513,850
<b>Total Public Safety</b>	<b>\$358,612,233</b>	<b>\$0</b>	<b>\$436,716</b>	<b>\$8,896,867</b>	<b>\$1,430,639</b>	<b>\$4,383,771</b>	<b>\$32,711,204</b>	<b>(\$26,007,194)</b>	<b>\$380,464,236</b>
<b>Public Works</b>									
08 Facilities Management Department	\$12,685,687	\$0	\$221,990	\$178,556	\$0	\$4,200	\$274,945	(\$943,569)	\$12,421,809
25 Business Planning and Support	1,494,875	0	0	14,272	0	0	0	(10,841)	1,498,306
26 Office of Capital Facilities	10,756,149	0	433,662	138,673	0	0	0	(239,510)	11,088,974
<b>Total Public Works</b>	<b>\$24,936,711</b>	<b>\$0</b>	<b>\$655,652</b>	<b>\$331,501</b>	<b>\$0</b>	<b>\$4,200</b>	<b>\$274,945</b>	<b>(\$1,193,920)</b>	<b>\$25,009,089</b>

## FY 2015 ADVERTISED PERSONNEL SERVICES BY AGENCY

# / Agency Title	Regular Compensation <sup>1</sup>	Fringe Benefits	New Positions	Compensation Increases <sup>2</sup>	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
<b>Health and Welfare</b>									
67 Department of Family Services	\$86,823,481	\$0	\$835,445	\$1,106,082	\$5,818,617	\$0	\$1,025,780	(\$9,435,975)	\$86,173,430
68 Department of Administration for Human Services	11,738,488	0	0	144,819	73,088	0	0	(861,660)	11,094,735
71 Health Department	37,618,274	0	0	811,772	345,069	0	0	(2,490,778)	36,284,337
73 Office to Prevent and End Homelessness	780,354	0	0	10,066	0	0	0	0	790,420
79 Department of Neighborhood and Community Services	14,311,182	0	424,327	184,613	3,274,885	15,982	76,550	(1,459,107)	16,828,432
<b>Total Health and Welfare</b>	<b>\$151,271,779</b>	<b>\$0</b>	<b>\$1,259,772</b>	<b>\$2,257,352</b>	<b>\$9,511,659</b>	<b>\$15,982</b>	<b>\$1,102,330</b>	<b>(\$14,247,520)</b>	<b>\$151,171,354</b>
<b>Parks and Libraries</b>									
51 Fairfax County Park Authority	\$21,725,868	\$0	\$0	\$347,953	\$2,388,327	\$10,762	\$115,542	(\$2,385,204)	\$22,203,248
52 Fairfax County Public Library	21,903,181	0	0	284,122	1,061,946	118,059	55,706	(1,833,314)	21,589,700
<b>Total Parks and Libraries</b>	<b>\$43,629,049</b>	<b>\$0</b>	<b>\$0</b>	<b>\$632,075</b>	<b>\$3,450,273</b>	<b>\$128,821</b>	<b>\$171,248</b>	<b>(\$4,218,518)</b>	<b>\$43,792,948</b>
<b>Community Development</b>									
16 Economic Development Authority	\$3,554,652	\$0	\$0	\$45,855	\$23,570	\$0	\$8,555	(\$238,312)	\$3,394,320
31 Land Development Services	13,023,499	0	167,510	182,487	0	0	0	(2,888,082)	10,485,414
35 Department of Planning and Zoning	10,435,953	0	0	133,395	0	0	0	(969,113)	9,600,235
36 Planning Commission	453,140	0	0	5,459	186,297	0	9,805	0	654,701
38 Department of Housing and Community Development	4,617,390	0	0	58,580	146,708	0	85,276	(385,903)	4,522,051
39 Office of Human Rights and Equity Programs	1,513,784	0	0	19,527	0	0	0	(128,950)	1,404,361
40 Department of Transportation	8,714,240	0	0	112,414	0	0	0	(408,724)	8,417,930
<b>Total Community Development</b>	<b>\$42,312,658</b>	<b>\$0</b>	<b>\$167,510</b>	<b>\$557,717</b>	<b>\$356,575</b>	<b>\$0</b>	<b>\$103,636</b>	<b>(\$5,019,084)</b>	<b>\$38,479,012</b>
<b>Nondepartmental</b>									
89 Employee Benefits	\$0	\$312,330,626	\$0	\$0	\$0	\$0	\$0	\$0	\$312,330,626
<b>Total Nondepartmental</b>	<b>\$0</b>	<b>\$312,330,626</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$312,330,626</b>
<b>Total General Fund</b>	<b>\$730,450,253</b>	<b>\$312,330,626</b>	<b>\$3,257,548</b>	<b>\$14,109,263</b>	<b>\$16,683,031</b>	<b>\$4,553,545</b>	<b>\$36,387,482</b>	<b>(\$59,634,367)</b>	<b>\$1,058,137,381</b>
<b>GENERAL FUND SUPPORTED FUNDS</b>									
40040 Fairfax-Falls Church Community Services Board	\$68,719,197	\$25,698,061	\$0	\$1,048,477	\$5,367,307	\$221,000	\$1,183,952	(\$6,561,475)	\$95,676,519
40090 E-911	12,916,216	7,046,267	0	168,723	0	148,400	3,047,065	(876,651)	22,450,020
40330 Elderly Housing Programs	599,476	221,217	0	6,745	85,312	5,478	47,202	(42,369)	923,061
60000 County Insurance	1,149,205	361,650	0	14,825	0	0	0	(93,065)	1,432,615
60010 Department of Vehicle Services	16,780,385	4,669,085	0	491,416	0	138,020	244,294	(1,254,222)	21,068,978
60020 Document Services	629,188	240,042	0	8,117	32,528	7,463	34,258	(21,346)	930,250
60030 Technology Infrastructure Services	5,584,354	1,853,507	0	72,038	66,754	13,580	65,833	(348,986)	7,307,080
<b>Total General Fund Supported Funds</b>	<b>\$106,378,021</b>	<b>\$40,089,829</b>	<b>\$0</b>	<b>\$1,810,341</b>	<b>\$5,551,901</b>	<b>\$533,941</b>	<b>\$4,622,604</b>	<b>(\$9,198,114)</b>	<b>\$149,788,523</b>

## FY 2015 ADVERTISED PERSONNEL SERVICES BY AGENCY

# / Agency Title	Regular Compensation <sup>1</sup>	Fringe Benefits	New Positions	Compensation Increases <sup>2</sup>	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
<b>OTHER FUNDS</b>									
40010 County and Regional Transportation Projects	\$1,471,684	\$480,582	\$2,797,473	\$55,072	\$0	\$0	\$0	\$0	\$4,804,811
40030 Cable Communications	3,901,570	1,536,630	0	50,329	313,357	0	80,321	(89,215)	5,792,992
40050 Reston Community Center	2,637,885	1,350,069	0	34,029	1,254,787	13,720	42,904	(21,540)	5,311,854
40060 McLean Community Center	1,670,298	783,372	0	21,546	574,193	10,626	36,786	(131,467)	2,965,354
40070 Burgundy Village Community Center	0	1,329	0	0	18,064	0	0	0	19,393
40080 Integrated Pest Management Program	971,983	292,621	0	12,437	0	0	10,767	0	1,287,808
40100 Stormwater Services	11,682,571	5,365,213	163,597	152,318	204,159	0	176,488	(631,906)	17,112,440
40140 Refuse Collection and Recycling Operations	7,121,532	3,456,789	0	106,446	506,917	0	457,004	(286,129)	11,362,559
40150 Refuse Disposal	7,395,802	3,023,773	0	97,707	0	518,861	554,020	(145,263)	11,444,900
40160 Energy Resource Recovery (ERR) Facility	619,001	298,137	0	7,512	30,652	0	21,808	(5,083)	972,027
40170 I-95 Refuse Disposal	2,447,475	900,094	0	32,112	41,432	202,556	91,829	(32,686)	3,682,812
50800 Community Development Block Grant	1,137,021	395,539	0	0	0	0	0	0	1,532,560
50810 HOME Investment Partnerships Grant	76,689	27,865	0	0	0	0	0	0	104,554
60040 Health Benefits <sup>3</sup>	48,000	163,814,016	0	0	74,500	0	0	0	163,936,516
69010 Sewer Operation and Maintenance	18,860,747	8,797,884	0	269,924	310,373	48,534	790,723	(642,739)	28,435,446
73000 Employees' Retirement Trust	1,612,235	719,827	0	19,206	0	0	2,869	0	2,354,137
73010 Uniformed Employees Retirement Trust	345,479	154,250	0	4,116	0	0	616	0	504,461
73020 Police Retirement Trust	345,479	154,250	0	4,116	0	0	616	0	504,461
73030 OPEB Trust	85,753	25,511	0	1,106	0	0	0	0	112,370
<b>Total Other Funds</b>	<b>\$62,431,204</b>	<b>\$191,577,751</b>	<b>\$2,961,070</b>	<b>\$867,976</b>	<b>\$3,328,434</b>	<b>\$794,297</b>	<b>\$2,266,751</b>	<b>(\$1,986,028)</b>	<b>\$262,241,455</b>
<b>Total All Funds</b>	<b>\$899,259,478</b>	<b>\$543,998,206</b>	<b>\$6,218,618</b>	<b>\$16,787,580</b>	<b>\$25,563,366</b>	<b>\$5,881,783</b>	<b>\$43,276,837</b>	<b>(\$70,818,509)</b>	<b>\$1,470,167,359</b>

<sup>1</sup> Regular Compensation includes the full-year impact of longevity increases provided to uniformed public safety employees in FY 2014. The total FY 2015 General Fund impact of the full-year cost of FY 2014 compensation increases, including fringe benefits, is \$738,833.

<sup>2</sup> Compensation Increases include longevity increases provided to uniformed public safety employees in FY 2015, a 1.29 percent Market Rate Adjustment (MRA) provided to all employees in July 2014, and targeted increases as a result of the County's market study of comparator jurisdictions. The total FY 2015 General Fund impact of compensation increases, including fringe benefits, is \$21,322,233, including \$812,562 for FY 2015 longevity increases, \$14,096,684 for the 1.29 percent MRA, and \$6,412,987 for the market study adjustments.

<sup>3</sup> It should be noted that the fringe benefit amount listed for Fund 60040, Health Benefits Fund, includes payments made for claims and administrative expenses for the County's self-insured health insurance plans. These expenses total \$163,793,368 for the FY 2015 Advertised Budget Plan. Fringe benefit expenditures for other funds include employer contributions made to the Health Benefits Fund, and these contributions support the \$163.8 million paid in claims and administrative expenses. Thus, this amount should be excluded when determining countywide Fringe Benefit expenditures.

## FY 2015 ADVERTISED SUMMARY OF GENERAL FUND EMPLOYEE BENEFIT COSTS BY CATEGORY

This schedule summarizes total General Fund Employee Benefit costs, including certain benefit costs and associated reimbursements for employees of General Fund agencies that are expended in the General Fund and reimbursed by capital projects.

BENEFIT CATEGORY	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2015 Advertised Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
<b>FRINGE BENEFITS</b>						
Group Health Insurance	\$83,232,001	\$92,055,993	\$92,175,427	\$94,472,154	\$2,296,727	2.5%
Dental Insurance	3,526,397	3,611,465	3,616,441	3,798,237	181,796	5.0%
Group Life Insurance	1,772,280	1,795,261	1,800,124	1,392,253	(407,871)	(22.7%)
FICA	42,681,078	43,852,021	44,575,349	47,857,132	3,281,783	7.4%
Employees' Retirement	62,061,314	64,651,851	64,901,851	67,972,925	3,071,074	4.7%
Uniformed Retirement	49,923,146	53,495,490	53,802,761	57,234,266	3,431,505	6.4%
Police Retirement	33,903,716	36,418,112	36,498,496	37,798,913	1,300,417	3.6%
Virginia Retirement System	627,685	634,581	634,581	564,963	(69,618)	(11.0%)
Line of Duty	1,344,468	700,000	700,000	1,027,261	327,261	46.8%
Flexible Spending Accounts	127,980	114,908	114,908	118,395	3,487	3.0%
Unemployment Compensation	339,136	439,244	439,244	235,310	(203,934)	(46.4%)
Capital Project Reimbursements	(1,188,714)	(898,441)	(898,441)	(848,718)	49,723	(5.5%)
Employee Assistance Program	319,248	330,986	330,986	347,535	16,549	5.0%
Tuition Reimbursement	236,972	360,000	360,000	360,000	0	0.0%
<b>Total General Fund Fringe Benefits</b>	<b>\$278,906,707</b>	<b>\$297,561,471</b>	<b>\$299,051,727</b>	<b>\$312,330,626</b>	<b>\$13,278,899</b>	<b>4.4%</b>
<b>OPERATING EXPENSES</b>						
Employee Awards Program	\$0	\$0	\$0	\$215,000	\$215,000	--
Employee Development Initiatives	0	350,000	850,000	750,000	(100,000)	(11.8%)
Customer Experience Initiatives	0	0	0	300,000	300,000	--
Training/Task Forces	603,664	822,850	1,213,654	822,850	(390,804)	(32.2%)
<b>Total Operating Expenses</b>	<b>\$603,664</b>	<b>\$1,172,850</b>	<b>\$2,063,654</b>	<b>\$2,087,850</b>	<b>\$24,196</b>	<b>1.2%</b>
<b>TOTAL GENERAL FUND EMPLOYEE BENEFITS</b>	<b>\$279,510,371</b>	<b>\$298,734,321</b>	<b>\$301,115,381</b>	<b>\$314,418,476</b>	<b>\$13,303,095</b>	<b>4.4%</b>



