

Fairfax County, Virginia

Fiscal Year 2003 Adopted Budget Plan

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>

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/dmb/>

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

Fairfax City Regional

3915 Chain Bridge Road
Fairfax, VA 22003-3995
(703) 246-2281

Reston Regional

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

Centreville Regional

14200 St. Germaine Drive
Centreville, VA 20121-2299
(703) 830-2223

Great Falls

9830 Georgetown Pike
Great Falls, VA 22066-2617
(703) 757-8560

John Marshall

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

Dolley Madison

1244 Oak Ridge Avenue
McLean, VA 22101-2614
(703) 356-0770

Thomas Jefferson

7415 Arlington Boulevard
Falls Church, VA 22042-7499
(703) 573-1060

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

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 Road
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

6101 Knollwood Drive
Falls Church, VA 22041-1798
(703) 820-8774

Access Services

12000 Government Center
Parkway, Suite 123
Fairfax, VA 22035-0012
(703) 324-8380

Additional copies of budget documents are also available on CD ROM from the Department of Management and Budget (DMB) at no extra cost.

Please call DMB in advance to confirm availability of all budget publications.

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Fairfax County
Virginia**

For the Fiscal Year Beginning

July 1, 2001

Arnold A. Brown

President

Jeffrey R. Egan

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, 2001.

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 2003 Adopted Budget

July 1, 2001

Distribution of the FY 2003 budget development guide. Fiscal Year 2002 begins.



August - September 2001

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



September - December 2001/ January 2002

Meetings with County Executive, Senior Management Team and budget staff for final discussions on the budget.



February 7, 2002

School Board advertises its FY 2003 Budget.



February 25, 2002

County Executive's presentation of the FY 2003 Advertised Budget Plan.



March 1, 2002

Complete distribution of the FY 2003 Advertised Budget Plan.

July 1, 2002

Fiscal Year 2003 begins.



June 30, 2002

Distribution of the FY 2003 Adopted Budget Plan.



April 29, 2002

Adoption of the FY 2003 budget plan, Tax Levy and Appropriation Ordinance by the Board of Supervisors.



April 22, 2002

Board action on FY 2002 Third Quarter Review. Board mark-up of the FY 2003 proposed budget.



April 8, 9, and 10, 2002

Public hearings on proposed FY 2003 budget, FY 2002 Third Quarter Review and FY 2003-2008 Capital Improvement Program (with Future Years to 2012) (CIP).



March 2002

Board authorization of FY 2003 budget and tax advertisement.



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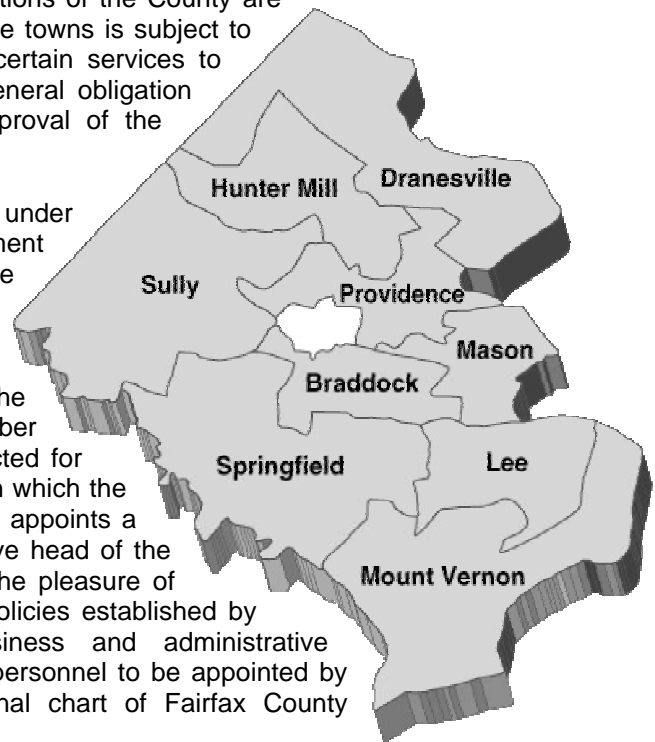
COUNTY ORGANIZATION

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.

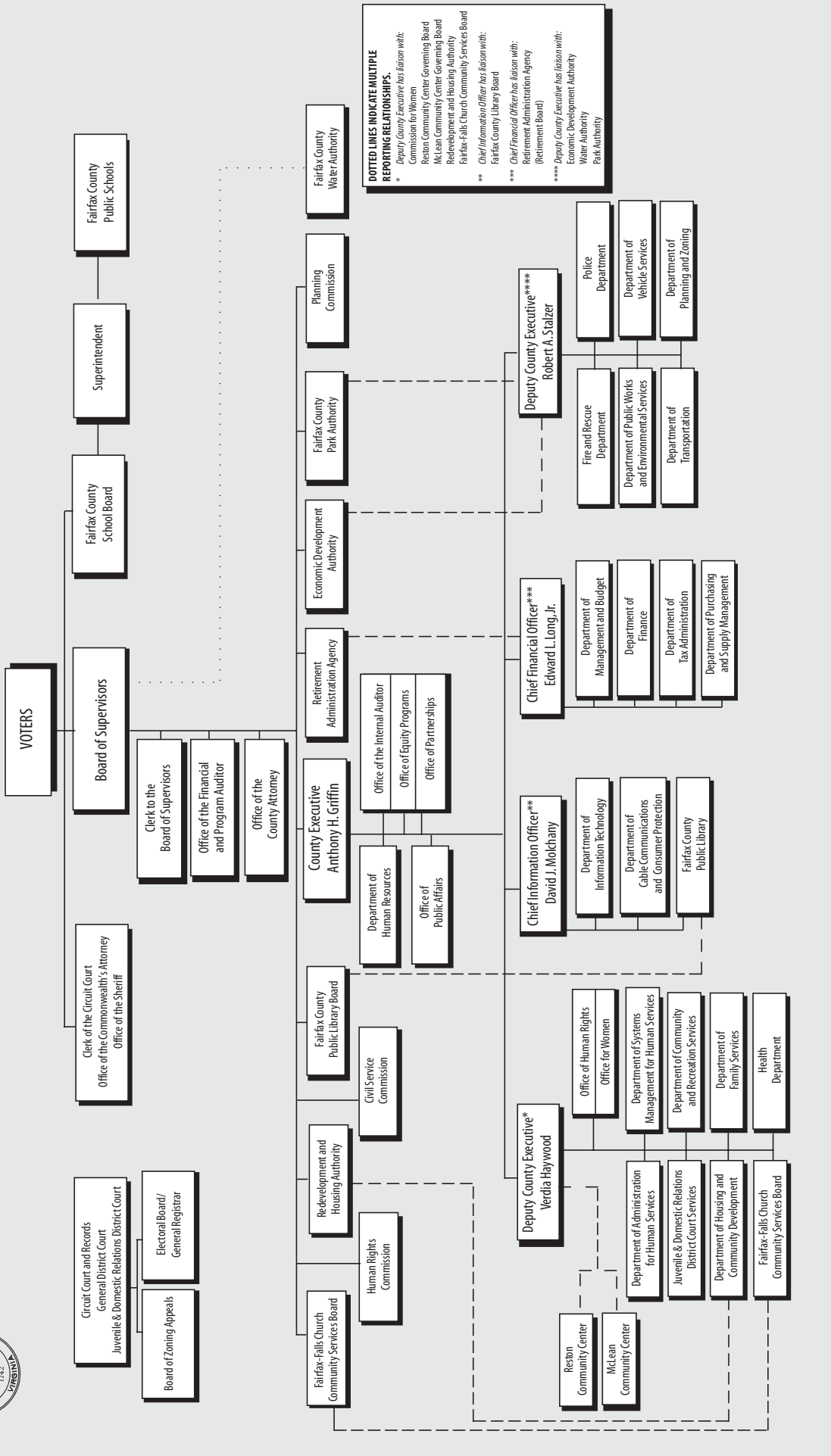
In Fairfax County, there are three incorporated towns - Clifton, Herndon and Vienna - which are overlapping units of government within the County. With certain limitations prescribed by the *Code of Virginia*, the ordinances and regulations of the County are generally affected in them. Property in these 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. 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. An organizational chart of Fairfax County government is provided on the next page.





ORGANIZATION OF FAIRFAX COUNTY GOVERNMENT



COUNTY ORGANIZATION

BOARDS AND COMMISSIONS

Appeal Groups

Board of Building Code Appeals
Board of Equalization of Real Estate Assessments
Board of Zoning Appeals¹
Civil Service Commission
Human Rights Commission
Planning Commission

Management Groups

Audit Committee (3 Board Members, 2 Citizens)
Celebrate Fairfax, Incorporated
Economic Development Authority
Electoral Board
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 of Fairfax County, Virginia
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
Virginia Association of Counties
Virginia Municipal League
Washington Metropolitan Area Transit Authority

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

COUNTY ORGANIZATION

BOARDS AND COMMISSIONS

Advisory Groups

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
Architectural Review Board
Athletic Council
Character Counts Task Force
Child Care Advisory Council
Commission on Aging
Commission for Women
Community Action Advisory Board
Community Improvement Committee
Community Policy and Management Team for Services to At-Risk Youth and Families
Consumer Protection Commission
Countywide Non-Motorized Transportation (Trails) Committee
Criminal Justice Advisory Board
Employer Child Care Development Council
Engineering Standards Review Committee
Environmental Quality Advisory Council
Fairfax County Animal Services Advisory Commission
Fairfax Area Disability Services Board
Fairfax County Community Criminal Justice Board
Fairfax County Commission on Organ and Tissue Donation and Transplantation
Fairfax County Construction Trades Advisory Board
Fairfax County Human Services Council
Fairfax County Wetlands Board
Geotechnical Review Board
Health Care Advisory Board
A. Heath Onthank Memorial Award Selection Committee
History Commission
Information Technology Policy Advisory Committee
Juvenile Court Citizen Advisory Council
Oversight Committee on Drinking and Driving
Planning Commission
Road Viewers Board
Security Alarm System Commission
Small Business Commission, Fairfax County
Telecommunications Land Use Regulations Task Force
Tenant Landlord Commission
Transportation Advisory Commission
Tree Commission
Volunteer Fire Commission
Youth Basketball Advisory Council

BUDGET PROCESS

Budget Documents

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

The Citizen's Guide 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; a summary of the County's fiscal condition, allocation of resources, financial history; and projections of future revenues and expenditure requirements. Also included is information on the County's taxes and fees; demographic trends; direct spending by County departments; transfers to other public organizations, such as the 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 detailed budget schedules and tables organized by accounting classification, positions, and other categories, as well as summaries of budgets by program area, department and agency. Also included is an organizational chart, goals, objectives, and performance indicators for each department and 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 Projects Appendix Volume details the capital construction budget by project. All active projects are outlined in a Project Detail Sheet, including location, Supervisory District, project description, completion dates, and sources of funding. It should be noted that this volume is published only as part of the Advertised Budget Plan.

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

GENERAL NOTE

All years referred to in this and other documents are fiscal years unless otherwise noted.

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 budgetary 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 both closes out the current year and revises the expenditure level for the subsequent 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 \$500,000.

Citizen involvement and understanding of the budget are a key part of the review process. Public hearings on the County Executive's FY 2003 Advertised Budget Plan and the FY 2003 - FY 2007 Capital Improvement Program (CIP) were held on April 8, 9 and 10, 2002.

The mark-up of the FY 2003 budget occurred on Monday, April 22, 2002, and the Board of Supervisors formally adopted the FY 2003 Budget Plan on Monday, April 29, 2002.

July						
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July

The End-of-Year Closeout

The end-of-year closeout finalizes actual expenditures for all agencies, and when necessary, the fiscal plan is adjusted to reconcile the actual expenditure amounts. Such adjustments are accomplished through reallocations or supplemental appropriations.

Carryover Review

Carryover 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 previous 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. Funding for those items carried over can be expended without a second full-scale justification and approval procedure.

BUDGET PROCESS

THE BUDGET CYCLE

September						
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September

Budget Submissions

Agencies submit their budget requests for the upcoming fiscal year to the Department of Management and Budget in two parts: the baseline request and the addendum, which includes program expansions and other requests beyond the budget development criteria.

Board of Supervisors' Action on the Carryover Review

Carryover revisions represent the first formal revision to the current year Adopted Budget. After public hearings to allow County citizens to voice their opinions on potential Carryover adjustments, the Board of Supervisors takes action on the Carryover Review as submitted by the County Executive.

September						
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November						
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September through November

Review of Budget Submissions

The Department of Management and Budget reviews each agency's budget submission and provides recommendations to the County Executive. These recommendations consist of expenditure analyses and evaluations of agency goals, objectives, and performance measures. This review culminates in an agency narrative, which is included in a package forwarded to the County Executive for review and decision, and ultimately published in the Advertised Budget Plan.

December						
						1
January						
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December through Early January

Department of Management and Budget

The Department of Management and Budget finalizes recommendations on upcoming fiscal year requirements. These recommendations are forwarded to the County Executive, the Deputy County Executives, the Chief Financial Officer and the Chief Information Officer.

Senior Management Meetings

The County Executive meets with the Senior Management Team to discuss budget issues and priorities for the upcoming year and beyond.

County Executive Meetings

The County Executive, Deputy County Executives, Chief Financial Officer, Chief Information Officer and Department of Management and Budget staff meet to discuss budget recommendations.

BUDGET PROCESS

THE BUDGET CYCLE

February						
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24	25	26	27	28		

February

The County Executive releases the upcoming year's Advertised Budget Plan, which summarizes estimated revenues, expenditures, transfers, 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.

March						
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April						
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March through April

Third Quarter Review

In mid-March, Department of Management and Budget conducts the Third Quarter Review on the current year Revised Budget Plan including a line item analysis of expenditure requirements. The Department of Management and Budget's recommendations are forwarded to the County Executive for review and adjustment. The package is then forwarded to the Board of Supervisors for action.

Public Hearings

Public hearings are held on the upcoming year's Advertised Budget Plan, the Capital Improvement Program and the Third Quarter Review providing a forum for County citizens to voice their opinions.

Board of Supervisors' Action on the Third Quarter Review and the Advertised Budget Plan

After public hearings, the Board of Supervisors approves the Third Quarter Review. Included are revisions to current year revenue estimates, which are used as the basis for final adjustments to the next fiscal year's budget. Following the public hearings on the Advertised Budget Plan, the Board of Supervisors conducts a mark-up session in which adjustments to the Advertised Budget Plan are made.

Board of Supervisors' Action on the Adopted Budget Plan and Tax Rate

Following the mark-up session, the Board of Supervisors adopts the budget and establishes the tax rates for the upcoming year.