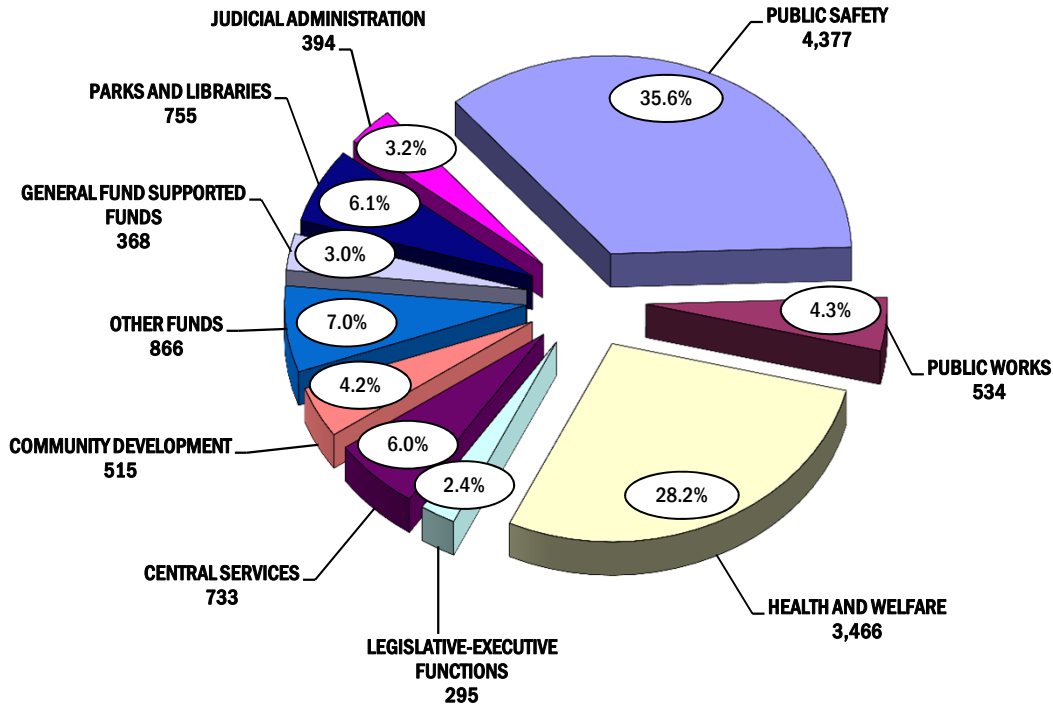
## FY 2015 ADVERTISED DISTRIBUTION OF FRINGE BENEFITS BY GENERAL FUND AGENCY

#	Agency Title	Personnel Services	Fringe Benefits	Operating Expenses	Recovered Costs	Capital Equipment	Total Cost
<b>Legislative-Executive Functions / Central Services</b>							
01	Board of Supervisors	\$4,658,766	\$1,951,008	\$569,950	\$0	\$0	\$7,179,724
02	Office of the County Executive	5,897,098	2,469,600	721,219	0	0	9,087,917
04	Department of Cable and Consumer Services	725,894	303,992	3,346,691	(3,110,987)	0	1,265,590
06	Department of Finance	3,885,356	1,627,118	5,211,134	(751,697)	0	9,971,911
11	Department of Human Resources	5,941,667	2,488,265	1,330,528	0	0	9,760,460
12	Department of Purchasing and Supply Management	3,323,865	1,391,976	1,627,140	(288,803)	0	6,054,178
13	Office of Public Affairs	1,390,543	582,335	127,281	(239,882)	0	1,860,277
15	Office of Elections	2,985,140	1,250,124	968,037	0	0	5,203,301
17	Office of the County Attorney	6,499,041	2,721,683	408,046	(466,522)	0	9,162,248
20	Department of Management and Budget	4,312,743	1,806,100	200,309	0	0	6,319,152
37	Office of the Financial and Program Auditor	322,524	135,067	33,166	0	0	490,757
41	Civil Service Commission	346,025	144,909	66,536	0	0	557,470
57	Department of Tax Administration	17,160,415	7,186,477	5,654,683	0	0	30,001,575
70	Department of Information Technology	22,289,719	9,334,539	15,774,931	(6,791,873)	0	40,607,316
	<b>Total Legislative-Executive Functions / Central Services</b>	<b>\$79,738,796</b>	<b>\$33,393,193</b>	<b>\$36,039,651</b>	<b>(\$11,649,764)</b>	<b>\$0</b>	<b>\$137,521,876</b>
<b>Judicial Administration</b>							
80	Circuit Court and Records	\$8,572,708	\$3,590,098	\$2,010,576	\$0	\$0	\$14,173,382
82	Office of the Commonwealth's Attorney	3,381,201	1,415,987	123,884	0	0	4,921,072
85	General District Court	1,262,438	528,687	978,772	0	0	2,769,897
91	Office of the Sheriff	13,934,973	5,835,719	4,237,270	0	0	24,007,962
	<b>Total Judicial Administration</b>	<b>\$27,151,320</b>	<b>\$11,370,491</b>	<b>\$7,350,502</b>	<b>\$0</b>	<b>\$0</b>	<b>\$45,872,313</b>
<b>Public Safety</b>							
04	Department of Cable and Consumer Services	\$541,900	\$226,938	\$129,178	\$0	\$0	\$898,016
31	Land Development Services	8,113,688	3,397,868	1,420,067	0	0	12,931,623
81	Juvenile and Domestic Relations District Court	19,188,547	8,035,823	2,169,283	0	0	29,393,653
90	Police Department	153,210,589	64,161,872	26,022,405	(697,406)	0	242,697,460
91	Office of the Sheriff	39,529,801	16,554,379	5,585,427	0	0	61,669,607
92	Fire and Rescue Department	155,096,059	64,951,476	27,270,274	0	69,017	247,386,826
93	Office of Emergency Management	1,269,802	531,771	639,604	0	0	2,441,177
97	Department of Code Compliance	3,513,850	1,471,538	556,830	0	0	5,542,218
	<b>Total Public Safety</b>	<b>\$380,464,236</b>	<b>\$159,331,665</b>	<b>\$63,793,068</b>	<b>(\$697,406)</b>	<b>\$69,017</b>	<b>\$602,960,580</b>
<b>Public Works</b>							
08	Facilities Management Department	\$12,421,809	\$5,202,033	\$51,163,955	(\$9,025,083)	\$0	\$59,762,714
25	Business Planning and Support	1,498,306	627,464	169,088	(702,564)	0	1,592,294
26	Office of Capital Facilities	11,088,974	4,643,865	9,212,294	(7,197,951)	0	17,747,182
87	Unclassified Administrative Expenses	0	0	3,581,592	(166,030)	66,000	3,481,562
	<b>Total Public Works</b>	<b>\$25,009,089</b>	<b>\$10,473,362</b>	<b>\$64,126,929</b>	<b>(\$17,091,628)</b>	<b>\$66,000</b>	<b>\$82,583,752</b>
<b>Health and Welfare</b>							
67	Department of Family Services	\$86,173,430	\$36,087,902	\$103,305,034	(\$534,749)	\$0	\$225,031,617
68	Department of Administration for Human Services	11,094,735	4,646,278	1,484,120	(64,143)	0	17,160,990
71	Health Department	36,284,337	15,195,236	16,669,795	0	0	68,149,368
73	Office to Prevent and End Homelessness	790,420	331,014	11,495,161	0	0	12,616,595
79	Department of Neighborhood and Community Services	16,828,432	7,047,449	20,014,189	(8,745,508)	55,000	35,199,562
	<b>Total Health and Welfare</b>	<b>\$151,171,354</b>	<b>\$63,307,879</b>	<b>\$152,968,299</b>	<b>(\$9,344,400)</b>	<b>\$55,000</b>	<b>\$358,158,132</b>

## FY 2015 ADVERTISED DISTRIBUTION OF FRINGE BENEFITS BY GENERAL FUND AGENCY

#	Agency Title	Personnel Services	Fringe Benefits	Operating Expenses	Recovered Costs	Capital Equipment	Total Cost
<b>Parks and Libraries</b>							
51	Fairfax County Park Authority	\$22,203,248	\$9,298,326	\$4,705,283	(\$3,726,605)	\$0	\$32,480,252
52	Fairfax County Public Library	21,589,700	9,041,383	6,088,331	0	0	36,719,414
	<b>Total Parks and Libraries</b>	<b>\$43,792,948</b>	<b>\$18,339,709</b>	<b>\$10,793,614</b>	<b>(\$3,726,605)</b>	<b>\$0</b>	<b>\$69,199,666</b>
<b>Community Development</b>							
16	Economic Development Authority	\$3,394,320	\$1,421,481	\$3,910,592	\$0	\$0	\$8,726,393
31	Land Development Services	10,485,414	4,391,105	2,741,541	(216,868)	0	17,401,192
35	Department of Planning and Zoning	9,600,235	4,020,408	695,986	0	0	14,316,629
36	Planning Commission	654,701	274,177	29,263	0	0	958,141
38	Department of Housing and Community Development	4,522,051	1,893,755	2,362,072	(512,500)	0	8,265,378
39	Office of Human Rights and Equity Programs	1,404,361	588,121	116,545	0	0	2,109,027
40	Department of Transportation	8,417,930	3,525,280	520,037	(1,337,757)	0	11,125,490
	<b>Total Community Development</b>	<b>\$38,479,012</b>	<b>\$16,114,327</b>	<b>\$10,376,036</b>	<b>(\$2,067,125)</b>	<b>\$0</b>	<b>\$62,902,250</b>
<b>Non-Departmental</b>							
87	Unclassified Administrative Expenses	\$0	\$0	\$0	\$0	\$0	\$0
89	Employee Benefits	0	0	2,087,850	0	0	2,087,850
	<b>Total Non-Departmental</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,087,850</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,087,850</b>
<b>GENERAL FUND DIRECT EXPENDITURES</b>		<b>\$745,806,755</b>	<b>\$312,330,626</b>	<b>\$347,535,949</b>	<b>(\$44,576,928)</b>	<b>\$190,017</b>	<b>\$1,361,286,419</b>

## FY 2015 REGULAR POSITIONS ALL FUNDS



**TOTAL REGULAR POSITIONS = 12,303**

General Fund Program Areas include: General Fund agencies and Fund 40040, Fairfax-Falls Church Community Services Board, in Health and Welfare, Fund 40090, E-911, in Public Safety, and Fund 40100, Stormwater Services, in Public Works.

General Fund Supported Funds include: Fund 40330, Elderly Housing Programs; Fund 60000, County Insurance; Fund 60010, Department of Vehicle Services; Fund 60020, Document Services Division; and Fund 60030, Technology Infrastructure Services.

Other Funds include: Fund 40010, County and Regional Transportation Projects; Fund 40030, Cable Communications; Fund 40050, Reston Community Center; Fund 40060, McLean Community Center; Fund 40080, Integrated Pest Management Program; Fund 40140, Refuse Collection and Recycling Operations; Fund 40150, Refuse Disposal; Fund 40160, Energy Resource Recovery (ERR) Facility; Fund 40170, I-95 Refuse Disposal; Fund 69010 Sewer Operation and Maintenance; Fund 73000, Employees' Retirement Trust; and Fund 73030, OPEB Trust.

## Summary of Position Changes FY 1991 - FY 2015

### Authorized Positions - All Funds

Fiscal Years <sup>1</sup>	From	To	Abolished	New Facilities	Other Changes	Other Reviews	Total Change	Population <sup>2</sup>	Positions Per 1,000 Residents
FY 1991 to FY 1992	11,164	11,124	(153)	41	20	52	(40)	832,130	13.57
FY 1992 to FY 1993	11,124	10,628	(588)	0	13	79	(496)	844,500	12.58
FY 1993 to FY 1994	10,628	10,685	(88)	62	56	27	57	857,496	12.46
FY 1994 to FY 1995	10,685	10,870	(157)	94	131	117	185	871,268	12.48
FY 1995 to FY 1996	10,870	11,016	(49)	60	76	59	146	889,526	12.38
FY 1996 to FY 1997	11,016	10,782	(477)	150	(14)	107	(234)	905,888	11.90
FY 1997 to FY 1998	10,782	10,802	(56)	4	43	29	20	921,789	11.72
FY 1998 to FY 1999	10,802	10,911	(35)	26	41	77	109	938,912	11.62
FY 1999 to FY 2000	10,911	11,108	(17)	106	26	82	197	958,060	11.59
FY 2000 to FY 2001	11,108	11,317	0	25	107	77	209	977,058	11.58
FY 2001 to FY 2002	11,317	11,385	(2)	14	39	17	68	994,401	11.45
FY 2002 to FY 2003	11,385	11,498	(48)	70	1	90	113	1,008,263	11.40
FY 2003 to FY 2004	11,498	11,443	(124)	49	0	20	(55)	1,017,194	11.25
FY 2004 to FY 2005	11,443	11,547	(4)	56	0	52	104	1,027,972	11.23
FY 2005 to FY 2006	11,547	11,742	(21)	163	50	3	195	1,035,479	11.34
FY 2006 to FY 2007	11,742	11,936	0	159	16	19	194	1,039,409	11.48
FY 2007 to FY 2008	11,936	12,024	0	55	15	18	88	1,043,601	11.52
FY 2008 to FY 2009	12,024	12,101	0	0	33	44	77	1,048,842	11.54
FY 2009 to FY 2010	12,101	11,796	(308)	2	0	1	(305)	1,066,858	11.06
FY 2010 to FY 2011	11,796	12,031	(191)	4	11	411	235	1,089,262	11.05
FY 2011 to FY 2012	12,031	12,278	0	3	36	208	247	1,103,262	11.13
FY 2012 to FY 2013	12,278	12,281	(26)	5	45	(21)	3	1,111,944	11.04
FY 2013 to FY 2014	12,281	12,290	(83)	2	40	50	9	1,116,392	11.01
FY 2014 to FY 2015 Advertised	12,290	12,303	(45)	11	47	0	13	1,121,376	10.97
<b>Total</b>	<b>11,164</b>	<b>12,303</b>	<b>(2,472)</b>	<b>1,161</b>	<b>832</b>	<b>1,618</b>	<b>1,139</b>		

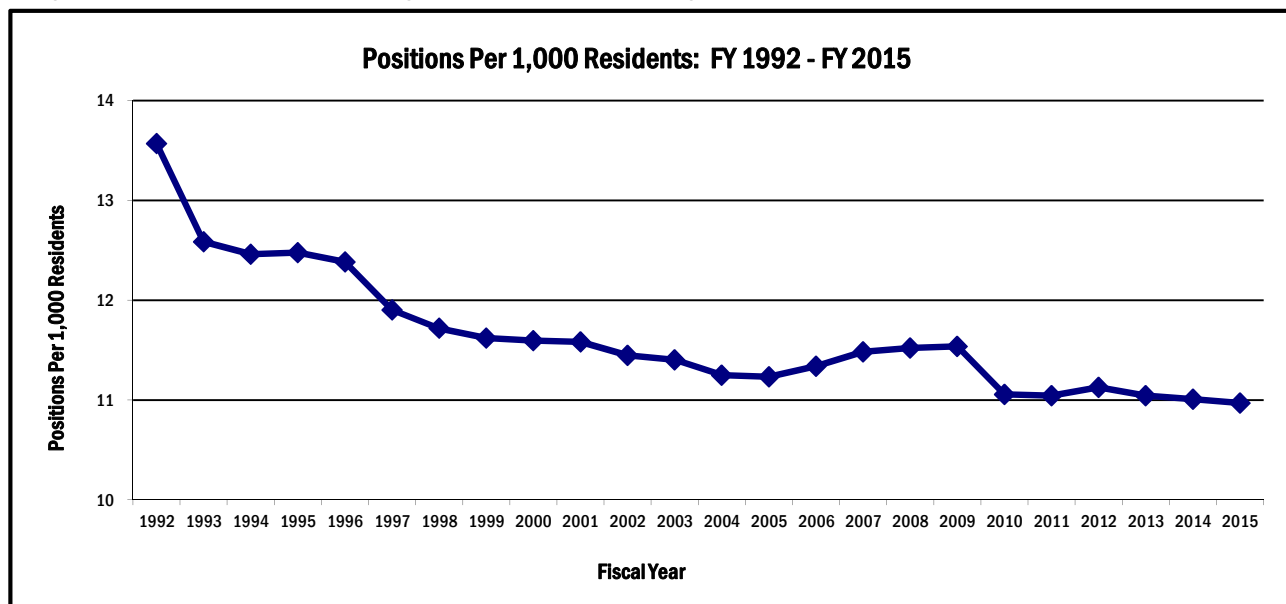
In addition, a total of 168 project positions have been abolished since FY 1991, resulting in a total of 2,640 abolished positions. This results in a net increase of 971 positions through the FY 2015 Advertised Budget Plan. Despite the net addition of positions, Positions Per 1,000 Residents have decreased dramatically during the period between FY 1992 and FY 2014, from 13.57 (including the 168 project positions) to 10.97, a 19.1 percent decrease.