June						
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23	24	25	26	27	28	29
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June

Adopted Budget Plan Distributed

Copies of the Adopted Budget Plan are distributed to all County agencies and made available at County libraries and at the Publications Center in the Government Center. The budget is also published on the Department of Management and Budget's website: <http://www.fairfaxcounty.gov/dmb>.

HOW TO READ THE BUDGET

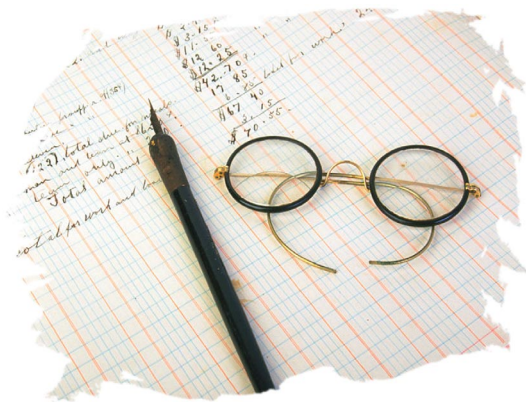
BASIS OF ACCOUNTING AND BUDGETING

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 serves many purposes and addresses different needs depending on the "audience" – 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. According to the *Code of Virginia*, Fairfax County is required to have a balanced budget and 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.

Accounting 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 accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when incurred.

GASB – 34

During FY 2003, the County continues to implement the requirements of the Governmental Accounting Standards Board's (GASB) Statement Number 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, otherwise known as GASB-34. These new standards change the entire reporting process for local governments, and perhaps even the presentation of the budget. The standards require new entity-wide financial statements, in addition to the current fund statements and other additional reports such as Management Discussion and Analysis. Infrastructure values will be reported, and various changes in accounting will be implemented. Full implementation of the defined GASB-34 components will occur during FY 2002, with the exception of the requirement to capitalize and depreciate general governmental infrastructure assets for which an additional three-year, phase-in period is permitted.



HOW TO READ THE BUDGET

Budgetary Basis

Annual budgets spanning the fiscal year (July 1 – June 30) are prepared on an accounting basis, with certain exceptions. For Governmental Funds, the value of donated food is not budgeted, but is reported in financial statements. In addition, while the full value of capital lease transactions is recorded when initiated for financial purposes, only the lease payment due in a given year is included in the budget. For Proprietary Funds, depreciation expenses are not budgeted, but are recorded and reported for financial purposes.

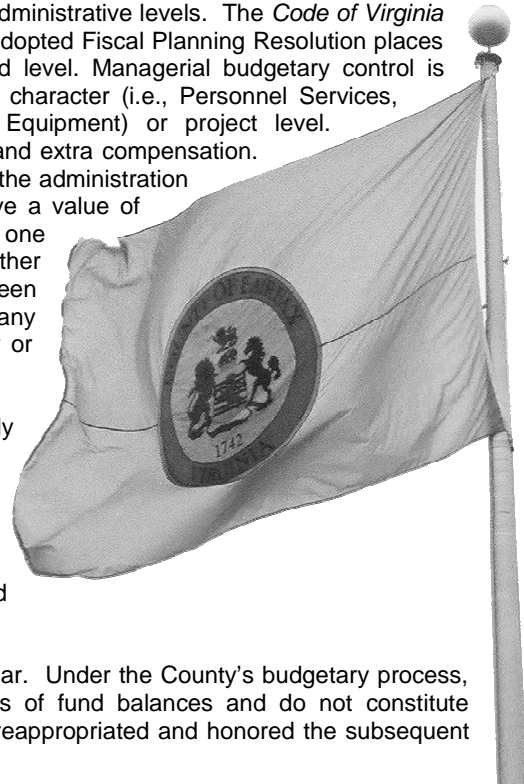
The County's basis of budgeting is consistent with generally accepted accounting principles.

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 Fiscal Planning Resolution places legal restrictions on expenditures at the agency or fund level. Managerial budgetary control is maintained and controlled at the fund, department, and character (i.e., Personnel Services, Operating Expenses, Recovered Costs, and Capital Equipment) 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 lifetime of more than one year, and Recovered Costs are reimbursements from other County agencies for specific services that have been provided. The Board of Supervisors currently approves any revisions that alter the total expenditures of any agency or fund.

During the fiscal year, budget reviews held on a quarterly basis (quarterly reviews) are the primary mechanism for revising appropriations. State law requires that a public hearing be held prior to the adoption of amendments to the current year budget when the adjustments exceed \$500,000 or one percent of revenues. In addition, any amendment of \$500,000 or more requires that the Board advertise a synopsis of the proposed changes.

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.

The County's Department of Management and Budget is authorized to transfer budgeted amounts between characters 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.



HOW TO READ THE BUDGET

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, 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.

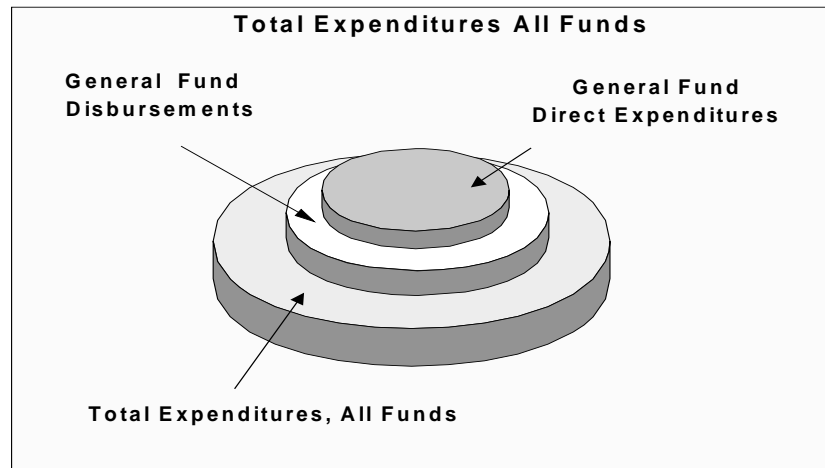
While most of the information in the budget is focussed on an agency or fund, there are several schedules that combine different sources of information such as General Fund receipts and expenditures, County position schedules, and other summary schedules.

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 are used to run the day-to-day operations of most County agencies.
- ◆ The second largest circle is General Fund Disbursements. This circle includes General Fund Direct Expenditures and General Fund transfers to other funds, such as the Fairfax County Public Schools and Metro transportation system, and the County's debt service. The transfer of funding to the County Public Schools, including debt service, accounts for 52.5 percent of the County's disbursements in FY 2003.
- ◆ The largest circle is Total Expenditures. It represents expenditures from all appropriated funds.



HOW TO READ THE BUDGET

County Revenues

The revenue Fairfax County uses to fund its services and programs is generated from a variety of sources:

- ◆ 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 2003, these categories are estimated to account for approximately 56.7 percent and 19.2 percent of the total General Fund revenues, respectively. Please note that a portion of the Personal Property Taxes are 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 includes Local Sales Tax receipts, Consumer Utility Taxes, and Business Professional and Occupational License Taxes comprise approximately 14.6 percent of General Fund revenues in FY 2003. 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 9.5 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 Type</u>	<u>Volume Reference</u>	<u>Fund Title</u>	<u>Purpose</u>	<u>Revenue</u>
GOVERNMENTAL FUNDS				
G00	Volume 1	General Fund	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.
G00	Volume 2	Revenue Stabilization Fund	Established by the Board of Supervisors in FY 2000 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.	Minimum of 40 percent of non-recurring balances identified at the Carryover and Third Quarter Reviews transferred to the Fund until a maximum balance of 3 percent of General Fund Disbursements is attained.
G10 H14 P17	Volume 2	Special Revenue Funds	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.
G20	Volume 2	Debt Service Funds	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.
G30 H34 P37	Volume 2	Capital Project Funds	Account for financial resources used for all general County and School construction projects other than Enterprise Fund construction.	General Fund transfers, bond proceeds, and miscellaneous contributions.
PROPRIETARY FUNDS				
G40	Volume 2	Enterprise Funds (Wastewater Management Program)	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.
G50	Volume 2	Internal Service Funds	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.
FIDUCIARY FUNDS				
G60 G70 H74 P77	Volume 2	Trust and Agency Funds	Account for assets held by the County in a trustee or agency capacity. Trust funds are usually established by a formal trust agreement. 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.



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KATHERINE K. HANLEY
CHAIRMAN

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June 7, 2002

To the Citizens of Fairfax County:

I am pleased to present the Fiscal Year 2003 Adopted Budget Plan, which represents an extraordinary balancing act to address the needs of all Fairfax County residents—from the young to senior citizens. The challenges come from near and abroad, in ways we could not have anticipated even a year ago. As such, the budget that the Board of Supervisors adopted reflects our ongoing commitment to public education and safety, while providing tax relief that balances the need for a full array of quality services with property owners' desires for lower taxes. In adopting the budget for FY 2003, the Board had to address the following three disparate challenges:

- Residential assessments continued to rise as a result of high demand/low supply and extremely attractive mortgage rates. For FY 2003, Real Estate Taxes provide the sole source of County revenue increase while other sources declined, reflecting the ongoing weakness of the economy, which was exacerbated following the horrific acts of terrorism on September 11, 2001.
- The State's deficit and change in public education funding formula resulted in a \$46 million shortfall for the Fairfax County Public Schools (FCPS). Combined with other projected needs such as enrollment growth, the FCPS proposed budget's deficit grew to \$65 million beyond the County Executive's recommended school transfer increase of \$76 million.
- The events of September 11 underscored the need to expand public safety services. The ensuing anthrax scare also highlighted our requirement for a dedicated hazardous materials unit to improve emergency preparedness and response capabilities.

To address these three challenges and fund County priorities, the Board of Supervisors undertook an in-depth review of all County-funded activities, programs, and services. After careful evaluation of the impact on services, the Board eliminated 50 vacant positions and \$28.8 million in other areas of the County budget, while maintaining a safety net of services for those who need them most, particularly those affected by the economic downturn.

Those cuts made it possible to reduce the real estate tax rate for the first time since FY 1991 and to expand tax relief programs for the elderly and disabled. The real estate tax rate was reduced from \$1.23 per \$100 of assessed value to \$1.21, saving the average household \$55 annually. In addition, the allowable asset limit for Tax Relief for the Elderly and Disabled was increased from \$150,000 to \$160,000.

Those cuts also made it possible to provide an additional \$17.3 million to operate our schools. In FY 2003, County funding for FCPS totals \$1.28 billion. In fact, more than 52 percent of the County's General Fund is dedicated to FCPS—the largest portion in 20 years. In addition, \$46.2 million is provided in the County's budget in support of the Schools for programs and services such as school resource officers, crossing guards, school nurses, clinic room aides, and the School Age

Child Care Program (SACC), among others. With Fairfax County contributing approximately three-quarters of the funding for public education locally, we cannot overlook the fact that the State shortfall in education funding left a huge gap that the County cannot completely fill. To address the pressing need to accelerate school construction and renovation, this Board also increased school bond sales from \$100 million in FY 2001 to \$136.4 million in FY 2003.

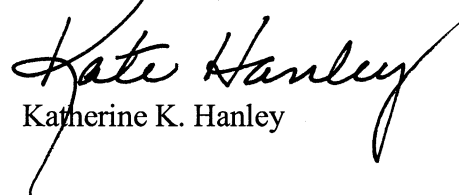
While we live in an extremely safe community, the events of September 11th struck very close to home. Public safety continues to remain another top priority of the Board of Supervisors. To reflect that commitment, the Board approved 25 additional police officers for the new Sully Police Station, which will open in FY 2003. Remarkably, it is the first new policing district in Fairfax County in 26 years, and is necessary to address the population growth that has occurred in the western part of the County. Furthermore, based on the need we witnessed last fall during the anthrax scare, a new dedicated hazardous materials unit will be established in the Fire and Rescue Department with staffing of 23 additional firefighters. The November public safety bond referendum will also include facilities that will further enhance emergency preparedness and response in Fairfax County.

Despite the serious challenges we faced in adopting a budget for the upcoming fiscal year, the Board reprioritized funding to continue its focus on education as the top priority, in addition to ensuring enhanced public safety in the wake of 9-11 and providing much-needed tax relief. The budget for FY 2003 reflects broad-based community values and addresses the needs of all citizens.

I would be remiss if I did not note the ongoing necessity of continuing to carefully examine policies, practices, and programs to determine if additional efficiencies can be achieved in the future. Since the forecast for FY 2004 portends ongoing fiscal challenges, the Board of Supervisors has directed staff to review potential opportunities for savings in order to offer the level of service for which citizens are willing to pay. In addition, information on the FY 2004 revenue and economic outlook will be forwarded to the Board for discussion in Fall 2002 so that guidance to the County Executive regarding the tax rate as well as the transfer to the Schools can be provided by the Board. If Real Estate assessments continue to increase significantly, the Board will also direct the County Executive to develop a budget for FY 2004 that includes a reduction in the Real Estate Tax.

Recognizing those fiscal challenges and the reality we now face as a result of September 11th, I strongly believe in the ability of citizens, the Board of Supervisors, and County staff to work together to achieve our common vision of Fairfax County as a premier jurisdiction in which to live, work, and play. And based on Fairfax County's recognition by the Government Performance Project as the "Best Managed County" in their 2002 evaluation of counties, I am fully confident that we will be able to meet and successfully overcome the challenges we face.

Sincerely,



Katherine K. Hanley



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V I R G I N I A

February 25, 2002

Honorable Board of Supervisors
County of Fairfax
Fairfax, Virginia

Madam Chairman, Ladies and Gentlemen:

I am pleased to transmit to the Board of Supervisors my budget proposal for Fiscal Year 2003 which totals \$4,100,356,299, including General Fund Disbursements of \$2,455,890,931, a 4.95 percent increase over the *FY 2002 Revised Budget Plan*. The FY 2003 Advertised Budget Plan is in conformance with the Board's Budget Guidelines which limit County and School expenditure increases to the projected growth in available revenues.

The past year has been marked by achievements and by challenges. One of the most gratifying achievements was Fairfax County's recognition last month by the Government Performance Project and *Governing* magazine as one of the best-managed jurisdictions in America. The grade we received affirms the overall direction of the changes that have been ongoing in the County in recent years and will spur us on to even greater levels of excellence.

This year we also faced many challenges – from the unspeakable acts of terrorism on September 11th, and the anthrax scare that followed in October, to the ongoing economic uncertainty that continues to confront us as we plan for the next fiscal year. Each of these challenges has tested our resilience in different ways. The acts of terrorism and bioterrorism had immediate and profound impacts on our community, our economy, and our sense of security. I know you share my pride in how we responded as an organization to the tragic events of September 11th and to the anthrax scare, only one month later. The words “above and beyond the call of duty” come to mind as I recall the extraordinary level of performance by so many of our employees during those difficult days.

A year ago as I stood before you, the national economy was on the threshold of a recession from which some economists say we are now slowly emerging. Understanding the nature of this recession and accurately gauging the timing and extent of the recovery and its impact on our revenues, have been the most challenging aspects of preparing the budget for FY 2003.

In light of the continuing economic uncertainty and our current resource constraints, the budget I am presenting today includes no major service expansions or new programs in the year ahead. The FY 2003 budget “stays the course” in supporting the initiatives undertaken in previous years and providing support for the priority items in our budget such as education and public safety.

In developing this budget I had very clear objectives in mind which guided me throughout the decision making process.

FY 2003 BUDGET DEVELOPMENT OBJECTIVES

- Strongly support our Schools
- Strengthen our public safety agencies
- Protect our most vulnerable citizens by ensuring that our safety net of services remains in place
- Continue to invest in our workforce, the people who deliver our services and sustain our operations
- Ensure our long-term fiscal stability

This budget continues to support the personnel and programs that enabled us to respond so effectively and efficiently to the extraordinary events on September 11th and in its aftermath, providing them with the resources necessary to keep our communities safe and secure. The FY 2003 budget reflects my firm commitment to provide high quality, efficient and affordable services to Fairfax County residents within the limits of our means.

To ensure our ability to meet this commitment, we have taken a continued cautionary approach to fiscal planning for the next year. As you know, our budget is balanced based on the revenues projected. This year, volumes of mixed and sometimes conflicting economic data have made revenue forecasting extremely difficult. Before we discuss the specifics of this budget – what has been funded and not funded – it is important to focus on what drives the budget process – the economy and its impact on our community and our revenues.

THE ECONOMY

The National Economy

The National Bureau of Economic Research declared the national economy in recession in November 2001, however the contraction in the economy officially began in March 2001. In a number of key indicators, the economic slump has been apparent throughout Calendar Year (CY) 2001, ending more than a decade of unprecedented growth and prosperity, the longest expansion on record in the United States. Most economists believe the economy began slowing at the beginning of CY 2000 showing first in contracted manufacturing activity and substantiated with reductions in job growth, poor performance in the stock market, sharp decreases in business investment, reductions in business inventories and declining consumer confidence levels. The effects of the terrorist attacks on September 11th clearly exacerbated the economic downturn and further restrained economic growth. The U.S. economy's actual third quarter performance fell 1.3 percent, the weakest quarterly performance in a decade.

More recently, the U.S. economy is showing signs of revival. However, clear signals of economic growth are not yet apparent and economic data is mixed, making an affirmative pronouncement on the economy difficult.

On the positive side, the Commerce Department reported on January 30, 2002, that the nation's gross domestic product, which contracted during the third quarter of 2001, increased 0.2 percent during the final three months of the year, signaling to many that the end of the recession is already here. For the year, however, the economy grew 1.1 percent, a deceleration from the 4.1 percent increase in 2000 and the weakest annual growth since 1991. In addition, initial claims for unemployment insurance appear to be falling which is often a leading indicator of economic stabilization.

The Conference Board's Consumer Confidence Index increased to 97.3 in January, its second straight monthly increase, continuing its recovery after confidence levels fell significantly in the weeks after September 11th. The National Leading Index, which declined in both August and September, increased in October and November and again in December. Durable goods orders in December reflected a significant 2 percent increase which may signify future improvements in the manufacturing sector. Despite December's increase, orders for durable goods for the full year were 13.2 percent lower than 2001 and the lowest since 1992.

The housing sector continues to shine spurred on by low mortgage rates. For national home sales, 2001 was the best year on record – 900,000 new single family homes were sold – surpassing the record of 886,000 set in 1998. The National Association of Realtors reports that 5.25 million existing homes were sold in 2001, an all-time high. The rise in sales volume as well as tight housing inventories in many markets pushed up home prices. The appreciation in home values and the corresponding increase in home equity spurred a tide of mortgage refinancings which, in turn, helped boost consumer spending during the slowdown.

On the negative side, capital spending on technology and telecommunications is likely to fall which will impact technology earnings and stock prices, and recent unemployment figures are mixed. Business inventories continue to drop as firms work to eliminate a backlog of unsold goods. Consumer spending is projected to drop in the first quarter of CY 2002 primarily because the zero-percent financing which drove up car sales last year may have pulled many of the planned car purchases forward. Fourth quarter spending increased a solid 5.4 percent, reflecting what some feel may have been the final burst of auto sales. In addition, consumer behavior, accustomed to price decreases and discounts in 2001, may be slow to adjust to full pricing.

Factors such as continued layoffs and lower salary increases may limit consumer purchases in early 2002. Economists are carefully watching these and other indicators that may provide more information on the strength and timing of economic recovery. Most economists predict the recovery will mirror the mild recession. They do not see a robust or dramatic rebound as has occurred following past recessions. They envision a recovery that can best be described as "tepid." One economist likened the recovery to a rubber band: "If you pull a rubber band back a little, it only snaps back a little." A recession that is weak and shallow will produce a comparatively weak economic rebound.

The State Economy

On the State level, the recession and previous State actions have had serious and substantial impacts that have multi-year implications. Today, the State budget is out of balance by more than \$1.5 billion in the current fiscal year. The administration is now estimating a total projected budget shortfall of \$3.8 billion over the next 29 months, which has led to substantial cutbacks in State support for many programs. We do not yet know the full impact of these reductions on our services and our citizens.

The Local Economy

For the Northern Virginia economy and Fairfax County in particular, the economic news indicates that this area appears to be more resilient to the negative economic factors that pull down the outlook on the national economy. Dr. Stephen Fuller, the County's economic advisor, points to the economic structure of the Washington, D.C. region that shielded the area from the full force of the recession in 2001. Core industries of Federal government spending, technology, building/construction, international business and hospitality appear more inelastic to changes in the national business cycle and provide some protection of the local economy in times of downturn. According to Dr. Fuller, improvement is anticipated in 2002. The region is expected to add 79,000 jobs this year. Dr. Fuller also projects that significant increases in government spending will boost the local economy, just as government spending served as a catalyst to growth in the last several decades. Overall, growth in the region is expected to be moderate, in comparison to the more robust growth in 1999 and 2000.

In Fairfax County, the economy has not experienced the recession occurring on the national level but growth has slowed considerably. The deceleration in the County's economy was compounded by the September 11th terrorist attacks. Both the County's Coincident Index, which measures the current state of the economy and its Leading Index, which forecasts performance of the County's economy nine to twelve months in advance, are trending downward. However, like the Washington metropolitan region in general, the slowdown is more gradual than that experienced on the national level.

There has been softening in the usually robust job market with increases in unemployment. The vacancy rate for office space has also increased from 3.5 percent in 2000, the lowest rate in 15 years, to 4.9 percent by mid-2001, a seemingly healthy figure. However, when sublet space is included, the vacancy rate jumps to approximately 9.5 percent. Consumer behavior, impacted by both September events and the national recession, has changed significantly in the short term, but longer term is expected to stabilize. The Fairfax County economy grew 8.87 percent in CY 2000, a level higher than originally projected and one that is difficult to maintain long-term. It is clear that the County's economy has slowed; this deceleration was present prior to September 11th but was deepened by the impacts of the terrorist attacks. CY 2001 growth is forecasted at 5.25 percent, still above national and regional levels. Overall growth of 6.05 percent is forecasted in CY 2002 with moderate growth around 5.0 percent forecasted through CY 2005.

IMPACT OF THE ECONOMY ON THE COUNTY BUDGET

Gauging the impact of these economic factors and the fall out on the County's revenue base from the terrorist attacks last fall continues to be problematic. Even before the economic slowdown, the growth in the local economy did not directly impact County revenues. The record breaking pace set in 1999 and 2000 translated into only moderate growth in revenue for the County. This is primarily because the current structure of the County's revenue base forces reliance on the real estate tax and prohibits access to income, a revenue source more closely tied to economic change. So while the State and national budgets reflected surpluses resulting from higher than projected income tax receipts in those years, Fairfax County reported more moderate revenue growth. More recently, as the economic downturn has created problems for Federal budgetmakers and significant budget deficits for the Commonwealth, the impact on Fairfax County's revenues is a bit less dramatic. However, the local economic slowdown has impacted some County revenue categories.

In some revenue categories, the impacts on the national recession and local slowdown have been immediate. Sales tax revenues, for example, which comprise five to six percent of all General Fund revenue were declining prior to September 11th. Since that time, sales tax receipts have dropped sharply. For FY 2002, sales tax receipts are down 6.5 percent, with 10 of the last 11 months negative. The last time sales tax receipts went negative was in FY 1991. Interest on investments has dropped nearly 60 percent from previous years' levels as a result of Federal Reserve action which adjusted the Federal funds rates downward 11 times during 2001 for a cumulative 4.75 percentage point drop. Other revenue categories appear to have slowed but not as dramatically while some revenue sources appear in line with previous projections.

Status of the FY 2002 Budget

As I indicated to the Board of Supervisors in November 2001, anticipated FY 2002 revenues will be less than we projected as part of our FY 2002 Budget. Significant reductions in sales tax receipts, interest earnings, building permit fees and negative adjustments in other categories are necessary based on receipts to date. While some of these reductions are offset by higher than anticipated receipts in personal property taxes, the net reduction in FY 2002 revenue is currently estimated at approximately \$13 million. In addition to the revenue shortfall, I anticipate that some County agencies will need additional resources as a result of the service requirements related to the September 11th events and our ongoing response. Public safety, public health and some human service agencies have been actively involved in investigations associated with the terrorist attack and in dealing with potential biohazards. In addition, services to assist our residents impacted by the economic downturn continue to increase.

Working with senior County managers, I have identified reductions in agency budgets totaling approximately \$17 million through the 5 percent budget reduction exercise initiated in November. No significant service reductions, program changes or position eliminations are required as part of these reductions. However, we have been required to hold positions vacant for extended periods of time which has challenged agencies in terms of service delivery.

I will include these revenue and expenditure adjustments in the *FY 2002 Third Quarter Review*. I must note that based on current revenue forecasts as well as potential action from the General Assembly, I anticipate a further revenue shortfall in FY 2002. I continue to work with staff to identify reasonable spending reductions

to offset this additional shortfall as necessary.

FY 2003 Revenues

The challenge of forecasting revenues becomes even more daunting in the uncertain environment of an uneven and “anemic” economic recovery. Assumptions for economic growth center on the current downturn continuing to moderate, with next year’s growth projected at a slower yet more sustainable level. There are a few risks in this assumption. Additional terrorist attacks could impact consumer and business confidence levels which will be key in shaping our local and national recovery. Likewise, further corporate failures and business bankruptcies threaten to dampen returning consumer confidence and business optimism.

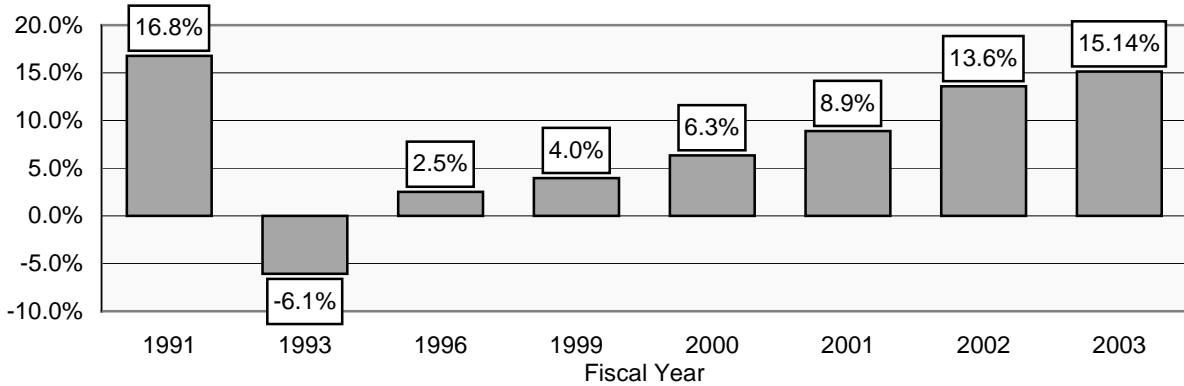
Also important to our forecasts are Federal and State spending and budget policies. As I noted earlier, Federal spending in the areas of homeland security and defense is likely to have a positive impact on the region’s economy and Fairfax County in particular. However, to support increased spending in these areas, the President’s proposed budget includes significant reductions in spending for many domestic programs. The impact of those cuts on our budget has not yet been determined.

Activity at the State level necessary to deal with multi-year State budget shortfalls will have negative effects on the County’s economy and revenues. At the time the Board and County staff will be working through decisions on the FY 2003 budget, the General Assembly will be making funding reductions in a number of areas to eliminate a deficit of \$1.5 billion. While I have assumed some reduction in State revenue in the FY 2003 revenue estimates, I do not yet have a final estimate of the impact of State revenue reductions or the service changes necessary on the State side for budget balancing.

Overall, County General Fund revenue in FY 2003 is projected at \$2,455,039,810, an increase of 7.07 percent over the FY 2002 level. Once again, increases in real estate tax receipts drive the entire increase in our revenue. In fact, real estate tax revenues account for 111 percent of the total General Fund revenue increase in FY 2003. **Real estate tax receipts are projected to increase approximately 15 percent in FY 2003, with all other categories of revenue actually reflecting a net decrease of 1.6 percent.** In FY 2003, real estate tax receipts will make up 57.4 percent of all General Fund revenues, up from 50.2 percent in FY 2000. Clearly, our dependence on real estate taxes as the major source of County revenue has worsened.

The General Fund Revenue section in this volume provides detail about the components of our FY 2003 real estate assessments. Most significant is the FY 2003 change in residential equalization which increases 16.27 percent. The local housing market activity continued at high levels throughout the past year, breaking records on the national level and driving up prices across the board locally. Although actual volume of sales is mixed – down in some categories of housing and up in others – growth in median sales prices for existing and new homes is double digit for all categories – single family, townhouse and condominium units. The FY 2002 increase in residential equalization, or the reassessment of existing residential property, reflects this price appreciation. This is the third consecutive year of residential equalization over 1 percent, with the nine years prior to that in negative or flat growth since FY 1992. In fact, between FY 1992 and FY 2000, the average annual change in residential assessments for the existing housing stock reflected a loss in assessed value of 0.62 percent.