( ) Denotes Abolished Positions

<sup>1</sup> Fiscal Year totals reflect actuals except for the current and budget year which reflect latest budgeted position counts.

<sup>2</sup> Population numbers used to compute Positions Per 1,000 Residents are provided by the Department of Neighborhood and Community Services and adjusted for fiscal year.

During the period FY 1992 - FY 2015, the following chart depicts the trend in merit regular positions per 1,000 residents:



## Summary of Position Changes

### FY 2015 Position Actions Total Change - 13 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
<b>NEW POSITIONS</b>			<b>58</b>
	Facilities Management	Mid-County	4
	Elections	Election Commission recommendations	3
	Purchasing and Supply Management	Contract rebates and surplus and excess property programs	3
	Capital Facilities	Transportation funding	1
	Capital Facilities	Public-Private Education Act projects	3
	Capital Facilities	Stormwater activites	1
	Land Development Services	Economic Development Core Team	2
	Transportation	Title VI compliance	1
	Transportation	Intelligent Transportation Systems	2
	Transportation	Transit marketing	1
	Transportation	Transportation project research	1
	Family Services	Behaviorial Health Services for Youth	3
	Family Services	School Readiness	3
	Family Services	Self Sufficiency	3
	Family Services	Domestic Violence	1
	Family Services	Kinship	1
	Neighborhood and Community Services	Providence Community Center	7
	Juvenile and Domestic Relations District Court	Evening Reporting conversion from grant	2
	Commonwealth's Attorney	Criminal case workload	3
	Police	Animal Shelter expansion	2
	Fire and Rescue	Fire Prevention	2
	Code Compliance	Customer service	1
	County and Regional Transportation Projects	Transportation Funding	6
	Stormwater Services	Stormwater activites	2
<b>REDUCTIONS/REALIGNMENTS</b>			<b>(45)</b>
	Family Services	Conversion of SACC positions to non-merit	(45)
	Business Planning and Support	Transfer of Information Technoogy support from Land Development Services	4
	Capital Facilities	Transfer to Land Development Services	(1)
	Land Development Sevices	Transfer of Information Technoogy support to Business Plannign and Support	(4)
	Land Development Sevices	Transfer from Capital Facilities	1

## Summary of Position Changes

### FY 2014 Position Actions Total Change - 9 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
<b>NEW POSITIONS</b>			<b>42</b>
County Executive-Office of Community Revitalization	Capital Facilities	Economic Development Core Team	2
Capital Facilities	Capital Facilities	Transportation funding	2
Capital Facilities	Land Development Services	Economic Development Core Team	3
Land Development Services	Planning and Zoning	Economic Development Core Team	2
Planning and Zoning	Transportation	Economic Development Core Team	6
Transportation	Police	Economic Development Core Team	3
Police	Police	Tysons Urban Center	9
Police	Fire and Rescue	Animal Shelter expansion	2
Fire and Rescue	County and Regional Transportation Projects	Economic Development Core Team	4
County and Regional Transportation Projects		Transportation Funding	9
<b>REDUCTIONS/REALIGNMENTS</b>			<b>(83)</b>
County Executive	Cable and Consumer Services	Administrative support	(1)
Cable and Consumer Services	Finance	Consumer Specialist	(1)
Finance	Finance	FOCUS efficiencies	(1)
Finance	Facilities Management	Transfer of FOCUS Business Support Group	(10)
Facilities Management	Human Resources	Building services	(1)
Human Resources	Human Resources	FOCUS efficiencies	(1)
Human Resources	Human Resources	Transfer of FOCUS Business Support Group	(7)
Human Resources	Purchasing and Supply Management	Transfer to Public Affairs	(1)
Purchasing and Supply Management	Purchasing and Supply Management	Deliveries	(1)
Purchasing and Supply Management	Purchasing and Supply Management	FOCUS efficiencies	(1)
Purchasing and Supply Management	Purchasing and Supply Management	Transfer of FOCUS Business Support Group	(6)
Purchasing and Supply Management	Public Affairs	Assistant Director	(1)
Public Affairs	Public Affairs	Transfer from Human Resources	1
Public Affairs	Management and Budget	FOCUS efficiencies	(1)
Management and Budget	Management and Budget	Transfer of FOCUS Business Support Group	23
Management and Budget	Business Planning and Support	Administrative support	(1)
Business Planning and Support	Capital Facilities	Administrative support	(1)
Capital Facilities	Land Development Services	Administrative support	(1)
Land Development Services	Human Rights and Equity Programs	Administrative support	(1)
Human Rights and Equity Programs		Equity Programs	(1)

## Summary of Position Changes

### FY 2014 Position Actions Total Change - 9 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
	Family Services	Conversion of SACC positions to non-merit	(30)
	Family Services	Administrative reorganization	(2)
	Administration for Human Services	Grants management	(1)
	Administration for Human Services	Emergency coordination	(1)
	Health	Maternal / Child reorganization	(4)
	Health	Consumer Protection reorganization	(4)
	Parks	HVAC maintenance	(1)
	Neighborhood and Community Services	Administrative support	(4)
	Neighborhood and Community Services	Community enagement	(1)
	Juvenile and Domestic Relations District Court	Administrative support	(3)
	Sheriff	Video visitation	(2)
	Sheriff	Juvenile Court deputy presence	(1)
	Community Services Board	Senior management	(2)
	Community Services Board	Central administration	(1)
	Community Services Board	Supported apartments	(3)
	Community Services Board	Management positions	(1)
	Community Services Board	Outpatient	(1)
	Community Services Board	Administrative support	(3)
	Community Services Board	Therapeutic residential	(1)
	Community Services Board	Wellness and Health promotion	(2)
	Elderly Housing	Transfer positions to non-appropriated housing funds	(2)
<b>OTHER CHANGES DURING FISCAL YEAR</b>			<b>50</b>
	Finance	Transfer to Administration for Human Services	(1)
	Economic Development Authority	Cyber Security Business Development	1
	Library	Realignment of positions	(2)
	Administration for Human Services	Transfer from Finance	1
	Administration for Human Services	Transfer of financial management positions from Juvenile and Domestic Relations District Court	2
	Administration for Human Services	Transfer of financial management positions from Community Services Board	5
	Juvenile and Domestic Relations District Court	Transfer financial management positions to Administration for Human Services	(2)
	Sheriff	Juvenile Court Deputy presence	1
	Fire and Rescue	Wolftrap Fire Station	29
	Fire and Rescue	Alternative placement	2
	Fire and Rescue	SAFER grant	19
	Community Services Board	Transfer financial management positions to Administration for Human Services	(5)

## Summary of Position Changes

### FY 2013 Position Actions Total Change - 3 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
<b>NEW POSITIONS</b>			<b>50</b>
	Libraries	Restore hours at Community Libraries	14
	Family Services	SACC - Graham Road and Mason Crest	3
	Capital Facilities	Stormwater Services requirements	3
	Transportation	Tysons redevelopment	2
	Police	Animal Shelter expansion	2
	Fire and Rescue	Fire Prevention	2
	Community Services Board	Intellectual Disability case management	2
	Community Services Board	Medical Detoxification	3
	Stormwater Services	Stormwater Services requirements	19
<b>REDUCTIONS/REALIGNMENTS</b>			<b>(26)</b>
	Cable and Consumer Services	Transfer Financial Manager to Cable Communications	(1)
	Public Affairs	Transfer Courthouse front desk function to Circuit Court	(2)
	Public Affairs	Transfer Housing public affairs support from Housing	1
	Management and Budget	Budget Analyst	(1)
	Land Development Services	Call Center	(1)
	Land Development Services	Inspections	(2)
	Land Development Services	Division management	(2)
	Land Development Services	Transfer Urban Forestry to Stormwater Services	(7)
	Housing and Community Development	Transfer Housing public affairs support to Public Affairs	(1)
	Parks	Administrative and financial support	(3)
	Parks	Heritage Resources	(1)
	Tax Administration	Administrative Assistant	(1)
	Health	Braddock Glen Adult Day Health Care Center	(5)
	Circuit Court	Transfer of Courthouse front desk function from Public Affairs	2
	Police	Administrative Assistant	(1)
	Police	Weapons of Mass Destruction coordinator	(1)
	Police	Cadet program	(5)
	Cable Communications	Transfer Financial Manager from Cable and Consumer Services	1



## Summary of Position Changes

### FY 2013 Position Actions Total Change - 3 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
	Community Services Board	Transfer Youth Resource Team to grant funding	(2)
	Community Services Board	Prevention and Student Assistance Services	(1)
	Stormwater Services	Transfer Urban Forestry from Land Development Services	7
<b>OTHER CHANGES DURING FISCAL YEAR</b>			<b>(21)</b>
	County Executive/Administration of County Policy	Transfer to Information Technology	(1)
	Facilities Management	Maintenance at Lorton Arts Facilities	2
	Facilities Management	Transfer to Housing and Community Development	(1)
	Human Resources	Employee benefits	1
	Capital Facilities	Transfer from Land Development Services	1
	Capital Facilities	Transfer from Wastewater	4
	Land Development Services	Transfer to Capital Facilities	(1)
	Land Development Services	Transfer from Refuse Disposal	1
	Housing and Community Development	Transfer from Family Services	1
	Housing and Community Development	Transfer from Facilities Management	1
	Family Services	Transfer from Community Services Board	1
	Family Services	Transfer from Neighborhood and Community Services	1
	Family Services	Transfer to Housing and Community Development	(1)
	Administration for Human Services	Transfer from Community Services Board	1
	Prevent and End Homelessness	Homeless services	1
	Library	Realignment of positions	(5)
	Information Technology	Transfer from the County Executive	1
	Neighborhood and Community Services	Fairfax Families4Kids	1
	Neighborhood and Community Services	Transfer to Family Services	(1)
	Stormwater Services	Transfer from Refuse Collection	1
	Community Services Board	Reductions as a result of Budget balancing plan and realignment of positions	(21)
	Community Services Board	Transfer to Family Services	(1)
	Community Services Board	Transfer to Administration for Human Services	(1)

## Summary of Position Changes

### FY 2013 Position Actions Total Change - 3 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
Refuse Collection		Transfers to Stormwater Services and Refuse Disposal	(2)
Refuse Disposal		Transfer from Refuse Collection	1
Refuse Disposal		Transfer to Land Development Services	(1)
Wastewater		Transfer to Capital Facilities	(4)