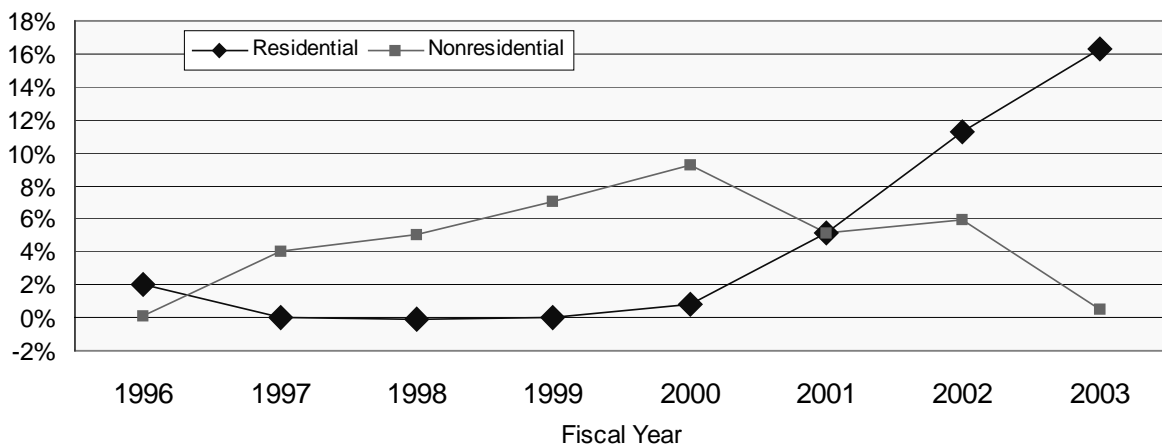
Percentage Change in Real Estate Assessed Value FY 1991 - FY 2003



Equalization	11.51%	-6.48%	0.36%	1.77%	2.96%	5.13%	9.70%	11.72%
Res	13.06	-3.74	0.49	0.04	0.77	5.13	11.26	16.27
NonRes	7.85	-13.22	-0.09	7.12	9.24	5.15	5.92	0.52
Growth	5.26	0.40	2.16	2.19	3.37	3.81	3.94	3.42
Total	16.77%	-6.08%	2.52%	3.96%	6.33%	8.94%	13.64%	15.14%

While the recovery in housing values following a decade of decline represents a positive sign for the County's overall economic well-being, the impact on homeowners is clearly recognized. In FY 2002, the typical household will pay \$3,357 in real estate taxes, an increase of approximately \$470, or more than 16 percent, over last year.

Residential vs. Nonresidential Equalization FY 1996 - FY 2003



When taking into account growth and inflation since FY 2000, our average County household's real estate taxes increased \$761 or 29 percent in the three-year period. Adjusting for inflation, the average FY 2003 tax bill is up \$441 over the tax bill paid in FY 1991. This is an average annual increase of \$37.

In the absence of this increase in real estate tax revenue, there would be no FY 2003 revenue growth. Even non-residential real estate taxes, a component of overall revenue increases in the past several years, are stagnant. Non-residential equalization in FY 2003 increases just 0.52 percent reflecting rising vacancy rates in various sectors of the commercial market. Growth based on new residential and non-residential construction increases 3.42 percent in FY 2003, slightly down from the last two years. And as I noted earlier, all other categories of revenue are either down or essentially flat. This includes revenue from sales tax receipts, investment income, fees from building permits and inspections, and transient occupancy tax receipts.

I continue to be concerned about the pressure our current revenue structure places on our real estate taxpayers to finance the services and programs of County government. Our revenue base lacks the diversification necessary to provide a stable base and ensure reasonable growth to fund the needs of our growing community. In past budgets, I have noted our frustration at State controls on the County's revenue structure and our inability to look beyond the real estate tax base to provide for the needs of our community, to meet Federal and State mandates, and to maintain our quality services and existing infrastructure. Excluding real estate taxes – the majority of which are directed toward school requirements – nearly 90 percent of our revenue is controlled by the State in terms of rate caps, controls on use and through General Assembly-mandated exemptions. In addition, we have been thus far unsuccessful in obtaining authorization to implement new revenue strategies. As a result, real estate taxes finance the lion's share of our County budget. The increases in residential property values resulting from recent market conditions provide the single greatest source of growth in County revenues. We have no other alternative but to allocate the revenue from this growth to maintain current services. I am encouraged by discussions around the State and in Richmond calling for further study and hopefully real change in County government's ability to implement additional revenue options, fairly distribute the costs of quality services, and reduce reliance on the real estate tax base.

UNFUNDED REQUESTS, DEFERRED COMMITMENTS, FUTURE REQUIREMENTS

Before we review the components of the FY 2003 recommended budget, I think it is important to note the items that are not included in my recommendations. As I stated earlier, this budget takes a "stay the course" approach. Based on the continued economic uncertainty and the limits of our current resources, I was not able to recommend funding for some very important programs and service needs. In addition, this budget did not present the flexibility to put in place reserves and other funding mechanisms necessary to address future requirements. I have summarized these items below:

PUBLIC SAFETY: As the events in this past fall demonstrated, Fairfax County is a first responder to large-scale emergency incidents in the Washington Metropolitan area such as the attack on the Pentagon on September 11, 2001. The County is an integral member of the investigations team established to provide ongoing intelligence regarding future terrorist activity. We were key participants in dealing with the anthrax scare, handling both the hazardous materials calls (over 1,000 calls received to date) related to suspected anthrax contamination as well as distributing information and medication, and providing medical follow-up related to anthrax contamination. We increased surveillance and monitoring of key locations in the County and assisted both Federal and regional agencies in the planning and coordination of long-term response

protocols to new threats of terrorism. All of this response is being and has been provided within the limits of existing staffing and financial resources. If additional funding were available, I would have provided for:

- Funding of \$1.8 million and a staffing increase of 23 positions for a permanent and full-time Hazmat Unit. Absent this increase, the County will continue current operations using firefighters assigned to the Oakton station who are cross-trained. However, this response is on an as-needed basis only and significant activity, similar to that required this past fall, would require increased overtime funding.
- Permanent staffing of a Criminal Intelligence Unit at a cost of \$0.9 million to ensure coordination and appropriate follow-up of criminal and subversive intelligence derived from various sources within the Police Department and other law enforcement areas. This unit was formed in FY 2002 and staffed by reassigning police officers from their normal duties. The unit has been very successful in its work and must continue.
- The Health Department's request for funding of approximately \$70,000 to support a Health Information Officer to coordinate communication with the public, media, private health care providers to assure accurate, pertinent and educational information is available on a timely basis. The need for this position was clearly demonstrated during the anthrax scare.
- Other public safety initiatives including: improvement of coverage through expansion of the public safety radio system, expansion of the In-Vehicle video program, and implementation of the Take-Home Cruiser program; security enhancements recommended for the Government Center Complex and other County facilities; additional staffing to address the increased call volume at our Public Safety Communications Center; and design and implementation of improvements and expansion of our Emergency Operations Center.

PROGRAM EXPANSIONS: This year I received a worthwhile set of requests and had to make difficult decisions that left all new initiatives and proposed program expansions unfunded, and did not address the substantial workload issues within several agencies. The list below does not include all the unfunded items but highlights the scope of services impacted and commitments deferred which we would have funded given more flexibility in the budget.

- No additional funding to expand the Community Health Care Network at the Baileys Health Center to reduce the waiting list of more than 1,000 uninsured families seeking health care services.
- No additional staffing to improve the teacher/child ratios to serve special needs children enrolled in the SACC program, and no expansion of the Middle School or Summer SACC programs. A number of our centers have waiting lists for which space is available but funding is not available to provide for additional operating expenses and staffing requirements.
- No funding was available to: increase shelter capacity for victims of domestic violence, expand mental retardation respite services to reduce the current waiting list, implement Phase II of the highly successful school-based substance abuse prevention program, provide additional public health nurses based on increases in school population, or fund other health and welfare initiatives.

- No inflationary increases were provided except for those for which we are contractually bound or for projected increases in personnel-based contracts. Agencies must absorb the increased costs. This translates into lost buying power for agencies that will face price increases in the materials they purchase and services they procure.
- No additional maintenance staff to provide ongoing preventative maintenance as well as emergency repairs as necessary. No new staff have been added to this program since FY 1999 despite an increase in County facility inventory of 1.2 million square feet during this time.
- No additional funds will be available in FY 2003 for the streetlights, walkways or storm drainage programs, and other critical infrastructure projects.
- The IT Steering Committee received \$29.6 million in funding requests, but was able to approve only \$10.19 million in projects, down from more than \$14.8 million funded last year. The unfunded projects include many projects that would have increased citizen access or improved operational efficiency.
- Our retirees will bear an increasing burden of their already substantial health care costs as we were unable to increase the \$100 monthly supplement we now provide. Each \$10 increase in the subsidy costs approximately \$220,000.

FUTURE YEARS REQUIREMENTS: Due to our current fiscal constraints, I was unable to identify and allocate funds to meet some significant future years obligations. As such, our requirements in FY 2004 and beyond will be even more difficult to support.

- The Judicial Center Expansion project, approved by the voters as part of the 1998 Public Safety bond referendum, incorporates the construction of an approximately 312,000 square foot expansion to the existing Jennings Judicial Center and provides parking to accommodate 2,100 vehicles (a net increase of 900 spaces). Staff is currently completing the design development and construction plan phases of the Judicial Center portion of the project, with the fall of 2003 projected for construction contract award.

This expansion project will consolidate court services, reduce overcrowding, allow after-hour access to the public law library and other court clerk functions, and provide additional courtroom space. The original project cost was estimated at \$71 million and is supported by \$38 million in General Obligation bonds and \$33 million from anticipated State reimbursement associated with the Adult Detention Center expansion.

Since the approval of the bond referendum in November 1998, the estimated costs for the expansion of the Judicial Center have increased significantly. Increases are associated primarily with: higher than anticipated costs per square foot as a result of design requirements for this fully utilized court and the secure areas required for prisoner holding and circulation; additional renovation costs associated with the existing Jennings building (including additional mechanical and electrical work to meet current codes); expansions in response to State mandates; building and site security enhancements; and market escalation of construction costs. As a result, the current project estimate nears \$115 million, a shortfall of \$44 million. Staff has evaluated alternative funding sources to offset this increase, including: the application of \$7.0 million in interest associated with the State jail reimbursement; \$3.0 million associated with the Work Training Center project which has been deferred; approximately \$3.0 million in bond capacity associated with lower than anticipated contract awards for the new Sully Police Station and the

Mount Vernon Police Station expansion projects; \$5.8 million in deferred costs through a lease-purchase agreement for systems furniture; and \$4.0 million in possible grant revenues from the Federal government for security enhancements. The remaining shortfall of approximately \$21 to \$25 million will need to be provided by the General Fund or other sources. Alternatives are currently being explored to address the remaining shortfall, however based on these alternatives and the projected construction timetable, funding may need to be in place as early as FY 2004 or as late as FY 2006.

- FY 2004 funding will also be required to meet the anticipated replacement schedule of FAIRFAX CONNECTOR buses. Although the Board approved a CONNECTOR Transit Bus Fleet Replacement Policy in FY 1997, we have been unable to generate funds for a sizable replacement reserve and most purchases have been made on a pay-as-you-go basis. Based on the age of our fleet and our planned annual replacement schedule, an estimated 11 to 15 buses will require replacement in FY 2004 for a cost of approximately \$4.0 million. Annual funding in the amount of \$4-\$5 million is needed to provide for the replacement of approximately 15 buses per year.

As mentioned earlier, these are only a sampling of the unfunded items for FY 2003. Following are the categories for the recommended components of the FY 2003 Advertised Budget Plan:

RECOMMENDED COMPONENTS

Details on the items funded in the FY 2003 Advertised Budget Plan follow. The highlighted categories include:

- General Fund Revenue
- General Fund Disbursements
- County Support for Fairfax County Public Schools
 - School Transfers
 - Other County Support for FCPS
- Support for Public Safety
- Other New Facilities
- Support for Youth, Family and the Community
- Support for Transportation
- Employee Compensation
 - Other Employee Related Items
- Business Operations (including Information Technology)
- Capital Construction Program
- Tax Rate and Fee Adjustments
- Financial Forecast

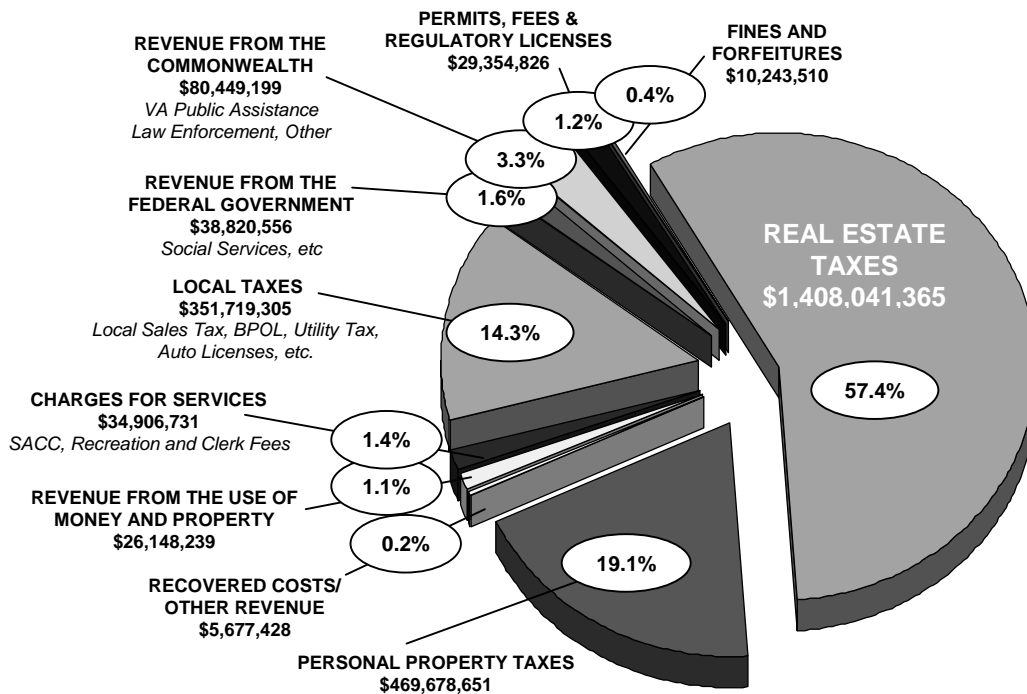
FY 2003 BUDGET

GENERAL FUND REVENUES

FY 2003 revenues are projected to be \$2,455,039,810, an increase of \$162,159,043 or 7.07 percent over the anticipated FY 2002 levels. This increase is driven primarily by an increase of \$179.3 million in real estate tax revenues. The FY 2003 real estate tax base is projected to increase 15.14 percent in FY 2003 due to an increase in equalization of 11.72 percent and a rise of 3.42 percent in new construction. This increase in the real estate tax base is the strongest since the recession of the early 90's. In the decade of the 1990's, the entire real estate base increased only an average of 2.3 percent per year, as compared to increases in the 1980's of 16.2 percent per year. The increase in our tax base is due primarily to substantial increases in our residential tax base, driven by the strong price appreciation of Fairfax County residential properties.

FY 2003 GENERAL FUND RECEIPTS

\$2,455,039,810



FY 2003 BUDGET GENERAL FUND DISBURSEMENTS

The recommended FY 2003 General Fund disbursements total \$2,455,890,931, which reflects an increase of \$115,730,541 or 4.95 percent over the *FY 2002 Revised Budget Plan*. Included in this amount is a transfer of \$1,156,261,517 to the School Operating Fund, which reflects an increase of \$76,349,761 or 7.07 percent over FY 2002, and is in conformance with the Budget Guidelines approved by the Board of Supervisors.

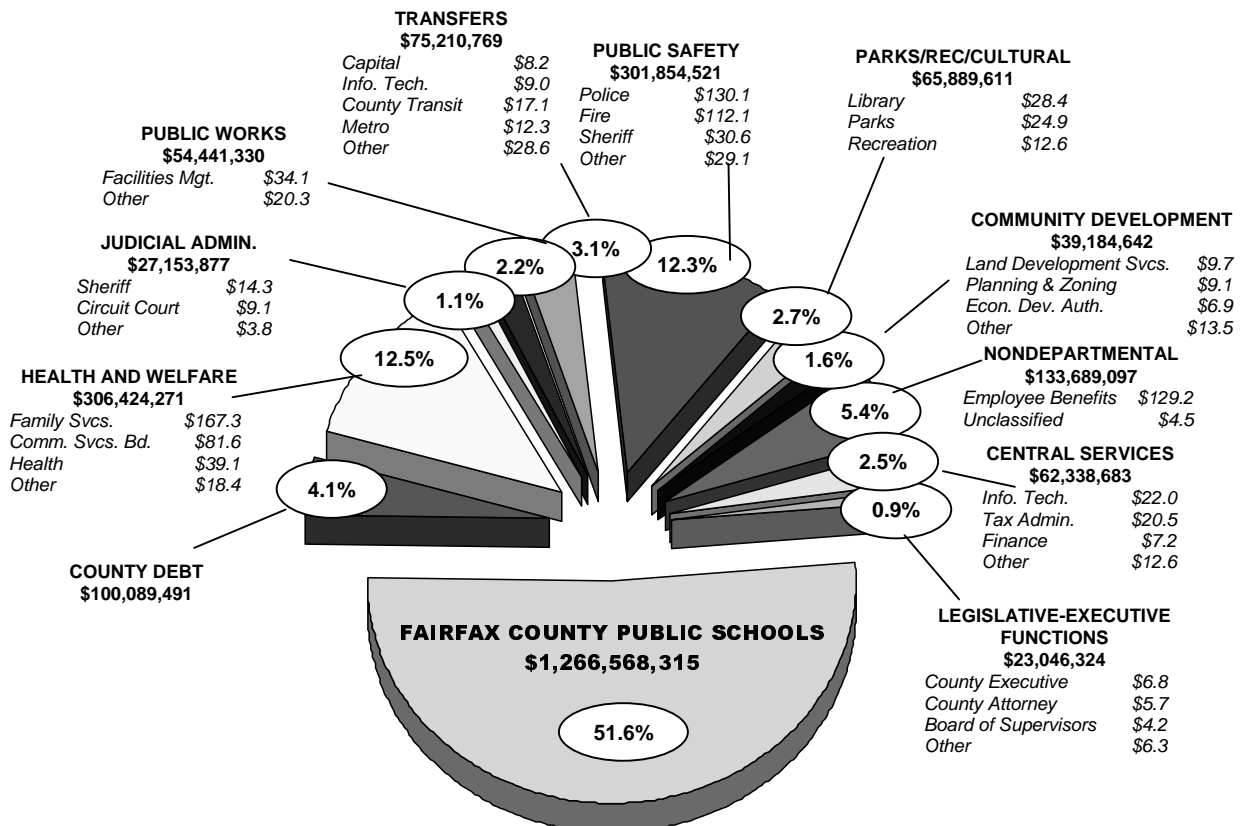
The actual transfer request approved by the School Board on February 7, 2002 is \$1,217,919,664 and reflects an increase of \$138,007,908 or 12.8 percent over the FY 2002 transfer. The School Board's request exceeds the 7.07 percent Budget Guidelines by \$61.7 million. In order to fully fund this \$61,658,147 increase over the Budget Guidelines, additional resources would need to be considered by the Board of Supervisors.

Recommended General Fund direct expenditures total \$932,376,823 reflecting an increase of \$35,988,951 or 4.01 percent over the *FY 2002 Revised Budget Plan*.

A summary of the major recommendations included in the FY 2003 budget is presented on the following pages. Details concerning each of these items can be found in the various budget volumes.

FY 2003 GENERAL FUND DISBURSEMENTS

\$2,455,890,931



Summary General Fund Statement
(in millions of dollars)

	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	Increase (Decrease) Over Revised	Percent Inc/(Dec) Over Revised
Beginning Balance ¹	\$78.56	\$46.80	(\$31.76)	-40.43%
Revenue ^{2,3}	\$2,292.88	\$2,455.04	\$162.16	7.07%
Transfers In	\$2.91	\$3.17	\$0.25	8.62%
Total Available	\$2,374.36	\$2,505.01	\$130.65	5.50%
Direct Expenditures	\$896.39	\$932.38	\$35.99	4.01%
Transfers Out				
School Transfer ⁴	\$1,079.91	\$1,156.26	\$76.35	7.07%
School Debt Service	105.53	110.31	4.78	4.53%
Subtotal Schools	\$1,185.44	\$1,266.57	\$81.13	6.84%
Metro	\$11.45	\$12.27	\$0.82	7.18%
Community Services Board	76.12	81.65	5.53	7.26%
Capital Paydown	10.84	8.17	(2.67)	-24.66%
Information Technology	13.40	9.03	(4.36)	-32.57%
County Debt Service	98.01	100.09	2.08	2.12%
Other Transfers	48.52	45.74	(2.78)	-5.73%
Subtotal County	\$258.33	\$256.95	(\$1.39)	-0.54%
Total Transfers Out	\$1,443.77	\$1,523.51	\$79.74	5.52%
Total Disbursements	\$2,340.16	\$2,455.89	\$115.73	4.95%
Ending Balance	\$34.20	\$49.12	\$14.92	43.63%
Less:				
Managed Reserves	\$46.80	\$49.12	\$2.31	4.95%
County Executive reductions to be identified at the <i>FY 2002 Third Quarter Review</i> ⁵	(\$12.61)	\$0.00	\$12.61	-100.00%
Total Available	\$0.00	\$0.00	\$0.00	0.0%

¹ The FY 2002 Revised Beginning Balance reflects audit adjustments for revenue as included in the FY 2001 Comprehensive Annual Financial Report (CAFR). The FY 2001 Audit package detailing all of these changes will be included in the *FY 2002 Third Quarter Review*. As a result, the FY 2002 Revised Beginning Balance has been increased by \$255,800.

² *FY 2002 Revised Budget Plan* revenues reflect a decrease of \$12,866,977 based on revised revenue estimates of October 2001. The *FY 2002 Third Quarter Review* will contain a detailed explanation of these changes.

³ 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 Revenue from the Commonwealth category in accordance with guidelines from the State Auditor of Public Accounts.

⁴ In accordance with the Board adopted guidelines for the FY 2003 Budget, the proposed County General Fund transfer for school operations in FY 2003 totals \$1,156,261,517 an increase of \$76,349,761 or 7.07 percent over the *FY 2002 Revised Budget Plan* transfer. It should be noted that the actual transfer request approved by the School Board on February 7, 2002 is \$1,217,919,664 an increase of \$138,007,908 or 12.8 percent over the FY 2002 transfer level. In order to fully fund this \$61,658,147 increase over the Budget Guidelines, additional resources would need to be considered by the Board of Supervisors.

⁵ The *FY 2002 Revised Budget Plan* available balance reflects a decrease of \$12.61 million which includes the impact of the FY 2001 audit adjustments for \$0.26 million and the FY 2002 revised revenue estimates of \$12.87 million as of October 2001. The *FY 2002 Third Quarter Review*, will include appropriate expenditure and revenue adjustments to address this issue.

BUDGET HIGHLIGHTS

County Support for Fairfax County Public Schools

For FY 2003, Fairfax County is providing more than 51 percent of its total General Fund budget to Fairfax County Public Schools (FCPS). This level of funding accounts for approximately 75 percent of the FCPS Operating budget. Funding is provided through two transfers – one transfer to support operations and another to support debt service for bond-funded capital projects to build new schools and renew older facilities.

SCHOOL TRANSFERS

School Operating: \$1,156,261,517
School Debt Service: \$110,306,798

- In conformance with the Budget Guidelines, a transfer of \$1,156,261,517 to the School Operating Fund is included and represents an increase of \$76,349,761, or 7.07 percent.
- On February 7, 2002, the School Board approved a transfer request of \$1,217,919,664, which reflects an increase of \$138,007,908 or 12.8 percent over the FY 2002 transfer level. This request is \$61.7 million greater than the Budget Guidelines.
- The FY 2003 transfer for School Debt Service is \$110,306,798, an increase of \$4.78 million over the *FY 2002 Revised Budget Plan*. The combined transfer for School operating and School debt service is \$1.27 billion which represents 51.6 percent of total County disbursements. Since FY 2000, the Board of Supervisors has increased authorized school bond sales from \$100 million to \$130 million each year. This level of sales has accelerated the pace of school construction. In FY 2003, the County has included funding for \$130 million for Public School Construction, which also includes school renewals. This transfer assumes the availability of \$5.7 million by the FCPS as previously agreed for the \$60 million in bonds sold for School capital projects in the fall of 1999 and 2000.

OTHER COUNTY SUPPORT FOR FCPS

\$46.7 million

Fairfax County provides additional support to Fairfax County Public Schools over and above the Operating and Debt Service transfers shown above. For FY 2003, this support totals \$46.7 million to fund the following:

- \$26.9 million for the Comprehensive Services Act (CSA), Head Start and School Age Child Care (SACC) programs,
- \$8.4 million to support Public School Nurses and Clinic Room Aides for schools;
- \$6.8 million for School Crossing Guards and for School Resource Officers who are now assigned to all FCPS high schools, middle schools and alternative schools;
- \$2.4 million in services provided by the Fairfax-Falls Church Community Services Board; and
- \$2.2 million for athletic field maintenance and other recreation programs.

A detailed summary of the School support is provided in the “Financial, Statistical and Summary Tables” section of this volume.

Support for Public Safety

Increased Overtime Funding for Critical Public Safety Programs

\$5,137,901

Overtime funding for the Police Department, Fire and Rescue Department, the Public Safety Communications Center and the Office of the Sheriff has been increased \$5,137,901 or over 23 percent in FY 2003 to support critical public safety requirements.

- An increase of \$2.0 million in the Police Department budget provides primarily for security and investigative work that began after the events of September 11th and is expected to continue based on our current high alert status. This work includes participation in Federal terrorism taskforces, increased surveillance activities, and outreach to residents, neighborhood groups and businesses in target communities.
- An increase of \$1.2 million in extra pay in the Fire and Rescue Department is due to new increased overtime pay requirements mandated by the State relative to the Fair Labor Standards Act.
- Based on the increased call volumes as well as the requirements for staff training associated with the continued implementation of the Emergency Medical Dispatch program, overtime funding supporting the Public Safety Communications Center is increased \$1.3 million.
- Enhancements to security and monitoring of the courthouse as well as to provide staffing associated with the current jail population required an increase of \$0.6 million in the Office of the Sheriff.

Transfer of Animal Shelter Function to Police Department

As part of the FY 2003 budget, the functions of the Animal Shelter are transferred to the Police Department to better reflect the alignment of resources. A total of 19/19.0 SYE positions are being transferred. The Animal Shelter will continue to provide humane care, food, and temporary shelter for approximately 7,500 animals each year.

Sully District Police Station

\$5.94 million

The newly constructed Sully District Police Station is scheduled to open in January 2003, the first new policing district in Fairfax County in 26 years. Funding of \$5,942,418 and 25/25.0 SYE positions are included in FY 2003 for this new facility. Additional staff positions have been provided from the COPS Universal Hiring Program V grant which was approved by the Board in October 2000 and the redeployment of existing positions from within the Police Department.

This level of funding includes Personnel Services funding of \$1,846,115, including \$442,978 in Fringe Benefits, Operating Expenses funding of \$2,222,618 and Capital Equipment funding of \$1,873,685. Operational requirements include: vehicle expenses such as radios, sirens, equipment, and maintenance/replacement costs; telecommunications expenses; furniture and storage cabinets; computer workstations; and other one-time operating expenses associated with the opening of a new facility. Capital Equipment funding provides for the purchase of vehicles for the officers assigned to the new station.

Other New Facilities

School Age Child Care (SACC) Centers \$373,597

Net funding of \$373,597 is included to support 22/22.54 SYE new positions associated with the SACC program, which provides for the safety, care, and developmental needs of school-age children through enriched learning experiences. In FY 2003, five new rooms will be added to existing school year sites as a result of school renewals, one room each at Camelot and Bren Mar (Mason), Hunters Woods and Dogwood (Hunter Mill), and Orange Hunt (Springfield). Collectively, these five school year sites will serve 250 additional children, including 25 with special needs. In addition, five school year sites will transition from a school-year (9 month) schedule to a year-round (12 month) schedule at Timber Lane and Graham Road (Providence), Franconia (Lee), Glen Forest (Mason), and Dogwood (Hunter Mill). It should be noted that funding of \$1,494,391, including \$225,937 in Fringe Benefits, has been included for costs associated with these SACC program expansions. These expenditures are partially offset by revenue of \$1,120,794, resulting in a net cost of \$373,597. In FY 2003, the school-year program will provide child care for approximately 8,559 children at 125 SACC sites. SACC will also operate 25 general summer centers for approximately 2,551 children and two self-contained special needs summer centers for 50 children. Both the school year and the summer program include integrated spaces for children with special needs.

Little River Glen Adult Day Health Care Program \$156,512

Funding in the amount of \$156,512 is associated with the July 2003 opening of the Adult Day Health Care program at the Little River Glen facility. This program will serve 35 to 40 frail elderly persons and adults with disabilities. The Adult Day Health Care program provides therapeutic recreational activities, supervision and health care to meet the needs of adults with physical and/or cognitive disabilities. The program enables participants to remain in their homes and communities and provides respite for their full-time caregivers. Two positions (2/2.0 SYE), equipment and supplies are funded for the last 3 months of FY 2003 to allow time for facility preparation and program startup, including the recruitment and hiring of additional staff and procuring furnishings and equipment.

Support for Youth, Family and the Community

Consolidated Community Funding Process \$8.1 million

FY 2003 will be the first year of a new two-year funding cycle that uses a consolidated process to set priorities and award funds from both the Consolidated Community Funding Pool and the Community Development Block Grant. In FY 2003, there will be approximately \$8.1 million available for the Consolidated Community Funding process, of which approximately \$6.3 million will be in Fund 118, Consolidated Community Funding Pool, and approximately \$1.8 million will be in Fund 142, Community Development Block Grant. This funding is approximately \$0.3 million more than the FY 2002 total of approximately \$7.8 million as a result of a six percent increase in the Fund 118 funding available for community-based agencies. The FY 2003 funding is provided to leverage additional funds through strategies such as cash-match from other non-County sources, in-kind services from volunteers, or contributions from businesses, the faith community, and other sources.