# FY 2015 ADVERTISED POSITION SUMMARY

## (GENERAL FUND)

#	Agency Title	FY 2013		FY 2014						FY 2015		Increase/(Decrease)			
		Actual Pos	FTE	Adopted Pos	FTE	Carryover Pos	FTE	Out of Cycle Pos	FTE	Revised Pos	FTE	Advertised Pos	FTE	Pos	FTE
<b>Legislative-Executive Functions / Central Services</b>															
01	Board of Supervisors	75	75.00	75	75.00	0	0.00	0	0.00	75	75.00	75	75.00	0	0.00
02	Office of the County Executive	54	54.00	55	54.50	0	0.00	0	0.00	55	54.50	55	55.00	0	0.50
04	Department of Cable and Consumer Services	15	15.00	15	15.00	0	0.00	0	0.00	15	15.00	15	15.00	0	0.00
06	Department of Finance	66	66.00	55	55.00	0	0.00	(1)	(1.00)	54	54.00	54	54.00	0	0.00
11	Department of Human Resources	85	85.00	76	76.00	0	0.00	0	0.00	76	76.00	76	76.00	0	0.00
12	Department of Purchasing and Supply Management	55	55.00	47	47.00	0	0.00	0	0.00	47	47.00	50	50.00	3	3.00
13	Office of Public Affairs	19	19.00	19	19.00	0	0.00	0	0.00	19	19.00	19	19.00	0	0.00
15	Office of Elections	25	25.00	25	25.00	0	0.00	0	0.00	25	25.00	28	28.00	3	3.00
17	Office of the County Attorney	60	60.00	60	60.00	0	0.00	0	0.00	60	60.00	60	60.00	0	0.00
20	Department of Management and Budget	33	33.00	55	55.00	0	0.00	0	0.00	55	55.00	55	55.00	0	0.00
37	Office of the Financial and Program Auditor	3	3.00	3	3.00	0	0.00	0	0.00	3	3.00	3	3.00	0	0.00
41	Civil Service Commission	3	3.00	3	3.00	0	0.00	0	0.00	3	3.00	3	3.00	0	0.00
57	Department of Tax Administration	283	283.00	283	283.00	0	0.00	0	0.00	283	283.00	283	283.00	0	0.00
70	Department of Information Technology	252	252.00	252	252.00	0	0.00	0	0.00	252	252.00	252	252.00	0	0.00
<b>Total Legislative-Executive Functions / Central Services</b>		<b>1,028</b>	<b>1,028.00</b>	<b>1,023</b>	<b>1,022.50</b>	<b>0</b>	<b>0.00</b>	<b>(1)</b>	<b>(1.00)</b>	<b>1,022</b>	<b>1,021.50</b>	<b>1,028</b>	<b>1,028.00</b>	<b>6</b>	<b>6.50</b>
<b>Judicial Administration</b>															
80	Circuit Court and Records	163	163.00	163	163.00	0	0.00	0	0.00	163	163.00	163	163.00	0	0.00
82	Office of the Commonwealth's Attorney	37	37.00	37	37.00	0	0.00	0	0.00	37	37.00	40	40.00	3	3.00
85	General District Court	21	21.00	21	21.00	0	0.00	0	0.00	21	21.00	21	21.00	0	0.00
91	Office of the Sheriff	171	170.50	170	169.50	1	1.00	(1)	(1.00)	170	169.50	170	169.50	0	0.00
<b>Total Judicial Administration</b>		<b>392</b>	<b>391.50</b>	<b>391</b>	<b>390.50</b>	<b>1</b>	<b>1.00</b>	<b>(1)</b>	<b>(1.00)</b>	<b>391</b>	<b>390.50</b>	<b>394</b>	<b>393.50</b>	<b>3</b>	<b>3.00</b>
<b>Public Safety</b>															
04	Department of Cable and Consumer Services	11	11.00	10	10.00	0	0.00	0	0.00	10	10.00	10	10.00	0	0.00
31	Land Development Services	92	92.00	91	91.00	0	0.00	2	2.00	93	93.00	93	93.00	0	0.00
81	Juvenile and Domestic Relations District Court	307	305.50	304	302.50	0	0.00	(2)	(2.00)	302	300.50	304	302.50	2	2.00
90	Police Department	1,707	1,707.00	1,718	1,718.00	0	0.00	0	0.00	1,718	1,718.00	1,720	1,720.00	2	2.00
91	Office of the Sheriff	431	430.50	429	428.50	0	0.00	1	1.00	430	429.50	430	429.50	0	0.00
92	Fire and Rescue Department	1,500	1,500.00	1,504	1,504.00	29	29.00	21	21.00	1,554	1,554.00	1,556	1,556.00	2	2.00
93	Office of Emergency Management	13	13.00	13	13.00	0	0.00	0	0.00	13	13.00	13	13.00	0	0.00
97	Department of Code Compliance	44	44.00	44	44.00	0	0.00	0	0.00	44	44.00	45	45.00	1	1.00
<b>Total Public Safety</b>		<b>4,105</b>	<b>4,103.00</b>	<b>4,113</b>	<b>4,111.00</b>	<b>29</b>	<b>29.00</b>	<b>22</b>	<b>22.00</b>	<b>4,164</b>	<b>4,162.00</b>	<b>4,171</b>	<b>4,169.00</b>	<b>7</b>	<b>7.00</b>
<b>Public Works</b>															
08	Facilities Management Department	200	200.00	199	199.00	0	0.00	0	0.00	199	199.00	203	203.00	4	4.00
25	Business Planning and Support	12	11.50	11	11.00	0	0.00	0	0.00	11	11.00	15	15.00	4	4.00
26	Office of Capital Facilities	134	134.00	138	138.00	0	0.00	0	0.00	138	138.00	142	142.00	4	4.00
<b>Total Public Works</b>		<b>346</b>	<b>345.50</b>	<b>348</b>	<b>348.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>348</b>	<b>348.00</b>	<b>360</b>	<b>360.00</b>	<b>12</b>	<b>12.00</b>
<b>Health and Welfare</b>															
67	Department of Family Services	1,507	1,446.23	1,475	1,419.93	0	0.00	0	19.95	1,475	1,439.88	1,441	1,414.56	(34)	(25.32)
68	Department of Administration for Human Services	160	159.00	158	157.00	0	0.00	8	8.00	166	165.00	166	165.00	0	0.00
71	Health Department	661	589.98	653	581.98	0	0.00	0	(8.44)	653	573.54	653	573.54	0	0.00
73	Office to Prevent and End Homelessness	8	8.00	8	8.00	0	0.00	0	0.00	8	8.00	8	8.00	0	0.00
79	Department of Neighborhood and Community Services	218	217.75	213	212.75	0	0.00	0	0.25	213	213.00	220	220.00	7	7.00
<b>Total Health and Welfare</b>		<b>2,554</b>	<b>2,420.96</b>	<b>2,507</b>	<b>2,379.66</b>	<b>0</b>	<b>0.00</b>	<b>8</b>	<b>19.76</b>	<b>2,515</b>	<b>2,399.42</b>	<b>2,488</b>	<b>2,381.10</b>	<b>(27)</b>	<b>(18.32)</b>

## FY 2015 ADVERTISED POSITION SUMMARY (GENERAL FUND)

#	Agency Title	FY 2013		FY 2014						FY 2015		Increase/(Decrease)			
		Actual Pos	FTE	Adopted Pos	FTE	Carryover Pos	FTE	Out of Cycle Pos	FTE	Revised Pos	FTE	Advertised Pos	FTE	Pos	FTE
<b>Parks and Libraries</b>															
51	Fairfax County Park Authority	356	354.00	355	353.00	0	0.00	0	0.00	355	353.00	355	353.00	0	0.00
52	Fairfax County Public Library	402	380.00	402	380.00	0	0.00	(2)	(1.00)	400	379.00	400	379.00	0	0.00
	<b>Total Parks and Libraries</b>	<b>758</b>	<b>734.00</b>	<b>757</b>	<b>733.00</b>	<b>0</b>	<b>0.00</b>	<b>(2)</b>	<b>(1.00)</b>	<b>755</b>	<b>732.00</b>	<b>755</b>	<b>732.00</b>	<b>0</b>	<b>0.00</b>
<b>Community Development</b>															
16	Economic Development Authority	34	34.00	34	34.00	1	1.00	0	0.00	35	35.00	35	35.00	0	0.00
31	Land Development Services	168	168.00	170	170.00	0	0.00	(2)	(2.00)	168	168.00	167	167.00	(1)	(1.00)
35	Department of Planning and Zoning	124	124.00	130	130.00	0	0.00	0	0.00	130	130.00	130	130.00	0	0.00
36	Planning Commission	7	7.00	7	7.00	0	0.00	0	0.00	7	7.00	7	7.00	0	0.00
38	Department of Housing and Community Development	44	44.00	44	44.00	0	0.00	0	0.00	44	44.00	44	44.00	0	0.00
39	Office of Human Rights and Equity Programs	18	18.00	17	17.00	0	0.00	0	0.00	17	17.00	17	17.00	0	0.00
40	Department of Transportation	108	108.00	111	111.00	0	0.00	0	0.00	111	111.00	116	116.00	5	5.00
	<b>Total Community Development</b>	<b>503</b>	<b>503.00</b>	<b>513</b>	<b>513.00</b>	<b>1</b>	<b>1.00</b>	<b>(2)</b>	<b>(2.00)</b>	<b>512</b>	<b>512.00</b>	<b>516</b>	<b>516.00</b>	<b>4</b>	<b>4.00</b>
	<b>Total General Fund Positions</b>	<b>9,686</b>	<b>9,525.96</b>	<b>9,652</b>	<b>9,497.66</b>	<b>31</b>	<b>31.00</b>	<b>24</b>	<b>36.76</b>	<b>9,707</b>	<b>9,565.42</b>	<b>9,712</b>	<b>9,579.60</b>	<b>5</b>	<b>14.18</b>

## FY 2015 ADVERTISED POSITION SUMMARY (GENERAL FUND SUPPORTED AND OTHER FUNDS)

Fund	FY 2013		FY 2014								FY 2015		Increase/(Decrease)	
	Actual Pos	FTE	Adopted Pos	FTE	Carryover Pos	FTE	Out of Cycle Pos	FTE	Revised Pos	FTE	Advertised Pos	FTE	Pos	FTE
<b>General Fund Supported</b>														
40040 Fairfax-Falls Church Community Services Board	997	993.25	983	978.25	0	0.00	(5)	(4.50)	978	973.75	978	973.75	0	0.00
40090 E-911	205	205.00	205	205.00	0	0.00	0	0.00	205	205.00	205	205.00	0	0.00
40330 Elderly Housing Programs	15	15.00	13	13.00	0	0.00	0	0.00	13	13.00	13	13.00	0	0.00
60000 County Insurance	14	14.00	14	14.00	0	0.00	0	0.00	14	14.00	14	14.00	0	0.00
60010 Department of Vehicle Services	258	258.00	258	258.00	0	0.00	0	0.00	258	258.00	258	258.00	0	0.00
60020 Document Services	10	10.00	10	10.00	0	0.00	0	0.00	10	10.00	10	10.00	0	0.00
60030 Technology Infrastructure Services	73	73.00	73	73.00	0	0.00	0	0.00	73	73.00	73	73.00	0	0.00
<b>Total General Fund Supported</b>	<b>1,572</b>	<b>1,568.25</b>	<b>1,556</b>	<b>1,551.25</b>	<b>0</b>	<b>0.00</b>	<b>(5)</b>	<b>(4.50)</b>	<b>1,551</b>	<b>1,546.75</b>	<b>1,551</b>	<b>1,546.75</b>	<b>0</b>	<b>0.00</b>
<b>Other Funds</b>														
40010 County and Regional Transportation Projects	19	19.00	28	28.00	0	0.00	0	0.00	28	28.00	34	34.00	6	6.00
40030 Cable Communications	52	52.00	52	52.00	0	0.00	0	0.00	52	52.00	52	52.00	0	0.00
40050 Reston Community Center	50	50.00	50	50.00	0	0.00	0	0.00	50	50.00	50	50.00	0	0.00
40060 McLean Community Center	31	28.18	31	28.18	0	0.00	0	0.00	31	28.18	31	28.18	0	0.00
40080 Integrated Pest Management Program	12	12.00	12	12.00	0	0.00	0	0.00	12	12.00	12	12.00	0	0.00
40100 Stormwater Services	172	172.00	172	172.00	0	0.00	0	0.00	172	172.00	174	174.00	2	2.00
40140 Refuse Collection and Recycling Operations	147	147.00	147	147.00	0	0.00	0	0.00	147	147.00	147	147.00	0	0.00
40150 Refuse Disposal	144	144.00	144	144.00	0	0.00	0	0.00	144	144.00	144	144.00	0	0.00
40160 Energy Resource Recovery (ERR) Facility	12	12.00	12	12.00	0	0.00	0	0.00	12	12.00	12	12.00	0	0.00
40170 I-95 Refuse Disposal	41	41.00	41	41.00	0	0.00	0	0.00	41	41.00	41	41.00	0	0.00
69010 Sewer Operation and Maintenance	317	317.00	317	317.00	0	0.00	0	0.00	317	317.00	317	317.00	0	0.00
73000 Employees' Retirement Trust	25	25.00	25	25.00	0	0.00	0	0.00	25	25.00	25	25.00	0	0.00
73030 OPEB Trust	1	1.00	1	1.00	0	0.00	0	0.00	1	1.00	1	1.00	0	0.00
<b>Total Other Funds</b>	<b>1,023</b>	<b>1,020.18</b>	<b>1,032</b>	<b>1,029.18</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,032</b>	<b>1,029.18</b>	<b>1,040</b>	<b>1,037.18</b>	<b>8</b>	<b>8.00</b>
<b>Total All Funds</b>	<b>12,281</b>	<b>12,114.39</b>	<b>12,240</b>	<b>12,078.09</b>	<b>31</b>	<b>31.00</b>	<b>19</b>	<b>32.26</b>	<b>12,290</b>	<b>12,141.35</b>	<b>12,303</b>	<b>12,163.53</b>	<b>13</b>	<b>22.18</b>

## FY 2015 ADVERTISED POSITION SUMMARY

*(GENERAL FUND STATE POSITIONS)*

Agency Title	FY 2013		FY 2014								FY 2015		Inc/(Dec)	
	<i>Actual</i> Pos	FTE	<i>Adopted</i> Pos	FTE	<i>Carryover</i> Pos	FTE	<i>Out of Cycle</i> Pos	FTE	<i>Revised</i> Pos	FTE	<i>Advertised</i> Pos	FTE	Pos	FTE
Circuit Court and Records	15	15.00	15	15.00	0	0.00	0	0.00	15	15.00	15	15.00	0	0.00
Juvenile and Domestic Relations District Court	43	43.00	43	43.00	0	0.00	0	0.00	43	43.00	43	43.00	0	0.00
General District Court	94	91.10	94	91.10	0	0.00	0	0.00	94	91.10	94	91.10	0	0.00
Office of the Sheriff	27	27.00	27	27.00	0	0.00	0	0.00	27	27.00	27	27.00	0	0.00
<b>Total General Fund</b>	<b>179</b>	<b>176.10</b>	<b>179</b>	<b>176.10</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>179</b>	<b>176.10</b>	<b>179</b>	<b>176.10</b>	<b>0</b>	<b>0.00</b>

## FY 2015 ADVERTISED POSITION SUMMARY (GRANT POSITIONS)

Fund/Agency Title	FY 2013 Actual		FY 2014								FY 2015 Advertised		Inc/(Dec)	
	Pos	FTE	Adopted Pos	Adopted FTE	Carryover Pos	Carryover FTE	Out of Cycle Pos	Out of Cycle FTE	Revised Pos	Revised FTE	Pos	FTE	Pos	FTE
<b>Fund 50000, Federal/State Grant</b>														
Office of Human Rights and Equity Programs	5	4.90	5	4.90	0	0.00	0	0.00	5	4.90	5	4.90	0	0.00
Department of Transportation	12	12.00	12	12.00	0	0.00	(4)	(4.00)	8	8.00	6	6.00	(2)	(2.00)
Department of Family Services	169	164.50	154	145.10	0	0.00	12	16.40	166	161.50	176	170.50	10	9.00
Health Department	62	62.00	58	58.00	0	0.00	4	4.00	62	62.00	62	62.00	0	0.00
Fairfax-Falls Church Community Services Board	49	49.00	48	47.50	0	0.00	5	5.50	53	53.00	51	50.80	(2)	(2.20)
Department of Neighborhood and Community Services	5	4.90	5	4.90	0	0.00	0	0.00	5	4.90	5	4.90	0	0.00
Juvenile and Domestic Relations District Court	4	3.50	0	0.00	0	0.00	4	3.50	4	3.50	1	0.50	(3)	(3.00)
General District Court	9	8.80	9	8.80	0	0.00	0	0.20	9	9.00	8	8.00	(1)	(1.00)
Police Department	10	10.00	6	6.00	0	0.00	6	6.00	12	12.00	6	6.00	(6)	(6.00)
Fire and Rescue Department	18	18.00	18	18.00	0	0.00	0	0.00	18	18.00	18	17.00	0	(1.00)
Emergency Management	4	4.00	4	4.00	0	0.00	0	0.00	4	4.00	4	4.00	0	0.00
<b>Total Federal/State Grant Fund<sup>1</sup></b>	<b>347</b>	<b>341.60</b>	<b>319</b>	<b>309.20</b>	<b>0</b>	<b>0.00</b>	<b>27</b>	<b>31.60</b>	<b>346</b>	<b>340.80</b>	<b>342</b>	<b>334.60</b>	<b>(4)</b>	<b>(6.20)</b>
<b>Fund 50800, Community Development Block Grant</b>														
Department of Housing and Community Development	22	22.00	22	22.00	0	0.00	0	0.00	22	22.00	22	22.00	0	0.00
<b>Total Community Development Block Grant</b>	<b>22</b>	<b>22.00</b>	<b>22</b>	<b>22.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>22</b>	<b>22.00</b>	<b>22</b>	<b>22.00</b>	<b>0</b>	<b>0.00</b>
<b>Fund 50810, HOME Investment Partnership Grant</b>														
Department of Housing and Community Development	2	2.00	2	2.00	0	0.00	0	0.00	2	2.00	2	2.00	0	0.00
<b>Total HOME Investment Partnership Grant</b>	<b>2</b>	<b>2.00</b>	<b>2</b>	<b>2.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>2</b>	<b>2.00</b>	<b>2</b>	<b>2.00</b>	<b>0</b>	<b>0.00</b>

<sup>1</sup> It should be noted that the FY 2014 Revised position count includes grant positions that are funded with prior year awards for which additional funding is not anticipated.