Vendor Contract Inflation Adjustment**\$1.8 million**

Funding increases in Human Service agencies for inflationary adjustments to vendor contracts total \$1.8 million. State revenue reimbursement of \$0.1 million results in a net cost of \$1.7 million in the Department of Family Services (\$373,795), the Health Department (\$638,692) and the Fairfax-Falls Church Community Services Board (\$691,354). The increases are largely the result of personnel-driven contracts and include disability services, emergency homeless shelters, Healthy Families Fairfax, SACC snacks, and maintenance for the Child Care Management System database in the Department of Family Services. The increase also supports maintenance for the Health Department Information System, and \$524,932 in increased contract costs for existing services by primary care providers under the Community Health Care Network. CSB programs impacted include residential, outpatient, and case management services for mental health clients, employment, training, and vocational support for mental retardation clients, and detoxification and methadone services for alcohol and drug services clients.

Special Education Graduates**Fairfax-Falls Church Community Services Board****\$1.37 million**

Funding in the amount of \$1,373,033 is included to provide vocational, transportation, and related services to 94 new special education graduates of the Fairfax County Public Schools. Since 1985, additional County funding for new graduates has been included in the CSB each year, providing for a continuum of services for retarded children/adults. These students have received 20 years of Federally-mandated education. Beyond the mandated special education services, adult services such as employment and training are provided by the CSB. Without this continuity, students may experience regression that could later require more intensive services. Including the June 2002 graduating class, funding of \$16.0 million, or approximately 20 percent of the proposed FY 2003 General Fund Transfer to CSB, supports services for nearly 1,000 former and current special education graduates.

West County Developmental Center**Fairfax-Falls Church Community Services Board****\$400,000**

An amount of \$400,000 is included for the full-year lease costs associated with the West County Developmental Center necessary to accommodate the new class of special education graduates and reduce overcrowding at existing facilities and to address annual program growth for the next several years. It should be noted that \$250,000 for start-up, renovation, and build-out costs was included as part of the *FY 2001 Carryover Review*. Developmental and habilitative services will be provided at this site including health support, speech therapy, training, and some vocational skills development.

**Communities That Care Youth Survey
Fairfax-Falls Church Community Services Board**

\$65,000

Funding is provided for the procurement, customization, and administration of the second bi-annual *Communities That Care Youth Survey*. The survey, to be administered to 11,000 County 8th, 10th and 12th graders, is an assessment tool to determine the rate of use of illicit drugs, including alcohol, among Fairfax County youth and to provide data about youth substance abuse, mental health, health and anti-social behaviors. The survey data will provide trend data and other information to more effectively direct resources to provide prevention, intervention, and treatment services for youth and is an important data set in applications for Federal and State funds to enhance these services. The first *Communities That Care Youth Survey* was completed in April 2001.

**Crisis Care Services for Children and Adolescents
Fairfax-Falls Church Community Services Board**

\$834,109

Funding in the amount of \$834,109 will support the full-year operation of a crisis care facility for children and adolescents. This facility will serve children and youth in Fairfax County who do not require psychiatric hospitalization but do require diagnostic assessment and targeted treatment in a short-term secure residential setting. An estimated 70 to 80 percent of all children and adolescents prescreened for hospitalization in mental health emergency services could be diverted from a hospital by staying in a crisis care facility. When fully operational, approximately 300 youth will be diverted from less appropriate placements to this facility. Services will be contracted out to the private sector. In FY 2002, this facility was funded for start-up costs, partial year lease expenses and operating and equipment costs.

**West Nile Virus Contract
Health Department**

\$350,000

Funding in the amount of \$350,000 has been included in FY 2003 for ongoing contractual services to provide monitoring and proactive services aimed at preventing the escalation of West Nile Virus in Fairfax County. West Nile Virus is an arbovirus, transmitted between birds and mammals by mosquitoes. The Center for Disease Control (CDC) believes the Washington Metro area to be at a high risk potential for an outbreak of the virus over the next few years. FY 2003 services will include picking up dead birds for testing, monitoring and testing mosquito populations in the County via light traps, identification of mosquito breeding areas, applying larvacides to prevent the hatching of adult mosquitoes, treating selected storm sewers to control mosquitoes, and responding to citizen complaints of excessive mosquitoes.

Support for Transportation

Funding for Metro Operations

\$73.5 million

The FY 2003 County budget obligation for Metrorail and Metrobus operations and capital requirements is \$73.5 million, with funding support from a combination of State aid, gas tax revenue, a General Fund transfer, State bonds, and other miscellaneous sources. This funding level supports existing Metrorail and Metrobus service levels, improvements to local bus service provided by WMATA, increased funds for MetroAccess due to increased utilization of ADA paratransit services, continuation of the Springfield Circulator Bus Service, and other service enhancements. This funding level also supports necessary capital requirements including facility and equipment maintenance and support of the existing 103-mile Metrorail system. Capital funding required

for FY 2003 has increased because of additional subsidy requirements for the Infrastructure Renewal Program (IRP). FY 2003 funding of \$15.5 million is included for the IRP, an amount that is expected to increase in future years. The FY 2003 General Fund transfer to Metro is \$12.3 million and \$12.2 million in Capital requirements will be supported by County General Obligation Bonds. Any necessary adjustments to FY 2003 funding levels for Metro Operations will be made at the *FY 2002 Carryover Review*, upon consideration and final approval of the WMATA budget, contingent upon Board of Supervisors' review and approval.

County Transit Funding

\$17.1 million

The FY 2003 County funding requirement for County Transit Systems is \$17.1 million, an increase of \$1.1 million over the FY 2002 level. In conjunction with various State and other miscellaneous funds, this total provides funding for operating and capital expenses for the FAIRFAX CONNECTOR bus system (Huntington, Community Bus Services (CBS), and Reston-Herndon Divisions) as well as the County's share of the subsidy for the Virginia Railway Express (VRE) commuter rail services. These funds support required contractual adjustments in the CONNECTOR bus system, including a 6.1 percent increase for the Huntington Division to support the new contract with Yellow Bus Services approved by the Board of Supervisors on December 3, 2001. This funding level supports current service levels on existing CONNECTOR routes, and the continuation and expansion of the Dulles Corridor Express Bus Service, as well as additional fuel costs associated with the introduction of low-sulfur diesel fuel. In addition, \$1.4 million in funds resulting from a change in the NVTC allocation formula, and available through a transfer from Fund 309, Metro Operations and Construction, will be utilized for various mass transit enhancements such as expanded bus service, and reduced fare initiatives on select transit trips.

Employee Compensation

Attracting and retaining effective employees is key to Fairfax County's success in delivering quality services, developing innovative solutions, and operating efficiently. The County's compensation plans reflect our commitment to providing fair and equitable compensation and benefits competitive with the marketplace. The FY 2003 budget supports our compensation program and includes funding to address a number of refinements. The General Fund cost of the FY 2003 program discussed below is \$21.8 million and is funded entirely within the Budget Guidelines established by the Board.

Non-Public Safety Adjustments

\$9.9 million

For FY 2003, additional funding in the amount of \$9,915,278 is provided. FY 2002 marked the second year of the County's initiative to link pay with performance for the more than 8,000 non-public safety employees covered by Pay for Performance. In an effort to more closely link pay to performance, a new continuous scale was introduced with 12 discrete points (0, 2, 2.5, 3, 3.5, 4, 4.5, 5, 5.5, 6, 6.5, 7) offering employees the opportunity to earn pay increases from 0 to 7 percent, depending on their performance rating. FY 2002 was also the last year for the cost of living adjustment for County employees. For employees in Pay for Performance, future pay increases will be based solely on performance ratings. In FY 2003, funding in the amount of \$8,052,639 for General Fund agencies and \$1,862,639 for General Fund supported agencies for a total of \$9,915,278 is included for pay for performance awards.

In addition, to ensure that pay scales remain competitive with the market, non-public safety pay scales will be increased in accordance with the annual market index, calculated based on data from the Consumer Price Index, the Federal Wage adjustment, and the Employment Cost Index, which includes private sector, state and local government salaries. This approach serves to increase the long-term earning potential of employees as the top of the scale will be adjusted to reflect what is happening in the marketplace. In FY 2003, the non-public safety pay scales are adjusted 2.67 percent based on the current market index. It is important to note this adjustment will not impact most employee salaries as a result of the open ranges, and increases can only be earned through performance.

Uniformed Public Safety Adjustments

\$8.64 million

In FY 2003, pay increases for public safety employees, who are not participating in pay for performance, will be linked to a market rate adjustment and step increments. Funding in the amount of \$1.64 million has been included for public safety merit increments. In addition, \$7.0 million has been included to provide a 2.67 percent market rate adjustment for all public safety employees. This adjustment is consistent with the market index for FY 2003.

FY 2003 Impact of Increases in Fire and Rescue Salaries

\$2.5 million

Adjustments were included in the FY 2002 budget to enhance the competitiveness of Fire and Rescue position salaries. These included a 2 percent increase for the ranks of Lieutenant and above, effective July 2001, and a 4 percent increase for all uniformed employees effective April 2002. The FY 2003 full year impact of these adjustments is \$2,471,450.

Market Study Results

To address issues of employee recruitment and retention and ensure pay competitiveness, annual market studies are conducted on certain job classes which are compared against data on comparable positions in both the public and private sectors. This year, the classes studied included 44 core benchmark classes (selected based on the occurrence of matching job classes in the Metro area and the availability of sufficient market data in the recruitment area) and 33 supplemental benchmark classes (which are more specialized in nature or may be experiencing recruitment/retention problems). Based on the recommendations of the study, employees in classes found to be below market will be moved to a higher pay grade. In accordance with amendments to the Personnel Regulations made in FY 2001, individuals in the "S" pay plan move to the new pay grade but remain at their current pay rate. Only employees whose current pay falls below the minimum for the new pay grade will receive a pay adjustment. Position changes as a result of the market study are reflected in the Job Classification Table found in the "Compensation Plan/Pay Schedules" section in Volume 1 of the FY 2003 Advertised Budget Plan.

Increase in Shift Differential Pay Rate**\$598,067**

FY 2003 is the second year of the three year planned phase-in of an increase in shift differential. County employees, in a number of agencies, work evening and overnight shifts to provide important coverage of County operations outside the normal business hours. In FY 2001, the Department of Human Resources conducted a survey of shift differential rates for the Washington area jurisdictions. The survey indicated that Fairfax County's rates were near the lowest in the region. In order to bring these rates to levels more comparable to those in surrounding jurisdictions, a three year phased increase was proposed for all agencies except for the Fire and Rescue Department where the shift differential increased by \$.44 effective January 12, 2002. In FY 2002, the first year of the phase-in, shift hourly differentials were increased from \$0.50 to \$0.55 and \$0.70 to \$0.75 for public safety 2nd and 3rd shifts, and from \$0.25 to \$0.40 and \$0.35 to \$0.55 for non-public safety 2nd and 3rd shifts. In FY 2003, shift differential hourly rates increase from \$0.55 to \$0.60 and \$0.75 to \$0.80 for public safety 2nd and 3rd shifts, and from \$0.40 to \$0.55 and \$0.55 to \$0.75 for non-public safety 2nd and 3rd shifts. By year three of the phased-in increase, the rates for all County employees will be equivalent to \$0.65 for the 2nd shift and \$0.90 for the 3rd shift, rates more consistent with the region. The FY 2003 increase associated with the changes is \$598,067.

OTHER EMPLOYEE RELATED ITEMS**Health Insurance Cost Increase****\$4.47 million**

In FY 2003, group health insurance premiums total \$36,327,637, an increase of \$4,466,642 or 14.0 percent over the *FY 2002 Revised Budget Plan* level. The increase is based on nationwide health insurance cost growth trends, which result in an average health insurance premium increase of 20.0 percent for both the self-insured plan and HMOs, effective January 1, 2003 (a six-month impact in FY 2003). After slow medical cost growth in the early to mid 1990's, spending for health care has been steadily increasing in recent years. The primary factors in the escalating cost growth are increased utilization and the rising costs of prescription drugs. The County offers a competitive program of health care coverage for employees and retirees. To offset larger premium increases, the plans have been modified to increase deductibles and out-of-pocket limits and add incentives for generic drugs.

Retirement Systems**\$2.2 million**

The FY 2003 employer contributions total \$50,979,190, an increase of \$2,206,119 or 4.5 percent over the *FY 2002 Revised Budget Plan*. The net increase is based on the impact of the changes in the employer contribution rates as determined by the actuarial valuation which results in an increase of \$7,783 and a net increase of \$2,198,336 for pay for performance/merit increments for current staff, new positions and salary adjustments.

Workers' Compensation**\$4.1 million**

An increase of \$4,137,023 in the General Fund workers' compensation premium reflects the one-time use in FY 2002 of available savings due to the cumulative impact of better than projected claims experience. This experience resulted in lower than anticipated workers' compensation liability, which is passed on to the General Fund through reduced premiums. In FY 2003, this balance is unavailable to offset premium costs to the General Fund.

Funding for Training**No Increase**

Training funding in Agency 89, Employee Benefits remains at the FY 2002 Adopted Budget Plan level of \$1,592,150. This level of funding supports the County's Tuition Assistance Program; General County Training Program which includes supervisory development, career development and team building; Language Skills Program; and Information Technology Training. In addition, the agency specific training initiatives undertaken in FY 2002 have been maintained whereby funding for certification training previously budgeted in Employee Benefits was moved to agency operating budgets and professional development training was provided based on a percentage of Regular Salaries and Limited Term funding.

Business Operations**Additional Positions**

A total of 50/50.54 SYE new positions is included in the FY 2003 budget. Of this amount, 49/49.54 SYE new positions are necessary to support new facilities or completed expansions to existing facilities as noted earlier, and one position (non-General Fund) to address workload increases (see detail below). Only 96 net positions have been added to the County's total position count since FY 1991. The position count has remained relatively stable over the past decade despite the addition of new facilities, sizeable increases in workload, and increases in population (and related service requirements) by redirecting resources and effective use of technology. Details are included in the narrative portion of each agency write-up.

▪ Additional Position – McLean Community Center**\$35,000**

Funding of \$35,000 including \$28,000 in Personnel Services and \$7,000 for fringe benefits is included to provide for 1/1.0 SYE additional Recreation Specialist I position. The position will assist the Performing Arts Director with administrative support duties as well as coordination and scheduling of programs, expansion of current programs, and the development of new programs especially in the areas of youth participation. Patron participation has increased from 65,535 hours in FY 1999 to an estimated 86,000 hours in FY 2003. This position is entirely supported with revenues of the Community Center and has no General Fund impact.

Vendor Contract Increases**\$1.4 million**

Funding for contractual increases in Facilities Management (\$890,857) and County Transit (\$498,408) are provided. The increases include elevator maintenance, security and custodial services, parking management and defibrillator training in the Facilities Management Division and contract requirements for FAIRFAX CONNECTOR bus service for the Community Bus Services, Reston-Herndon and Huntington Divisions.

Information Technology (IT) Funding**\$10,193,626**

In FY 2003, a total of \$9,031,626 is transferred from the General Fund, \$540,000 is available as a result of the State's Technology Trust Fund, and \$622,000 is projected in interest earnings. FY 2003 Information Technology funding requests spanned a wide variety of technologies and initiatives, including funding for the continuation of major redesign initiatives, as well as smaller, agency specific technology enhancements, and totaled approximately \$29.6 million. Significant review and analysis were required to manage the technology needs within limited fiscal resources.

Once reviewed, funding consideration was guided by five information technology priorities established by the Senior Information Technology Steering Committee, which is comprised of the County Executive and senior County managers. 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 maintaining and strengthening the County's technology infrastructure. Funded projects will support initiatives in the Human Services, Planning and Development, Public Safety and Court Services program areas. These priorities are as follows:

Priority	FY 2003 Advertised Funding
Projects Providing Convenient Access to Information and Services	\$3.10 million
Projects Providing a High Level of Responsiveness to Customer Requirements	\$1.39 million
Management of County Information Assets	\$3.23 million
Management of County Technology Assets	\$1.92 million
Management of County Human Resource Assets	<u>\$0.55 million</u>
TOTAL	\$10.19 million

Health Insurance Portability and Accountability Act (HIPAA)**\$200,000**

FY 2003 funding of \$200,000 is included in the Department of Information Technology to support technical and business operation requirements to meet the Federally-mandated Health Insurance Portability and Accountability Act (HIPAA) passed by Congress in 1996. This Act requires a number of measures in order to protect the privacy of individually identifiable health information. It is anticipated that a majority of the requirements will require changes to business practices, staffing allocations, facility configurations and awareness training. Every County agency will need to assess their handling of data and procedures within their business practices, and incorporate the privacy provisions in all systems they use. HIPAA compliance for electronic transmission standards is required by October 2002. Compliance with privacy and disclosure regulations is required by April 2003. Security and storage regulations will be implemented at a future date.

Solid Waste Disposal Transfer**\$3.6 million**

In FY 2003, to fund the operating deficit for Fund 110, Refuse Disposal, a General Fund transfer of \$3,620,306 is required, a reduction of \$1,879,694 from the FY 2002 level of \$5.5 million primarily due to projected increased waste tonnage and the FY 2002 negotiated contracted disposal rate increase from \$36.00 to \$37.95 per ton. The County's refuse disposal system had maintained a stable disposal rate over the past five years in order to remain competitive and retain tonnage levels at the required 930,750 tons per year at the Energy Resource Recovery Facility. As a result, program costs over the same period exceeded

revenues by a yearly average of \$4.8 million. These shortfalls had been absorbed from fund balances that were depleted in FY 2000. In FY 2001, \$5.46 million was made available from the Rate Stabilization Reserve in Fund 112, Energy Resource Recovery Facility to cover the operational shortfall and an additional \$5.5 million was transferred from the General Fund in FY 2002. In FY 2003, a transfer of \$3.6 million from the General Fund will allow the County to maintain current refuse disposal rates and continue to provide the level of service to specific disposal programs that do not fully recover their costs. The subsidized programs include the County's Recycling Program, Household Hazardous Waste Program, and Code Enforcement Program. The FY 2004 General Fund transfer to Fund 110 could increase, primarily as a result of economic factors which may result in a decrease of waste tonnages or a change in the contracted rate for disposal based on current conditions or a more competitive market.

Capital Construction Program

Financial Policies and Debt Management:

In 1975, the Board of Supervisors adopted the *Ten Principles of Sound Financial Management*, a set of policies which has been instrumental in maintaining the County's "triple A" bond rating. 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 citizens of Fairfax County. From time to time the Board of Supervisors has amended and reaffirmed the *Ten Principles of Sound Financial Management* in order to address changing economic conditions. The Board last affirmed the *Ten Principles* in August 1988. This year the *Ten Principles* have been revised to reflect current economic conditions and operating practices. Staying current will allow the County to continue to maintain its superior fiscal position, and, more importantly, will enable it to adjust its debt capacity from \$150 million to \$200 million annually to meet increasing capital needs. The Advertised Capital Improvement Program, Fiscal Years 2003-2007 (With Future Fiscal Years to 2012) presents some alternatives for use of this capacity. In addition to bond financing and bonding capacity, the *Ten Principles* also address management practices related to financial policies and tools. The amendments reflect current fiscal management practices that provide greater accountability. For example, the County has replaced the Management by Objectives (MBO) approach with a performance measurement system that uses a Family of Measures (Output, Efficiency, Service Quality, and Outcome) that is linked to each agency's mission, goals and objectives, and focuses on meaningful results. Further information on the *Ten Principles of Sound Financial Management*, including the 1988 and 2002 (updated) versions, may be found in the "Long-Term Financial Policies and Tools" section of this volume.

In addition, this year marks the beginning of a process to enhance the way the County uses the Capital Improvement Program (CIP) as an effective planning tool for capital facilities. The County has been challenged in recent years to keep pace with facility requirements associated with infrastructure maintenance and growth in population. In order to address these issues and link the CIP to the County's goals as identified in the Comprehensive Plan, staff is working to refine the capital planning process. These refinements include development of Guiding Principles for capital planning and new criteria for developing recommendations for the CIP and the capital budget. Format changes to the CIP document have also been developed to distinguish major maintenance and rehabilitation projects from new or growth-initiated projects and to identify

County Executive Summary – FY 2003 Advertised Budget as presented on February 25, 2002

longer-term (5-10 year) project requirements. The enhancement of the CIP will be an iterative process over the next several years that will result in a comprehensive blueprint for the development and renewal of capital facilities.

Below are details on the components of the Capital Construction Program for FY 2003, including paydown and bond-funded projects.

PAYDOWN CONSTRUCTION PROGRAM **\$20.15 million**

An amount of \$20.15 million is included for County Paydown construction in FY 2003 and is directed to the most critical projects. Further detail is provided in the "Capital Projects Overview" section of this volume.

• **County Maintenance** **\$1.79 million**

Funding in the amount of \$1,786,000 will continue to provide general maintenance funds to address priority requirements at County facilities including: carpet replacement; HVAC/electrical replacement, roof repair and waterproofing, parking lot resurfacing, fire alarm replacement, and emergency generator replacement. Funding is also included for miscellaneous building repairs.

• **Parks Maintenance** **\$2.03 million**

Funding in the amount of \$2,029,000 has been included for Park maintenance at non-revenue supported Park facilities to fund such items as: repairs/replacements to roofs, electrical and lighting systems, security and fire alarms, sprinklers, and HVAC equipment; grounds maintenance; minor routine preventive maintenance; and ongoing implementation of ADA compliance at Park facilities.

• **Athletic Field Maintenance** **\$1.80 million**

Funding in the amount of \$1,800,000 has been included for Athletic Field maintenance in order to maintain quality athletic fields at acceptable standards, improve safety standards, improve playing conditions and increase user satisfaction. Maintenance includes: field lighting, fencing, irrigation, dugout covers, infield dirt, aerification and seeding.

• **Stormwater Management** **\$2.42 million**

A total of \$2,420,000 has been included for storm drainage maintenance and emergency repairs including: Kingstowne environmental monitoring, dam safety inspections and improvements; perennial stream mapping; annual emergency drainage repairs throughout the County; and the Virginia Pollutant Discharge Elimination System (VPDES) Municipal Separate Storm Sewer System (MS4) discharge permit. An amount of \$1,600,000 is associated with the VPDES-MS4 permit which is considered a renewal of the National Pollutant Discharge Elimination System (NPDES) permit, and will be valid for five years. In accordance with the permit renewal submission approved by the Board of Supervisors on July 23, 2001, activities will include water quality testing, watershed master planning, improvement programs, and development of the GIS-based storm sewer system inventory. The Virginia Department of Environmental Quality (DEQ) is expected to make a decision regarding final permit requirements in FY 2002.

- **New or Renovated County Facilities** **\$4.60 million**

Funding in the amount of \$4,600,000 has been included for new or renovated County facilities including: \$100,000 to support Phase I of the Girls Softball Complex at Wakefield Park, \$1,000,000 to help offset increased construction costs associated with the West County Recreation Center, and \$1,000,000 to provide monies earmarked for the acquisition of land for future County facilities. In addition, an amount of \$2,500,000 has been included in FY 2003 to begin to address property and liability management at the Laurel Hill (Lorton Prison) property, as well as the master planning required for redevelopment and public use.
- **Payments and Obligations** **\$3.66 million**

Funding in the amount of \$3,664,717 has been provided for costs associated with annual contributions and contractual obligations. Funding of \$1,021,702 is required for the first year of a five-year lease-purchase agreement associated with systems furniture for the new South County Center. FY 2003 represents the final year for reimbursement to the Fairfax County Public Schools for renovations to construct a School Aged Child Care (SACC) facility at Lemon Road Elementary School (\$1,358,691), to replace leased space at Chesterbrook Presbyterian Church. In addition, annual contributions have been provided for: SACC program school operating and overhead costs (\$500,000); final payment of a six-year payment plan to purchase the Mount Gilead property in Centreville (\$105,500); and the County's annual contribution to the Northern Virginia Community College capital program (\$678,824).
- **Revitalization Initiatives** **\$1.85 million**

Funding totaling \$1,850,000 is provided for Commercial Revitalization projects (\$798,000) to be approved by the Board of Supervisors in the context of the Capital Improvement Program (CIP) and/or other planning discussions; and for specific commercial revitalization efforts (\$1,052,000) in Baileys Crossroads/Seven Corners, Annandale, Richmond Highway, Lake Anne, Merrifield, Springfield, and McLean, as well as Commercial Revitalization program costs.
- **Other Paydown Projects** **\$2.0 million**

Other paydown projects totaling \$2.0 million supported in FY 2003 include: safety upgrades and emergency repairs to trails and sidewalks; VDOT participation for sidewalk repair and replacement, developer defaults, annual road maintenance, the Board of Road Viewers program, construction associated with TAC Spot Improvement projects, refurbishment of courtrooms at the General District Court, and assessment studies associated with the Public Safety Communications Center (PSCC) and the County's West Ox Road Complex.

Bond-Funded Projects**\$175.68 million**

In FY 2003, an amount of \$175,684,485 is included in General Obligation bond funding. Of this amount, \$130,000,000 is budgeted in Fund 390, Public School Construction, and \$12,154,147 has been included in Fund 309, Metro Operations and Construction, to support the completion of the 103-mile Metrorail System, as well as maintain and/or acquire facilities, equipment, railcars and buses. In addition, FY 2003 bond funding in the amount of \$33,530,338 has been included for projects such as the Northern Virginia Regional Park Authority (\$2,250,000), West Ox Maintenance Facility expansion (\$2,085,000), construction of the Fairfax Center and Crosspointe fire stations (\$9,305,338), and several projects within the Park Authority bond program (\$19,890,000), including development of athletic fields and infrastructure renovations. Funding for these bond projects is consistent with the FY 2002 - 2006 Capital Improvement Program (With Future Years to 2009) as approved by the Board of Supervisors on April 30, 2001.

TAX RATE AND FEE ADJUSTMENTS

With the exception of the adjustments noted below, there are no changes in the existing tax rates, including the real estate and personal property tax rates, included as part of the FY 2003 Advertised Budget Plan. The following adjustments are proposed:

Sewer Service Rate and Availability Charges

The Sewer Service Rate and Sewer Availability Charge will increase in FY 2003 based on increased costs associated with capital project construction, system operation debt service and upgrades to more effectively reduce nitrogen discharge from wastewater treatment plants in order to meet new, more stringent nitrogen discharge limitations. The Sewer Service Charge rate will increase from \$2.88 to \$2.95 per 1,000 gallons of water consumption in FY 2003. Based on this rate increase, the additional annual cost to the typical household is anticipated to be \$5.32. The Sewer Availability Charge will increase from \$5,069 to \$5,247.

Solid Waste Reduction and Recycling Centers (SWRRC)

The Solid Waste Reduction and Recycling Program (SWRRC) operates on a user fee basis in which program participants purchase a permit which entitles the holder to use the disposal and recycling facilities at two SWRRC sites located in Great Falls and McLean. To fully fund the cost of the SWRRC program for FY 2003, the current annual user fee of \$195 per participant charged to SWRRC customers must be increased to \$280, an increase of \$85 per year. Due to savings and cost control mechanisms SWRRC program costs have only modestly increased since FY 2000, for an average annual increase of 3.5 percent. However, SWRRC program revenues have shown a sharp decrease as a result of a reduction in the number of customers. The number of SWRRC program participants has decreased from 1,092 in FY 1999 to 930 in FY 2001, and is projected to be 850 in FY 2002. Since FY 1998 the SWRRC program has been drawing down its program balance to cover increased personnel and operating costs and the decreased revenues associated with the loss of customers. The program balance will be depleted during FY 2002 and unavailable to support continued deficit spending. The fee increase to \$280 is necessary to offset this funding shortfall and to cover program costs. The SWRRC program will be monitored during the year and at the *FY 2003 Third Quarter Review* to assess the impact of attrition in the customer base adversely affecting the ability of the program to sustain

itself. In the event of continued loss of customers to less expensive alternatives, long-term program operations will not be sustainable.

Computer Depreciation Schedule Adjustment

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) annually reviews the depreciation rate schedule for computer hardware due to the speed with which computer values change. The computer depreciation schedule was adjusted in each year FY 1999 to FY 2001. It was not necessary to change the depreciation schedule in FY 2002. Based on current trends, however, the computer depreciation schedule for equipment purchased one to three years prior will be adjusted in FY 2003. This change to the computer depreciation schedule is anticipated to reduce Personal Property revenue by approximately \$5.0 million.

FINANCIAL FORECAST

The Financial Forecast for FY 2004 reflects a deficit of approximately \$14 million. In accordance with the Board's Budget Guidelines, increases in County expenditures and the transfer to the Schools have been limited to match the revenue growth rates which is anticipated to be 7.0 percent in FY 2004, a rate consistent with the overall revenue growth rate in FY 2003. As a result, County spending levels are suppressed in order to fit within the scope of the projected revenue growth. Increases associated with our growing population as well as pressures placed on County services from business expansion, State mandates, and other factors cannot easily be accommodated within this level of revenue growth. The County will continue to be challenged in order to balance these increasing service requirements and infrastructure needs within the constraints of projected revenue growth. Details of this growth are included in the "Financial Forecast" section of this volume.