# FY 2015

Advertised Budget Plan



## Glossary and Index

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## Glossary and Index

### GLOSSARY

**Account** – A separate financial reporting unit. All budgetary transactions are recorded in accounts.

**Accounting Period** – A period of time (e.g., one month, one year) where the County determines its financial position and results of operations.

**Accrual** – Accrual accounting/budgeting refers to a method of accounting/budgeting in which revenues are recorded when earned and outlays are recorded when goods are received or services are performed, even though the actual receipts and disbursements of cash may occur, in whole or in part, in a different fiscal period.

**Accrual Basis of Accounting** – A method of accounting where revenues are recorded when service is given and expenses are recognized when the benefit is received. In Fairfax County, governmental and agency funds are accounted for on a modified accrual basis of accounting in which revenue is considered available and recorded if it is collectible within the current period or within 45 days thereafter, to be used to pay liabilities of the current period. Expenditures are generally recorded when the related fund liability is incurred, with the exception of certain liabilities recorded in the General Long-Term Obligations Account Group.

**Activity** – A specific and distinguishable line of work performed within a program; the most basic component of service delivery for each County agency and its budget.

**Actuarial** – A methodology that makes determinations of required contributions to achieve future funding levels by addressing risk and time.

**Adopted Budget Plan** – A plan of financial operations approved by the Board of Supervisors highlighting major changes made to the County Executive's Advertised Budget Plan by the Board of Supervisors. The Adopted Budget Plan reflects approved tax rates and estimates of revenues, expenditures, transfers, agency goals, objectives and performance data. Sections are included to show major budgetary/financial policies and guidelines used in the fiscal management of the County.

**Ad Valorem Tax** – A tax levied on the assessed value of real estate and personal property. This tax is also known as property tax.

**Advertised Budget Plan** – A plan of financial operations submitted by the County Executive to the Board of Supervisors. This plan reflects estimated revenues, expenditures and transfers, as well as agency goals, objectives and performance data. In addition, sections are included to show major budgetary/financial policies and guidelines used in the fiscal management of the County.

**Amortization** – The reduction of debt through regular payments of principal and interest sufficient to retire the debt instrument at a predetermined date known as maturity.

## Glossary and Index

**Appropriation** – A specific amount of money authorized by the Board of Supervisors to a specified unit of the County government to make expenditures and to incur obligations for specific purposes. Appropriation authorizations expire at the end of the fiscal year.

**Appropriation Controls** – A specific amount of money authorized by the Board of Supervisors to a specified unit of the County government to make expenditures and to incur obligations for specific purposes. Spending is generally controlled either at the bottom line of appropriation categories such as Personnel Services, Operating Expenses, Recovered Costs (Work Performed for Others), or Capital Equipment (for operating agencies) or the bottom-line of a project budget, e.g., for capital construction funds or grant budget. In addition, agencies cannot transfer funds from one fund to another fund without authorization from the Board of Supervisors. Agencies cannot adjust their bottom-line budget expenditures without authorization from the Board of Supervisors. Typically, the Board of Supervisors approves agency bottom-line expenditure adjustments during the next budget review cycle, i.e., Third Quarter or Carryover. With adequate justification and DMB approval, agencies can perform a budget transfer of funds from one category to another, e.g., from Personnel Services to Operating Expenses, as long as there is no change to the agency's bottom-line budget and the budget transfer must occur within the same agency and/or fund.

**Appropriated Fund** – Funds budgeted and authorized by the Board of Supervisors for County agencies and funds to incur liabilities for the acquisition of goods and services. These funds, which include revenues derived from governmental sources, require annual appropriation by the Board of Supervisors for legal spending authority by agencies.

**Arbitrage** – With respect to the issuance of municipal securities, arbitrage usually refers to the difference between the interest paid on the tax-exempt securities and the interest earned by investing the security proceeds in higher yielding taxable securities. Internal Revenue Service regulations govern arbitrage on the proceeds from issuance of governmental securities.

**Assessed Property Value** – The estimated actual value set upon real estate or other taxable property by the County Property Appraiser (Department of Tax Administration) as a basis for levying real estate tax. Real property is assessed as of January 1 each year at the estimated fair market value of all land and improvements, with the resulting taxes being payable in the subsequent fiscal year. 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 three years, foreclosure proceedings can be initiated.

**Assessment** – The official valuation of property for purposes of taxation.

**Assessment Ratio** – The ratio of the assessed value of a taxed item to the market value of that item. In Fairfax County, real estate is assessed at 100 percent of market value as of January 1 each year.

**Assets** - Resources owned or held by a government which have monetary value. Assets may be tangible or intangible and are expressed in terms of cost or some other value. Assets are probable future economic benefits obtained or controlled by the government as a result past transactions or events.

## Glossary and Index

**Auditor of Public Accounts** – A state agency that oversees accounting, financial reporting and audit requirements for the units of local government in the Commonwealth of Virginia.

**Authorized but Unissued Bonds** - Bonds authorized by the Board of Supervisors following a referendum, but not issued to the bond markets. Bonds approved after July 1, 1991 have a maximum of 10 years available by law in which to be issued.

**Balanced Budget** – A budget is balanced when projected total funds available equal total disbursements, including established reserves. All local governments in the Commonwealth of Virginia must adopt a balanced budget as a requirement of state law no later than by July 1.

**Basis Point** – Equal to 1/100 of one percent. For example, if interest rates rise from 6.50 percent to 6.75 percent, the difference is referred to as an increase of 25 basis points.

**Beginning Balance** – Unexpended funds from the previous fiscal year that may be used to make payments during the current fiscal year.

**Benchmarking** – The systematic comparison of performance with other jurisdictions in order to discover best practices that will enhance performance. Benchmarking involves determining the quality of products, services and practices by measuring critical factors (e.g., how effective, how much a product or service costs) and comparing the results to those of highly regarded competitors.

**Birmingham Green** – A multi-jurisdictional entity that operates an assisted living facility and a nursing home for the care of indigent adults who are unable to live independently.

**Bond** – A written promise to pay a specified sum of money (called the principal), at a specified date in the future, together with periodic interest at a specified rate. In the budget document, these payments are identified as debt service. Bonds may be used as an alternative to tax receipts to secure revenue for long-term capital improvements. The two major categories are General Obligation Bonds (G.O. Bonds) and Revenue Bonds. The majority of bonds issued for County and School construction projects are known as General Obligation Bonds.

**Bond Covenants** – A legally enforceable promise made to the bondholders from the issuer, generally in relation to the source of repayment funding.

**Bond Proceeds** – The money paid to the issuer by the purchaser or underwriter of a new issue of municipal securities. These moneys are used to finance the project or purpose for which the securities were issued and to pay certain costs of issuance as may be provided in the bond contract.

**Bond Rating** – A rating (made by an established bond rating company) from a schedule of grades indicating the probability of timely repayment of principal and interest on bonds issued. Fairfax County uses the services of the nation's three primary bond rating services – Moody's Investors Service, Standard & Poor's, and Fitch – to perform credit analyses to determine the probability of an issuer of debt defaulting partially or fully. Fairfax County has maintained a Triple A bond rating status from Moody's since 1975, Standard and Poor's since 1978, and Fitch since 1997.

## Glossary and Index

**Bond Referendum** – A process whereby the voters of a governmental unit are given the opportunity to approve or disapprove a proposed issue of municipal securities. An election is most commonly required in connection with General Obligation Bonds. Requirements for voter approval may be imposed by constitution, statute or local ordinance.

**Bonds** – A certificate of debt issued by an entity, guaranteeing payment of the original investment, plus interest, by a specified future date. Bonds are instruments used to borrow money for the debt financing of long-term capital improvements.

**Budget** – A plan for the acquisition and allocation of resources to accomplish specified purposes. The term may be used to describe special purpose fiscal plans or parts of a fiscal plan, such as "the budget of the Police Department," "the Capital Budget," or "the School Board's budget," or it may relate to a fiscal plan for an entire jurisdiction, such as "the budget of Fairfax County."

**Budget Calendar** – A schedule of key dates which the County follows in the preparation, adoption and administration of the budget.

**Budget Message** – Included in the Overview Volume, also referred to as the *County Executive Summary*, the budget message provides a summary of the most important aspects of the budget, changes from previous fiscal years, and recommendations regarding the County's financial policy for the upcoming period.

**Budget Process Redesign** – An ongoing effort to improve both the budget development process and the budget document.

**Budget Transfers** – Budget transfers shift previously budgeted funds from one item of expenditure to another. Transfers may occur throughout the course of the fiscal year as needed for County government operations.

**Build-Out** – This refers to the time in the life cycle of the County when no incorporated property remains undeveloped. All construction from this point forward is renovation, retrofitting or land cleared through the demolition of existing structures.

**Business Process Redesign** – A methodology that seeks to improve customer service by focusing on redesigning current processes, and possibly incorporating automation-based productivity improvements. Redesign efforts require an Information Strategy Plan (ISP) which identifies and prioritizes the business areas to be redesigned. New or enhanced Business System Applications (BSAs) are usually required to improve the flow of information across organizational boundaries.

**Business, Professional and Occupational License (BPOL)** – Businesses, professions, trades and occupations are assessed a license tax based on gross receipts for the prior year, without deductions. Exclusions are deductions from the definition of gross receipts. Section 4-7.2-1(B) of the Fairfax County Code and Chapter 37 of Title 58.1 of the Code of Virginia lists the only deductions that can be claimed. Individuals engaged in home occupations and who are self-employed must also file if their gross receipts are greater than \$10,000. Receipts of venture capital or other investment funds are excluded from taxation except commissions and fees.

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**Calendar Year** – Twelve months beginning January 1 and ending December 31.

**Capital Equipment** – Equipment such as vehicles, furniture, technical instruments, etc., which have a life expectancy of more than one year and a value of over \$5,000. Equipment with a value of less than \$5,000 is operating equipment.

**Capital Expenditure** – A direct expenditure that results in or contributes to the acquisition or construction of major capital assets (e.g., lands, roads, buildings). The expenditure may be for new construction, addition, replacement or renovations to buildings that increase their value, or major alteration of a capital asset. Capital assets include land, infrastructure, buildings, equipment, vehicles and other tangible and intangible assets that have useful lives longer than one year.

**Capital Facilities** – Fixed assets, such as buildings or land.

**Capital Improvement Program (CIP)** – A five-year plan for public facilities which addresses the construction or acquisition of fixed assets, primarily buildings but also including parks, sewers, sidewalks, etc., and major items of capital equipment and operating expenses related to new facilities.

**Capital Paydown** – Capital construction funded with current year General Fund revenues as opposed to construction financed through the issuance of bonds. This is also referred to as “pay-as-you-go” construction.

**Capital Project** – Major construction, acquisition, or renovation activities which add value to a government’s physical assets or significantly increase their useful life.

**Capital Renewal** – Capital renewal is the planned replacement of building subsystems such as roofs, electrical systems, HVAC systems and plumbing systems that have reached the end of their useful life. Major capital renewal investments are required in facilities to replace old, obsolete building subsystems that have reached the end of their life cycle.

**Capital Projects Funds** – Funds, defined by the State Auditor of Public Accounts, that account for the acquisition and/or construction of major capital facilities or capital improvements other than sewers.

**Carryover** – The process by which certain unspent or unencumbered funds for appropriations previously approved by the Board of Supervisors and for commitments to pay for goods and services at the end of one fiscal year are reappropriated in the next fiscal year. Typically, funds carried over are nonrecurring expenditures, such as capital projects or capital equipment items.

**Cash Management** – An effort to manage cash flows in such a way that interest and penalties paid are minimized and interest earned is maximized.

**Cash Management System** – A system of financial practices which ensures that sufficient cash is available on a daily basis for payment of County obligations when due.

**Character** – A class of expenditures, such as salaries, operating expenses, recovered costs, or capital equipment.

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**Class** – A group of positions which are sufficiently alike in general duties and responsibilities to warrant the use of the same title, specification and pay range.

**Classification** – The grouping of positions in regards to:

- kinds of duties performed and responsibilities;
- level of duties performed;
- requirements as to education, knowledge and experience and ability;
- tests of fitness; and ranges of pay.

**Class Series** – A number of classes of positions which are substantially similar as to the types of work involved and differ only in rank as determined by the level of the duties and degree of responsibility involved and the amount of training and experience required.

**Class Specification** – A written description of a class consisting of a class title, a general statement of the level of work, a statement of the distinguishing features of work, some examples of work, and the minimum qualifications for the class.

**Comprehensive Annual Financial Report (CAFR)** – This official annual report, prepared by the Department of Finance, presents the status of the County's finances in a standardized format. The CAFR is organized by fund and contains two basic types of information: (1) a balance sheet that compares assets with liabilities and fund balance, and (2) an operating statement that compares revenues and expenditures.

**Comprehensive Plan** – The plan that guides and implements coordinated, adjusted, and harmonious land development that best promotes the health, safety, and general welfare of County residents. It contains long-range recommendations for land use, transportation systems, community services, historic resources, environmental resources, and other facilities, services, and resources.

**Comprehensive Services Act (CSA)** – The Comprehensive Services Act (CSA) provides both community- and facility-based services to at-risk children and their families. Services offered through CSA are driven by federal and state mandates in foster care and special education. County agencies and Fairfax County Public Schools (FCPS) work collaboratively to design service plans meeting the unique needs of families with children and youth who have, or are at-risk of having, serious emotional or behavioral difficulties.

**Congregate Meals** – Meals served by the Area Agency on Aging's Nutrition Program to senior citizens who eat together at the County's senior centers.

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**Consolidated Community Funding Pool** – A separately-budgeted pool of County funding, located in Fund 10020, which was established in FY 1998 to facilitate the implementation of a competitive funding process through which community-based organizations, which are primarily human-services oriented, will be awarded County funding on a competitive basis. These organizations previously had received County funding either as a contribution or through contracts with specific County agencies. Since FY 2001, the County has awarded grants from this pool on a two-year funding cycle to provide increased stability for the community-based organizations.

**Consolidated Plan** – The U.S. Department of Housing and Urban Development (HUD) requires a Consolidated Plan application which combines the planning and application submission processes for several HUD programs: Community Development Block Grant, HOME Investment Partnerships Program, Emergency Shelter Grant, and Housing Opportunities for Persons with AIDS. Citizen participation is required as part of the process and is accomplished through representation on the Consolidated Plan Review Committee (CPRC), involvement in public hearings held on housing and community development needs, and participation in public hearings at which the Board of Supervisors takes action on the allocation of funds as recommended by the CPRC.

**Consumer Price Index** – CPI is a measure of the price level of a fixed “market basket” of goods and services relative to the value of that same basket in a designated base period. Measures for two population groups are currently published by the Bureau of Labor Statistics, CPI-U and CPI-W. CPI-U is based on a market basket determined by expenditure patterns of all urban households including professionals, self-employed, the poor, the unemployed, retired persons, and urban wage-earners and clerical workers. The CPI-W represents expenditure patterns of only urban wage-earner and clerical-worker families including sales workers, craft workers, service workers, and laborers. The CPI is used as appropriate to adjust for inflation.

**Contingency** – An appropriation of funds available to cover unforeseen events that occur during the fiscal year.

**Contributory Agencies** – Governmental and nongovernmental organizations that are supported in part by contributions from the County. Examples include the Northern Virginia Regional Commission, the Northern Virginia Regional Park Authority, and the Arts Council of Fairfax County, and community agencies such as Volunteer Fairfax.

**Cost Center** – Expenditure categories within a program area that relate to specific organizational goals or objectives. Each cost center may consist of an entire agency or a part of an agency. The Civil Service Commission, for example, being small and having a single purpose, is treated as a single cost center. The Office of the County Executive consists of four cost centers: Administration of County Policy, Office of Equity Programs, Office of Internal Audit, and Office of Partnerships.

**Costs of Issuance** – The expenses associated with the sale of a new issue of municipal securities, including such items as printing, legal and rating agency fees, and others.

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**Cross-Cutting Initiative** – A cross-cutting initiative involves the participation of two or more government agencies in addressing a challenge or implementing a program in Fairfax County. For example, there is a coordinated effort to address the challenge of West Nile Virus control by several agencies including the Health Department, the Park Authority, the Department of Public Works and Environmental Services, the Office of Public Affairs, and others.

**Dashboard** – Beginning with the [FY 2014 Advertised Budget Plan](#), each General Fund and General Fund Supported agency budget narrative features a high-level dashboard of approximately six key drivers and metrics.

**Debt Limit** – The maximum amount of debt which an issuer of municipal securities is permitted to incur under constitutional, statutory or charter provisions.

**Debt Service** – The amount of money necessary to pay interest on an outstanding debt; the principal of maturing serial bonds and the required contributions to a sinking fund for term bonds. Debt service on bonds may be calculated on a calendar year, fiscal year, or bond fiscal year basis.

**Debt Service Funds** – Funds defined by the State Auditor of Public Accounts to finance and account for the payment of principal and interest on borrowed funds such as bonds. Fairfax County has three debt service funds, one for school debt, one for the Wastewater Management Program, and one for bonds issued to finance capital expenditures for all other agencies (County debt service). These funds receive revenue primarily by transfers from the General Fund, except for the Sewer Debt Service Fund, which is supported by sewer service fees.

**Defeasance** – A provision that voids a bond when the borrower sets aside cash or bonds sufficient to service the borrower's debt. When a bond issue is defeased, the borrower sets aside cash to pay off the bonds; therefore, the outstanding debt and cash offset each other on the balance sheet and do not need to be recorded.

**Deferred Retirement Option Plan (DROP)** – A provision within a defined benefit retirement system that allows an employee who reaches retirement eligibility to agree to defer leaving employment until a specified date in the future, on the condition of being deemed to have retired for purposes of the retirement system. The employee continues to receive a salary and fringe benefits; however, contributions on the employees' behalf to the retirement system cease, while the payments the employee would receive if he/she was retired are invested and provided when the employee reaches the agreed upon date (no more than three years).

**Deficit** – The excess of liabilities over assets – or expenditures over revenues – in a fund over an accounting period.

**Department** – All office, divisions and other work units, which are under the control of a single department head. Example: Community Services Board (CSB).

**Depreciation** – The decrease in value of physical assets due to use and the passage of time. In financial terms, it refers to the process of allocating the cost of a capital asset to the periods during which the asset is used.



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**Disbursement** – An expenditure or a transfer of funds to another accounting entity within the County financial system. Total disbursements equal the sum of expenditures and transfers out to other funds.

**Distinguished Budget Presentation Program** – A voluntary program administered by the Government Finance Officers Association to encourage governments to publish efficiently organized and easily readable budget documents.

**Efficiency** – One of the four performance indicators in Fairfax County’s Family of Performance Measures. This indicator reflects inputs used per unit of output and is typically expressed in terms of cost per unit or productivity.

**Employees Advisory Council** – Established by the Fairfax County Merit System Ordinance to provide a continuing medium through which all employees in the competitive service, both Schools and County, may contribute their advice and suggestions for the improvement of the career merit system and other aspects of the government of Fairfax County.

**Encumbrance** – An obligation incurred in the form of purchase orders, contracts and similar items that will become payable when the goods are delivered or the services rendered. An encumbrance is an obligation of funding for an anticipated expenditure prior to actual payment for an item. Funds are usually reserved or set aside and encumbered once a contracted obligation has been entered.

**ENSNI** – Estimate, No Scope, No Inflation. Term used in the Fairfax County CIP to describe funding estimates for future capital projects which have not yet been scoped and are developed using today’s dollars without considering inflation.

**Enterprise Funds** – Funds, defined by the State Auditor of Public Accounts to account for operations that are financed and operated in a manner similar to private business enterprises. An enterprise fund is a self-supporting fund design to account for activities supported by user charges. For example, funds which support the Wastewater Management Program are classified as enterprise funds.

**Equalization** – An annual assessment of real estate to ensure that assessments accurately reflect current market values. Equalization revenue is the annual increase or decrease in collected revenue resulting from adjustments to the assessment of existing property in the County. This annual increase or decrease is due to value changes rather than to new construction.

**Escrow** – Money or property held in the custody of a third party that is returned only after the fulfillment of specific conditions.

**Expenditure** – The disbursement of appropriated funds to purchase goods and/or services. There are three basic types of expenditures: operating, capital and debt. Operating expenditures are, in a broad sense, current day-to-day expenses such as salaries, supplies, and purchase of equipment or property below a certain dollar threshold or useful life. Usually, these are items which are consumed during the fiscal year in which they are purchased or acquired.

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**Fiduciary Funds** – Fiduciary funds are used to account for assets held in a trustee or agency capacity for others and which, therefore, cannot be used to support the County’s own programs. The County maintains two types of fiduciary funds – pension trust funds to account for the assets of its pension plans, held by the County under the terms of formal trust agreements, and agency funds to account for assets received, held and disbursed by the County on behalf of various outside organizations.

**Financial Forecast** – A computer-aided financial model that estimates all future revenues and disbursements based on assumptions of future financial and economic conditions.

**Fines and Forfeitures** – Consists of a variety of fees, fines and forfeitures collected by the County.

**Fiscal Plan** – The annual budget.

**Fiscal Planning Resolution** – A legally binding document prepared by the Department of Management and Budget identifying changes made by the Board of Supervisors to the Advertised Budget Plan during the adoption of the annual budget. Fiscal Planning Resolutions approved by the Board subsequent to the Adopted Budget Plan change only transfers between funds. These documents are used at the annual or quarterly reviews whenever changes in fund transfers occur.

**Fiscal Restraint** – The practice of restraining growth in expenditures and disbursements to stay within revenue forecasts.

**Fiscal Year** – In Fairfax County, the twelve months beginning July 1 and ending the following June 30. (The Commonwealth of Virginia’s fiscal year begins on July 1. The federal government’s fiscal year begins October 1).

**Fixed Asset** – Items the County owns that have a considerable cost and a useful life exceeding two years, such as computers, furniture, equipment and vehicles.

**Fleet** – The vehicles owned and operated by the County.

**FOCUS (Fairfax County Unified System)** – This refers to a multi-year, joint initiative with the Fairfax County Government and Fairfax County Public Schools that replaces our budget, finance, procurement, and human resources systems with a single, unified system.

**Forfeiture** – The automatic loss of property, including cash, as a penalty for breaking the law, or as compensation for losses resulting from illegal activities. Once property has been forfeited, the County may claim it, resulting in confiscation of the property.

**Fringe Benefits** – The fringe benefit expenditures included in the budget are the County’s share of employees’ fringe benefits. Fringe benefits provided by Fairfax County include FICA (Social Security), health insurance, dental insurance, life insurance, retirement, and Unemployment and Workers’ Compensation. The County’s share of most fringe benefits is based on a set percentage of employee salaries. This percentage varies per category, e.g., Uniformed Fire and Rescue Employees; Uniformed Deputy Sheriffs; Police Officers; Trade, Manual and Custodial Service Employees; and General County Employees.

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**Full-Time Equivalent (FTE)** – Formerly known as Staff-Year Equivalent (SYE), an FTE reflects whether authorized positions are full-time or part-time. A position authorized for 40 hours per week is reflected in the budget as one authorized position with a full-time equivalent of one (1/1.0 FTE). In comparison, a position authorized for 20 hours per week would be indicated as one authorized position with a FTE of 0.5 (1/0.5 FTE).

**Fund** – A set of interrelated accounts to record revenues and expenditures associated with a specific purpose. A fund is also a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities, or balances and changes therein. Funds are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

**Fund Balance** – At the end of a fiscal year, if there are more resources than expenditures, the remainder is called “fund balance.” This is sometimes referred to as “carried forward fund balance” because the resources can be “carried” into the next fiscal year. This is an important resource because some may be used in combination with revenues to fund new expenses. Fund balance may be restricted or unrestricted, reserved for a specific purpose or unreserved and used for future requirements. Restricted fund balance may be set aside for funding certain programs and activities. A fund balance represents the residual funding on an annual basis from revenues and transfers-in less expenditures and transfers-out. A fund balance also reflects the fund equity of all funds.

**Fund Type** – A group of funds that have similar activities, objectives, or funding sources as defined by the State Auditor of Public Accounts. Examples include Special Revenue Funds and Debt Service Funds.

**GASB** – This refers to the Governmental Accounting Standards Board which is currently the source of generally accepted accounting principles (GAAP) used by state and local governments in the United States. It is a private, non-governmental organization. The GASB has issued *Statements*, *Interpretations*, *Technical Bulletins*, and *Concept Statements* defining GAAP for state and local governments since 1984.

**GASB 34** – In June 1999, GASB Statement No. 34 (or GASB 34) set new GAAP requirements for reporting major capital assets, including infrastructure such as roads, bridges, water and sewer facilities, and dams. Fairfax County has implemented the Governmental Accounting Standards Board’s (GASB) Statement Number 34, Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments, financial reporting model. This standard changed the entire reporting process for local governments, requiring new entity-wide financial statements, in addition to the current fund statements and other additional reports such as Management Discussion and Analysis.

**GASB 45** – Beginning in FY 2008, the County’s financial statements are required to implement Governmental Accounting Standards Board (GASB) Statement No. 45 for other post-employment benefits (OPEBs) including health care, life insurance, and other non-pension benefits offered to retirees. This new standard addresses how local governments should account for and report their costs related to post-employment health care and other non-pension benefits, such as the County’s retiree health benefit subsidy. Historically, the County’s subsidy was funded on a pay-as-you-go basis. GASB 45 requires that the County accrue the cost of the retiree health subsidy and other post-employment benefits during the period of employees’ active employment, while the benefits are being earned, and disclose the unfunded

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actuarial accrued liability in order to accurately account for the total future cost of post-employment benefits and the financial impact on the County. This funding methodology mirrors the funding approach used for pension/retirement benefits. The County has established Fund 73030, OPEB Trust Fund, to fund the cost of post-employment health care and other non-pension benefits. Fund 73030 will allow the County to capture long-term investment returns and make progress towards reducing the unfunded liability. The schools have also established an OPEB trust fund to capture their costs, Fund S71100, School OPEB Trust Fund.

**General Debt** – Principal and interest payments on outstanding debt repaid from the General Fund.

**General Fund** – The primary tax and operating fund for County Governmental Activities used to account for all County revenues and expenditures which are not accounted for in other funds, and which are used for the general operating functions of County agencies. Revenues are derived primarily from general property taxes, local sales tax, utility taxes, license and permit fees, and state shared taxes. General Fund expenditures include the costs of the general County government and transfers to other funds, principally to fund the operations of the Fairfax County Public School system, the Fairfax-Falls Church Community Services Board, Metro, the Fairfax CONNECTOR, and County and School system debt service requirements.

**General Fund Direct Expenditures** – These are General Fund expenditures for County agencies and they are organized by Program Area categories.

**General Fund Disbursements** – Direct expenditures for County services such as Police or Welfare expenses and transfers from the General Fund to Other County funds such as School Operations or Metro Operations. General Fund Disbursements consist of two parts: (1) General Fund transferred support to other funds and (2) General Fund direct expenditures or agency expenditures. Some agencies, e.g., Housing, may have funds that reside both in the General Fund and other funds.

**General Obligation Bond** – Bonds for which the full faith and credit of the issuing government are pledged. County general obligation debt can only be approved by voter referendum. The State Constitution mandates that taxes on real property be sufficient to pay the principal and interest of such bonds.

**Goal** – A general statement of purpose. A goal provides a framework within which the program unit operates; it reflects realistic constraints upon the unit providing the service. A goal statement speaks generally toward end results rather than specific actions, e.g., "To provide maternity, infant and child health care and/or case management to at risk women, infants, and children in order to achieve optimum health and well being." Also see Objective.

**Governmental Funds** – Governmental funds are typically used to account for most of a government's activities, including those that are tax-supported. The County maintains the following types of governmental funds: a general fund to account for all activities not required to be accounted for in another fund, special revenue funds, a debt service fund, and capital projects funds.

**Grant** – A contribution by one governmental unit to another unit. The contribution is usually made to aid in the support of a specified function.

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**Health Maintenance Organization** – A form of health insurance combining a range of coverages in a group basis. A group of doctors and other medical professionals offer care through the HMO for a flat monthly rate with no deductibles. However, only visits to professionals within the HMO network are covered by the policy. All visits, prescriptions and other care must be cleared by the HMO in order to be covered. A primary physician within the HMO handles referrals.

**Inflation** – A rise in price levels caused by an increase in available money and credit beyond the proportion of available goods. This is also known as too many dollars chasing too few goods.

**Infrastructure** – Public domain, fixed physical assets including roads, curbs, gutters, sidewalks, drainage systems, lighting systems and other similar items that have value only to the users.

**INOVA** – Inova Health System is a not-for-profit health care system based in Northern Virginia that consists of hospitals and other health services including emergency and urgent care centers, home care, nursing homes, mental health and blood donor services, as well as wellness classes.

**Input** – The value of resources used to produce an output. Input can be staff, budget dollars, work hours, etc.

**Interest** – The amount paid by a borrower as compensation for the use of borrowed money. This amount is generally an annual percentage of the principal amount.

**Interest Income** – Revenue associated with the County cash management activities of investing fund balances.

**Internal Service Funds** – Funds established to finance and account for services furnished by a designated County agency to other County agencies, which charges those agencies for the goods and services provided. An example of an Internal Service Fund is Fund 60010, Department of Vehicle Services.

**Issuing Bonds** – To “issue” bonds means to sell, deliver, and receive payment for bonds. The County may issues bonds throughout the year upon determining the amount of cash necessary to implement projects during that year.

**Key County Indicators** – Key County Indicators are high-level, countywide measures, organized by vision element, that help assess if Fairfax County government is meeting the needs of citizens and positively impacting the community as a whole.

**Lease Purchase** – This method of financing allows the County to construct or acquire property and pay for it over a period of time by installment payments rather than an outright purchase. The time payments include an interest charge which is typically reduced because the lessor does not have to pay income tax on the interest revenue.

**Liability** – An obligation incurred in past or current transactions requiring present or future settlement.

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**Line Item** – A specific expenditure category within an agency budget, e.g., rent, travel, motor pool services, postage, printing, office supplies, etc.

**Lines of Business (LOBs)** – Reference to the County’s review of 310 discrete agency lines of business. LOBs are essentially an inventory of County programs and services offered by each individual agency.

**Local Composite Index (LCI)** – The Commonwealth of Virginia’s Local Composite Index (CI) determines a school division’s ability to pay education costs fundamental to the Commonwealth’s Standards of Quality (SOQ). The Composite Index is calculated using three indicators of a locality’s ability-to-pay:

- True value of real property (weighted 50 percent)
- Adjusted gross income (weighted 40 percent)
- Taxable retail sales (weighted 10 percent)

Each locality’s index is adjusted to maintain an overall statewide local share of 45 percent and an overall state share of 55 percent.

**Local Match** – County cash or in-kind resources that are required to be expended simultaneously with federal, state, other locality, or private sector funding, and usually according to a minimum percentage or ratio.

**Long-Term Debt** – Debt with a maturity of more than one year after the date of issuance.

**Managed Reserve** – A reserve, held in the General Fund, which equals 2.0 percent of the General Fund disbursements. Established by the Board of Supervisors on January 25, 1982, the purpose of the reserve is to provide temporary financing for emergency needs and to permit orderly adjustment to changes resulting from the sudden, catastrophic termination of anticipated revenue sources.

**Management by Objectives** – A method of management of County programs which measures attainment or progress toward pre-defined objectives. This method evolved into the County’s performance measurement system.

**Management Initiatives** – Changes to internal business practices undertaken by County managers on their own initiative to improve efficiency, productivity, and customer satisfaction.

**Mandate** – A requirement from a higher level of government (federal or state), that a lower level government perform a task in a particular way or in conformance with a particular standard.

**Market Pay** – A compensation level that is competitive and consistent with the regional market. The County analyzes the comparability of employee salaries to the market in a number of different ways. A “Market Index” has been developed that factors in the Consumer Price Index, federal wage adjustments, and the Employment Cost Index (which includes state, local and private sector salaries). The index is designed to gauge the competitiveness of County pay scales in general.

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**Measurement** – A variety of methods used to assess the results achieved and improvements still required in a process or system. Measurement gives the basis for continuous improvement by helping evaluate what is working and what is not working.

**Merit Grant** – A position with full benefits and full civil service grievances, although the employment term is limited by the grant specifications. The position is funded by a specific grant. At the end of the grant position, the person is the first eligible for hire for another similar position in the County. Also see [Position](#).

**Merit Regular** – A position with full benefits, full civil service grievance, and 52 work weeks in a year. Also see [Position](#).

**Mission Statement** – A mission statement is a broad, philosophical statement of the purpose of an agency, specifying the fundamental reasons for its existence. A mission statement describes what an organization is in business to do. Therefore, it also serves as a guiding road map.

**Modified Accrual Basis** – The basis of accounting under which revenues are recognized when measurable and available to pay liabilities, and expenditures are recognized when the liability is incurred except for interest on long-term debt which is recognized when due, and the non-current portion of accrued vacation and sick leave which is recorded in general long-term liability. The General Fund and debt service fund budgets are prepared on the modified accrual basis of accounting except that encumbrances are treated like expenditures.

**Municipal Bond** – Bond issued by a state, local or another government authority especially in the U.S. The interest is exempt from U.S. Federal taxation and usually from state taxation within the state of issue, as is the case in Virginia.

**Net Debt as a Percent of Estimated Market Value** – Total debt (less debt that is self-supported by revenue-producing projects), divided by the total market value of all taxable property within the County expressed as a percentage. Since property taxes are a primary source of revenue for the repayment of debt, this measure identifies the debt burden compared with the worth of the revenue-generating property base.

**Net Total Expenditures** – See [Total Budget](#).

**Non-Appropriated Funds** – These funds do not require annual appropriation by the Board of Supervisors and represent activities that are supported by non-governmental revenue sources such as direct fees for service or revolving loan programs. The legal spending authority is based on revenue availability and may be derived from an action by the Board in response to state, or federal mandate. The appropriation control for these funds resides with the respective boards associated specifically with the funded programs, e.g., Fairfax County Redevelopment and Housing Authority (Funds 40330 through 81530), Alcohol Safety Action Program Policy Board (Fund 83000), and the Park Authority Board (Funds 80000 and 80300). These boards are separate legal entities.

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**Objective** – A statement of anticipated level of achievement; usually time limited and quantifiable. Within the objective, specific statements with regard to targets and/or standards often are included, e.g., "To respond to 90 percent of ambulance calls within a 5-minute response time."

**Operating Budget** – A budget for general revenues and expenditures such as salaries, utilities and supplies.

**Operating Equipment** – Equipment that has a life expectancy of more than one year and a value of less than \$5,000 dollars. Equipment with a value greater than \$5,000 dollars is capital equipment.

**Operating Expenses** – A category of recurring expenses, other than salaries and capital equipment costs, which covers expenditures necessary to maintain facilities, collect revenues, provide services, and otherwise carry out the agency's goals. Typical line items under this character are office supplies, printing, postage, transportation and utilities.

**Ordinance** – A formal legislative enactment by the County that carries the full force and effect of the law within the boundaries of Fairfax County unless in conflict with any higher form of law, such as the Commonwealth of Virginia or the federal government.

**Outcome** – Qualitative consequences associated with a program service, e.g., reduction in fire deaths or percent of juveniles not reconvicted within 12 months. Also refers to quality performance measures of effectiveness and of achieving goals.

**Out-of-Cycle** – A term that characterizes budget adjustments approved by the County Board of Supervisors outside of the annual budget process.

**Output** – Quantity or number of units produced. Outputs are activity-oriented, measurable, and usually under managerial control. Also refers to process performance measures of efficiency and productivity, that is, per capita expenditures, transactions per day, etc.

**Pay-As-You-Go Financing** – The portion of capital outlay which is financed from current revenue, rather than by borrowing.

**Pay for Performance** – A system of pay and appraisal that is based on an employee's performance. An ongoing dialogue between employees and supervisors regarding performance and expectations is essential to the successful implementation of this system.

**Paydown Construction** – Capital construction funded with current year General Fund revenues as opposed to construction financed through the issuance of bonds. This is a method of paying for capital projects that relies on current tax and grant revenues rather than by debt. This is also referred to as "pay-as-you-go" construction.

**Pension Fund** – This is a fund that accounts for the accumulation of resources to be used for retirement benefit payments to retired County employees eligible for such benefits.



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**Per Capita** – A measurement of the proportion of some statistic to an individual resident determined by dividing the statistic by the current population.

**Per Capita Debt** – The amount of an issuing municipality's outstanding debt divided by the population residing in the municipality. This is used as an indication of the issuer's credit position since it can be used to compare the proportion of debt borne per resident with that borne by the residents of other municipalities.

**Performance Budget** – A budget wherein expenditures are based primarily upon measurable performance activities and work programs.

**Performance Indicators** – As used in Fairfax County's Performance Measurement System, these indicators represent the four types of measures that comprise the Family of Measures and consist of output, efficiency, service quality and outcome.

**Performance Measurement** – The regular collection of specific information regarding the results of service in Fairfax County, and which determines how effective and/or efficient a program is in achieving its objectives. The County's performance measurement methodology links agency mission and cost center goals (broad) to quantified objectives (specific) of what will be accomplished during the fiscal year. These objectives are then linked to a series of indicators that present a balanced picture of performance, i.e., output, efficiency, service quality and outcome.

**Performance Measurement System** – The County's methodology for monitoring performance measures and outcomes.

**Permit Revenue** – Fees imposed on construction-related activities and for non-construction permits such as sign permits, wetland permits, etc.

**Personal Property** – Property, other than real estate identified for purposes of taxation, including personally owned items, as well as corporate and business equipment and property. Examples include automobiles, motorcycles, boats, trailers, airplanes, business furnishings, and manufacturing equipment. Goods held for sale by manufacturers, wholesalers or retailers are not included.

**Personal Property Tax Relief Act of 1998** – Legislation approved by the Virginia General Assembly that reduces the Personal Property Tax on the first \$20,000 of the value for vehicles owned by individuals. From FY 2000 to FY 2002, the PPTRA reduced the Personal Property Taxes paid by individuals by 27.5 percent, 47.5 percent, and 70 percent respectively, with an offsetting reimbursement paid to the County by the Commonwealth. Due to the Commonwealth's lower than anticipated General Fund revenue growth, the reimbursement remained at 70 percent from FY 2003 through FY 2006. The 2004 General Assembly approved legislation that capped statewide Personal Property Tax reimbursements at \$950 million in FY 2007 and beyond. Fairfax County's allocation has been set at \$211.3 million. Each year, County staff must determine the reimbursement percentage based on the County's fixed reimbursement from the state and an estimate of the number and value of vehicles that will be eligible for tax relief. As the number and value of vehicles in the County vary, the percentage of tax relief will vary.

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**Personnel Services** – A category of expenditures, which primarily covers salaries, overtime and shift differential paid to County employees and also includes certain fringe benefit costs.

**Planning System** – Refers to the relationship between the Annual Budget, the Comprehensive Plan, and the 5-year Capital Improvement Plan.

**Position** – A group of duties and responsibilities, as prescribed by an office or agency, to be performed by a person on a full-time or part-time basis.

The status of a position is not to be confused with the status of the employee. For the purpose of the County's budget, the following definitions are used solely in describing the status and funding of positions:

- An established position is a position that has been classified and assigned a pay grade.
- An authorized position has been approved for establishment by the Board of Supervisors. The authorized position is always shown as a single, not a partial position. Full-Time Equivalent (FTE) reflects whether positions are authorized for full-time (40 hours per week) or part-time. A full-time position would appear in the budget as one authorized position and one full-time equivalent (1/1.0 FTE). A half-time position would be indicated as one authorized position and 0.5 full-time equivalents (1/0.5 FTE).

The following defines the types of positions in Fairfax County. They can be either full or part-time status.

- A regular position is a career position, which falls within all provisions of the Merit System Ordinance.
- A benefits eligible, non-merit position is an employee working between 1,040 and 1,560 hours annually, and eligible for health, dental and flexible spending benefits.
- A benefits non-eligible, non-merit position is an employee working fewer than 900 hours annually and not eligible for benefits.
- An exempt position does not fall within the provisions of the Merit System Ordinance. It includes elected and appointed positions.
- Cooperative funding of some positions occurs between the federal and state governments and Fairfax County. Numerous funding and reimbursement mechanisms exist. The County's share of a position's authorized funding level is that portion of a position's salary and/or fringe benefits paid by the County which is over and above the amount paid by the state or federal government either based on the County's pay classification schedule or based on a formal funding agreement. The share of state or federal funding varies depending upon the eligibility of each individual agency and type of position.
- A state position is a position established and authorized by the state. These positions may be partially or fully funded by the state.

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- County supplement is the portion of a state position's authorized salary (based on the County's compensation plan) that exceeds the state's maximum funding level. This difference is fully paid by the County.

**Position Turnover** – An accounting debit which allows for gross salary projections to be reduced due to anticipated and normal position vacancies, delays in filling vacancies, and historical position turnover information.

**Present Value** – The discounted value of a future amount of cash, assuming a given rate of interest, to take into account the time value of money. Stated differently, a dollar is worth a dollar today, but is worth less tomorrow.

**Prime Interest Rate** – The rate of interest charged by banks to their preferred customers.

**Principal** – The face amount of a security payable on the maturity date.

**Program** – Group activities, operations or organizational units directed to attaining specific objectives and achievements and budgeted as a sub-unit of a department.

**Program Area** – A grouping of County agencies with related countywide goals. Under each program area, individual agencies participate in activities to support that program area's goals. The Public Safety Program Area, for example, includes the Police Department and the Fire and Rescue Department, among others. The Auditor of Public Accounts for the Commonwealth of Virginia provides direction on which agencies are included in each program area.

**Program Budget** – A statement and plan, which identifies and classifies, total expenditures and revenues by activity or program. Budgets are aggregated into program areas. This is in contrast to a line-item budget, which identifies expenditures only by objects for which money is spent, e.g., personnel services, operating expenses, recovered costs or capital equipment.

**Property Tax** – A tax levied on the assessed value of real and personal property. This tax is also known as an ad valorem tax.

**Property Tax Rate** – The rate of taxes levied against real or personal property, expressed as dollars per \$100 of equalized assessed valuation of the property taxed.

**Proprietary Funds** – Proprietary funds are enterprise and internal service funds used to account for business-type activities that are similar to the private sector and in which fees are charged for goods or services. They are related to assets, liabilities, equities, revenues, expenses and transfers. The County maintains both types of proprietary funds – enterprise funds to account for the Integrated Sewer System and internal service funds to account for certain centralized services that are provided internally to other departments such as Vehicle Services and Document Services.

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**Public-Private Education Facilities and Infrastructure Act (PPEA)** – During its 2002 session, the Virginia General Assembly enacted the Public-Private Education Facilities and Infrastructure Act of 2002 (PPEA). This law provides that once a “responsible public entity” such as Fairfax County adopts appropriate procedures to implement the PPEA, it may solicit proposals to acquire a “qualifying project” from private entities (i.e., issue an Invitation for Bid or Request for Proposal) or may consider proposals that are submitted by a private entity without a prior solicitation (“unsolicited proposal”).

**Rating Agencies** – The organizations which provide publicly available ratings of the credit quality of securities issuers. The term is most often used to refer to the nationally recognized agencies, Moody’s Investors Service, Inc., Standard & Poor’s Corporation, and Fitch Investors.

**Reallocation** – With adequate justification and DMB approval, agencies can perform a budget transfer of funds from one category to another, e.g., from Personnel Services to Operating Expenses, as long as there is no change to the agency’s bottom-line budget and the budget transfer must occur within the same agency and/or fund.

**Real Property** – Real estate, including land and improvements (buildings, fences, pavements, etc.) classified for purposes of assessment.

**Recovered Costs** – Reimbursements to an agency for specific services provided to another agency. Recovered Costs, or Work Performed for Others, are reflected as a negative figure in the providing agency's budget, thus offsetting expenditures. An example is the reimbursement received by the Department of Information Technology from other agencies for telecommunication services.

**Rec-PAC** – Rec-PAC (Pretty Awesome Children), operated by Fairfax County Park Authority, is a six-week structured recreation program offered during the summer with emphasis on leisure skills designed for elementary school children.

**Reduction in Force (RIF)** - A permanent elimination of an excess number of filled merit positions.

**Referendum** – A referendum is a means by which a legislative body requests the electorate to approve or reject proposals such as Constitutional amendments, long-term borrowing; and other special laws.

**Refunding** – Retiring an outstanding bond issue at maturity (sometimes done before maturity date if rate is favorable) by using money from the sale of a new bond offering. In other words, issuing bonds to pay off the old bonds. In an Advance Refunding, a new bond issuance is used to pay off another outstanding bond. The new bond will often be issued at a lower rate than the older outstanding bond. Typically, the proceeds from the new bond are invested and when the older bonds become callable, they are paid off with the invested proceeds. In a Crossover Refunding, the revenue stream pledged to secure the securities being refunded is being used to pay off debt on the refunded securities until they mature.

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**Reserves** – A portion of the fund balance or retained earnings legally segregated for specific purposes. Reserves are lump sum dollars set aside in a budget for unanticipated needs or for specific future needs. Reserves are not distributed or allocated to operating expenditures or capital expenditures because the specific requirements for the reserves are not known at the time of budget adoption or because bond documents require their establishment. The County is required to amend its budget in order to allocate reserve funds to an operating or capital project account. In many cases, a reserve can only be used for a specific purpose.

**Revenue** – Monies received from all sources (with exception of fund balances) that will be used to fund expenditures in a fiscal year. In the broadest sense, a revenue is an increase in financial resources. Revenues are funds received by the County from its activities or external sources such as real estate taxes, property taxes, local sales tax, fees for services, fines, grants, payments from other governments, etc.

**Revenue Bond** – A municipal bond secured by the revenues of the project for which it is issued. Revenue Bonds are those bonds whose principal and interest are payable exclusively from earnings of an enterprise fund. Sewer and utility bonds are typically issued as revenue bonds. The County also issues Lease Revenue bonds, a form of revenue bond in which the payments are secured by a lease on the property built or improved with the proceeds of the bond sale.

**Revenue Forecast** – A projection of future County revenue collections.

**Revenue Stabilization Fund** – In FY 2000, the Board of Supervisors approved the creation of this fund to provide a mechanism for maintaining a balanced budget without resorting to tax increases and/or expenditure reductions that aggravate the stresses imposed by the cyclical nature of the economy. This fund maintains a balance of 3 percent of General Fund Disbursements.

**Sales Tax** – Tax imposed on the taxable sales of all final goods.

**School Board Budget** – Includes the School Operating Fund, the School Food and Nutrition Services Fund, School Grants and Self Supporting Programs, School Adult and Community Education, Public School OPEB Trust Fund, the School Insurance Fund, the School Construction Fund, the School Central Procurement Fund, the School Health and Flexible Benefits Trust Fund and the Educational Employees' Supplementary Retirement Fund, identifying both expenditure levels and sources of revenue. The Board of Supervisors may increase or decrease the School Board budget but normally does so only at the fund level (i.e., by increasing or decreasing the General Fund Transfer to the School Operating Fund without specifying how the change is to be applied). By state law, the Supervisors may not make specific program or line item changes, but may make changes in certain major classifications (e.g., instruction, overhead, maintenance, etc.).

**School Board Transfer** – A transfer out of funds from the General Fund to the School Operating Fund. State law requires that this transfer be approved by the Board of Supervisors by May 1, for the next fiscal year.

**Service Quality** – Degree to which customers are satisfied with a program, or how accurately or timely, a service is provided.

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**Set-Aside Reserve** – A reserve made up from available balances materializing throughout one or more fiscal years which are not required to support disbursements of a legal or emergency nature and are held (set aside) for future funding requirements.

**Sewer Funds** – A group of self-sufficient funds that support the Wastewater Management Program. Revenues consist of bond sales, availability fees (a one-time fee paid before connection to the system and used to defray the cost of major plant and trunk construction), connection charges (a one-time fee to defray the cost of the lateral connection between a building and the trunk), service charges (quarterly fees based on water usage which defray operating costs and debt service), and interest on invested funds. Expenditures consist of construction costs, debt service, and the cost of operating and maintaining the collection and treatment systems.

**Short-Term Debt** – Debt with a maturity of less than one year after the date of issuance.

**Special Revenue Funds** – Funds defined by the State Auditor of Public Accounts to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. These funds account for the revenues and expenditures related to Fairfax County's state and federal grants, the operation of the Fairfax County Public Schools, and specific taxing districts that are principally financed by special assessment tax levies in those districts.

**Strategic Plan** – A document outlining long-term goals, critical issues and action plans to increase the organization's effectiveness in attaining its mission, priorities, goals and objectives. Strategic planning starts with examining the present, envisioning the future, choosing how to get there, and making it happen.

**Strategic Planning Process** – The strategic planning process provides the County the opportunity to identify individual agency missions and goals in support of the public need, action steps to achieve those goals and measures of progress and success in meeting strategic goals. Strategic planning helps ensure that limited resources are appropriately allocated to achieve the objectives of the community as determined by the Board of Supervisors.

**Supplemental Appropriation Resolution** – Any appropriation resolution approved by the Board of Supervisors after the adoption of the budget for a given fiscal year. The legal document reflecting approved changes to the appropriation authority for an agency or fund.

**Taxable Value** – The assessed value less homestead and other exemptions, if applicable.

**Tax Base** – The aggregate value of taxed items. The base of the County's real property tax is the market value of all real estate in the County. The base of the personal property is the market value of all automobiles, trailers, boats, airplanes, business equipment, etc., which are taxed as personal property by the County. The tax base of a sales tax is the total volume of taxable sales.

**Tax Rate** – The level of taxation stated in terms of either a dollar amount or a percentage of the value of the tax base. The Board of Supervisors fixes property tax rates for the period beginning January 1 of the current calendar year when the budget for the coming fiscal year is approved. The property tax rate is applied to the value of property assessed as of January 1 each year.

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**Technology Infrastructure** – The hardware and software that support information requirements, including computer workstations and associated software, network and communications equipment, and mainframe devices.

**Third Quarter Review** – The current year budget is reevaluated approximately seven months after the adoption of the budget based on current projections and spending to date. The primary areas reviewed and analyzed are (1) current year budget versus year-to-date expenditures plus expenditure projections for the remainder of the year, (2) emergency requirements for additional, previously unapproved items, and (3) possible savings. Recommended funding adjustments are provided for Board of Supervisors' approval.

**Total Budget** – The receipts and disbursements of all funds, e.g., the General Fund and all other funds. Net total expenditures (total expenditures minus expenditures for internal service funds) is a more useful measure of the total amount of money the County will spend in a budget year, as it eliminates double accounting for millions of dollars appropriated to operating agencies and transferred by them to service agencies. General Fund total disbursements (direct General Fund expenditures plus transfers to other funds, such as the School Operating Fund) are a more accurate measure of the cost of government to the local taxpayers.

**Total Project Estimate** – A capital project Total Project Estimate (TPE) is composed of funds already expended, currently appropriated, proposed or adopted in the budget year, and proposed for future years. In short, it is the total amount proposed to be expended over the life of the project.

**Transfer** – A movement of funding from one fund to another. The largest such transaction is the annual transfer of funds from the General Fund to the School Operating Fund. Further complicating the structure of the budget and the process of adopting a budget are numerous movements of dollars among the funds and they are, therefore, internal to the County structure. The amount transferred out of one fund is recorded ("Transfers In") and the amount transferred into another fund is also recorded ("Transfers Out"). The County records this movement of funds as a "transfer" in the budget and in the accounting system in order to more accurately represent financial activity. Transfers provide money to programs that may not have adequate revenue from grants or fees generated by the program.

**Transport Fees** – The cost to provide ambulance transportation to patients from home to hospital.

**Trust Funds** – A categorization of accounts defined by the State Auditor of Public Accounts consisting of funds established to account for money and property held by the County government in the capacity of a trustee or custodian for individuals or other specified purposes. Examples are the various retirement funds, which contain contributions from the County government and individual employees.

**Unappropriated** – Not obligated for a specific purpose.

**Undesignated** – Without a specific purpose.

**Useful Life** – The period of time that a fixed asset is able to be used. This can refer to a budgeted period of time for an equipment class or the actual amount of time for a particular item.

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**User Fees** – Charges for expenses incurred when services are provided to an individual or groups and not the community at large. The key to effective utilization of user fees is being able to identify specific beneficiaries of services and then determine the full cost of the service they are consuming or using.

**Vision Elements** – The vision elements were developed by the County Executive and the Senior Management team to address the priorities of the Board of Supervisors and emphasize the County's commitment to protecting and enriching the quality of life for the people, neighborhoods, and diverse communities of Fairfax County. There are seven vision elements including: Maintaining Safe and Caring Communities, Building Livable Spaces, Connecting People and Places, Maintaining Healthy Economies, Practicing Environmental Stewardship, Creating a Culture of Engagement and Exercising Corporate Stewardship.

**Workforce Planning** – A systematic process designed to anticipate and integrate the human resources aspect to an organization's strategic plan by identifying, acquiring, developing, and retaining employees to meet organizational needs.



# Glossary and Index

## ACRONYMS

(Where items are underlined, see fuller definitions in the preceding *Glossary* section)

**ADA** – Americans with Disabilities Act

**ADC** – Adult Detention Center

**ADHC** – Adult Day Health Care

**AED** – Automatic External Defibrillator

**AEOC** – Alternate Emergency Operations Center

**AFIS** – A multi-jurisdictional Automated Fingerprint Identification System

**ALS** – Advanced Life Support

**ASAP** – Alcohol Safety Action Program (Fund 83000)

**ASSB** – Advisory Social Services Board

**BPOL** – See Business, Professional and Occupational License

**BPR** – See Business Process Redesign

**CAD** – Computer Aided Dispatch

**CAFR** – See Comprehensive Annual Financial Report

**CCAR** – Child Care Assistance and Referral program

**CCFAC** – Consolidated Community Funding Advisory Committee

**CCFP** – See Consolidated Community Funding Pool

**CDBG** – Community Development Block Grant

**CERF** – Computer Equipment Replacement Fund

**CERT** – Community Emergency Response Team

**CHINS** – Child In Need of Supervision or Services

**CIP** – See Capital Improvement Program

**COG** – Washington Metropolitan Council of Governments

**CPAN** – Courts Public Access Network

**CPI** – See Consumer Price Index

**CRA** – Clinic Room Aide

**CRIS** – Community Resident Information Services (kiosks used by Fairfax County)

**CSA** – Comprehensive Services Act

**CSB** – Fairfax-Falls Church Community Services Board

**CSU** – Court Service Unit (Juvenile and Domestic Relations District Court)

**CTB** – Commonwealth Transportation Board

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**DROP** – See Deferred Retirement Option Plan

**DPWES** – Department of Public Works and Environmental Services

**EAC** – See Employees Advisory Council

**EAP** – Employee Assistance Program

**EMS** – Emergency Medical Service

**ENSNI** – Estimate, No Scope, No Inflation

**EOC** – Emergency Operations Center

**ESOL** – English as a Second Language

**FCEDA** – Fairfax County Economic Development Authority

**FCPA** – Fairfax County Park Authority

**FCPL** – Fairfax County Public Library

**FCPS** – Fairfax County Public Schools

**FCRHA** – Fairfax County Redevelopment and Housing Authority

**FOCUS** – Fairfax County Unified System

**FTE** – Full-Time Equivalent

**FY** – Fiscal Year

**GAAP** – Generally Accepted Accounting Principles

**GASB** – Governmental Accounting Standards Board (See GASB in Glossary)

**GFOA** – Government Finance Officers Association

**GIS** – Geographic Information Systems

**HIPAA** – Health Insurance Portability and Accountability Act

**HMO** – See Health Maintenance Organization

**ICMA** – International City/County Management Association

**iNet** – Institutional Network

**LAN** – Local Area Network

**LCI** – Local Composite Index

**LOBs** – Lines of Business

**MPSTOC** – McConnell Public Safety and Transportation Operations Center

**MWCOG** – Metropolitan Washington Council of Governments

**MRA** – Market Rate Adjustment

**NACo** – National Association of Counties

**NOVARIS** – Northern Virginia Regional Identification System

**NVCC** – Northern Virginia Community College

**NVCT** – Northern Virginia Conservation Trust

**NVFS** – Northern Virginia Family Services

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**NVRC** – Northern Virginia Regional Commission

**NVRPA** – Northern Virginia Regional Park Authority

**NVSWCD** – Northern Virginia Soil and Water Conservation District

**NVTC** – Northern Virginia Transportation Commission

**OPEB** – Other Post-Employment Benefits

**PPEA** – See Public-Private Education Facilities and Infrastructure Act

**PPTRA** – See Personal Property Tax Relief Act

**PSCC** – Public Safety Communications Center

**PSCN** – Public Safety Communications Network

**PSOHC** – Public Safety Occupational Health Center

**P/T** – Part-Time

**Rec-PAC** – See Rec-PAC (in Glossary)

**SAC** – Selection Advisory Committee

**SACC** – School-Age Child Care

**SAR** – Supplemental Appropriation Resolution

**SBE** – Small Business Enterprise

**SCBA** – Self-Contained Breathing Apparatus

**SCC** – State Corporation Commission

**SYE** – See Staff-Year Equivalency

**SWRRC** – Solid Waste Reduction and Recycling Centers

**TANF** – Temporary Assistance to Needy Families

**UASI** – Urban Areas Security Initiative

**VACo** – Virginia Association of Counties

**VIEW** – Virginia Initiative for Employment not Welfare program

**VRE** – Virginia Railway Express

**WAHP** – Washington Area Housing Partnership

**WAHTF** – Washington Area Housing Trust Fund

**WAN** – Wide Area Network

**WMATA** – Washington Metropolitan Area Transit Authority

**WPFO** – Work Performed For Others

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