CONCLUSION


The budget plan I am presenting today is a fiscally prudent plan that does not break new ground but keeps us on solid ground. We have balanced critical needs with ongoing operational requirements to create a fiscally sound budget plan.

I have not discounted the cautious optimism we are hearing about an economic recovery; however, I have chosen to err on the side of caution rather than optimism as the most fiscally responsible course in these uncertain times. In taking this disciplined approach, we realized we would be unable to fund many worthwhile projects or address many of the pressing needs in the community.

For years, our approach to financial management has earned us high marks in the financial community, resulting in savings of millions of dollars in interest expense on bonds sold annually. This year, Fairfax County's financial management was rated among the best in the nation by *Governing* magazine and the Government Performance Project. Adherence to our *Ten Principles of Sound Financial Management* has been the foundation of this success. As part of our budget deliberations for FY 2003, we are asking you to reaffirm these *Ten Principles* which have been updated to reflect current economic conditions and management practices. As the basis for our financial planning, these principles ensure our long-term fiscal stability.

In closing, I want to express my appreciation to the Board for your support during the past year. As an organization, we faced a year of challenges and uncertainty but we have persevered and reached new heights of achievement. I believe that is a tribute to your leadership and to the dedication of our employees. I also want to acknowledge the significant contribution of the staff who prepared this information for the Board and the community. We look forward to working with you on the FY 2003 budget.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "A. Griffin". The signature is stylized and cursive.

Anthony H. Griffin
County Executive

Budget Highlights

This section includes:

- ▶ *Fairfax County Budget Facts
(Page 34)*
- ▶ *General Fund Receipts
(Page 35)*
- ▶ *General Fund Disbursements
(Page 36)*
- ▶ *Budget Highlights
(Page 37)*
- ▶ *Revenue All Funds - Pie Chart
(Page 55)*
- ▶ *Expenditures All Funds - Pie Chart
(Page 56)*

BUDGET HIGHLIGHTS

FY 2003 FAIRFAX COUNTY BUDGET FACTS

Budget Guidelines

- ◆ In April 2001, the Board of Supervisors approved **Budget Guidelines** that directed the County Executive to develop a budget for Fiscal Year 2003 that limits increases in expenditures to projected increases in revenues.
- ◆ If Real Estate assessments continue to increase significantly, the Board will direct the County Executive to develop a budget for FY 2004 that includes a reduction in the Real Estate tax.
- ◆ **The County's transfer to the Fairfax County Public Schools (FCPS)** should also be limited to the projected rate of increase in County revenues.
- ◆ **In order to prevent future structural imbalances**, non-recurring funds will be directed toward non-recurring uses and only recurring resources may be targeted toward recurring expenses.
- ◆ **One-half of the balance** remaining after Carryover adjustments and the allocation to the Revenue Stabilization Fund is to be allocated to the Schools to support non-recurring requirements.

Tax Base

- ◆ **Total FY 2003 General Fund Revenue** is \$2.44 billion and reflects an increase of \$155.48 million or 6.8 percent over the *FY 2002 Revised Budget Plan*.
- ◆ **One Real Estate Penny** is equivalent to approximately \$11.6 million in tax revenue.
- ◆ **One Personal Property Penny** is equivalent to approximately \$0.9 million in tax revenue.
- ◆ **Average Residential Assessed Property Value** is projected at \$272,943.
- ◆ **The Commercial/Industrial percentage** of the County's Real Estate Tax base is 21.97 percent.
- ◆ **Assessed Value** of all real property is projected to increase \$15.1 billion or 15.14 percent over FY 2002.
- ◆ **Real Estate and Personal Property Taxes** (including the Personal Property portion being reimbursed by the Commonwealth) comprise approximately 75.9 percent of Combined General Fund Revenues.

Expenditures

- ◆ **General Fund Direct Expenditures** total \$915.37 million, an increase of 3.63 percent over the *FY 2002 Revised Budget Plan*.
- ◆ **General Fund Disbursements** total \$2.44 billion and reflect an increase of \$119.53 million, or 5.15 percent, over the *FY 2002 Revised Budget Plan*.
- ◆ **The County General Fund transfer** for school operations totals \$1.17 billion, an increase of \$87.95 million, or 8.14 percent, over the *FY 2002 Revised Budget Plan* transfer.
- ◆ **Expenditures for All Appropriated Funds** total \$4.1 billion.
- ◆ **General Fund Support for Information Technology (IT) Projects** is \$5.92 million. FY 2003 project consideration was guided by priorities established by the IT Senior Steering Committee. Projects with the highest priority include those mandated by the Federal or State government and those necessary to complete previous project investments.
- ◆ **Pay-As-You-Go Capital Construction** projects total \$16.2 million.
- ◆ **Authorized Positions** for all funds are increasing by a net 23/23.54 SYE positions in FY 2003. These positions are all associated with staffing new County facilities or workload requirements.

Tax Rates

- ◆ **Real Estate Tax Rate** is reduced from \$1.23 to \$1.21 per \$100 assessed value.
- ◆ **Personal Property Tax Rate** remains at \$4.57 per \$100 assessed value.
- ◆ **Refuse Disposal Rate** remains constant at \$45 per ton.
- ◆ **Leaf Collection Rate** remains constant at 1 cent per \$100 assessed valuation.
- ◆ **Sewer Service Rate** increases from \$2.88 to \$2.95 per 1,000 gallons of water consumption.
- ◆ **Sewer Availability Charge** for new single family homes increases from \$5,069 to \$5,247.
- ◆ **Refuse Collection Rate** for County collected sanitation districts remains at \$210 per household.
- ◆ **Solid Waste Ash Disposal Rate** remains constant at \$11.50 per ton.
- ◆ **Solid Waste Reduction and Recycling Rate** increases from \$195 to \$225 per participant.
- ◆ **A Countywide Special Tax** of \$0.001 per \$100 of assessed value, or an average of \$2.73 per household, is included for the Forest Integrated Pest Management Program.

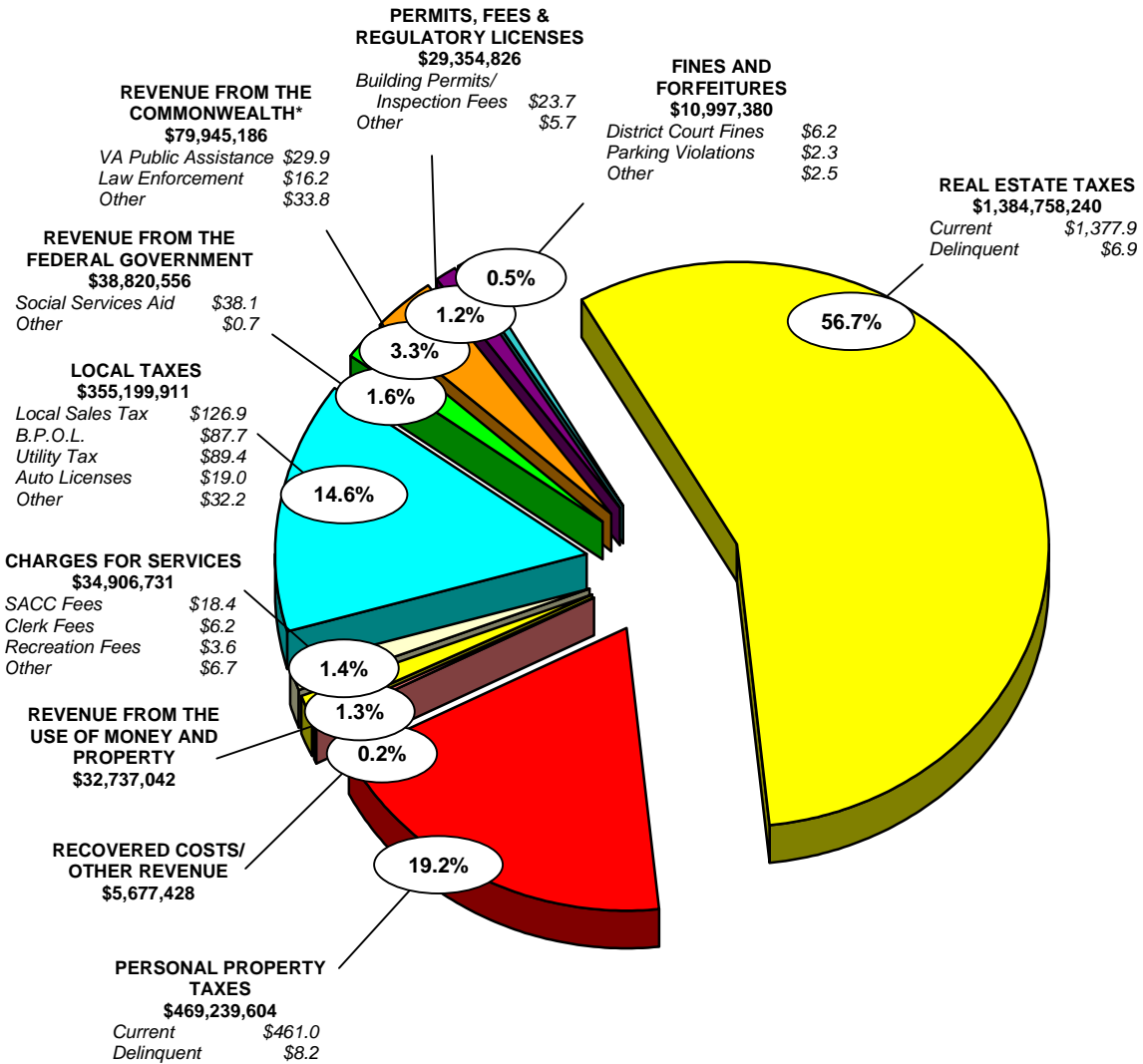
Population

- ◆ **Fairfax County's population** is projected to be 998,153 persons as of January 2002. This is an increase of 1.72 percent over the January 2001 estimate of 981,290 and an increase of 21.9 percent over the 1990 census count.

FY 2003 GENERAL FUND RECEIPTS

Where it comes from . . .

(subcategories in millions)

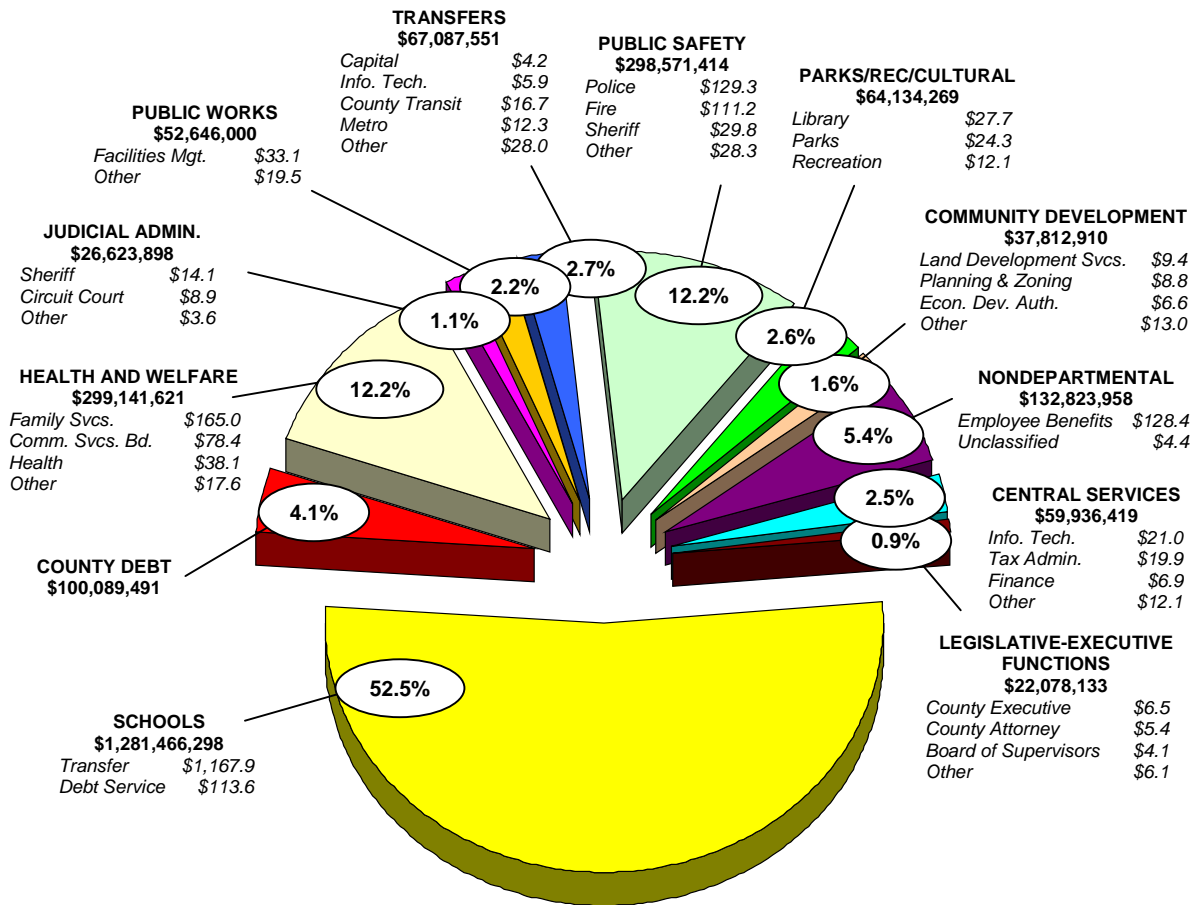


FY 2003 GENERAL FUND RECEIPTS = \$2,441,636,904

* 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 2003 GENERAL FUND DISBURSEMENTS

Where it goes . . .
(subcategories in millions)



FY 2003 GENERAL FUND DISBURSEMENTS = \$2,442,411,962

BUDGET HIGHLIGHTS

BUDGET HIGHLIGHTS

This section provides a synopsis of major highlights of the FY 2003 Adopted Budget Plan. The FY 2003 Adopted Plan includes funding for a net total of 23 new positions, the opening of new County facilities, State mandates, or substantial workload adjustments. The *Budget Highlights* are summarized in the following sections:

- ◆ County Support for Fairfax County Public Schools
- ◆ Support for Public Safety
- ◆ Other New Facilities
- ◆ Support for Youth, Family and the Community
- ◆ Support for Transportation
- ◆ Employee Compensation
- ◆ Business Operations (Including Information Technology)
- ◆ Capital Construction Program
- ◆ Bond-Funded Projects
- ◆ County Budget Reductions
- ◆ Tax Rate and Fee Adjustments
- ◆ Financial Forecast
- ◆ Performance Measurement
- ◆ Government Performance Project
- ◆ Fairfax County Economic Index

County Support for Fairfax County Public Schools

For FY 2003, Fairfax County is providing the highest percentage of County revenue in 20 years – more than 52 percent of its total General Fund budget to Fairfax County Public Schools (FCPS). This level of funding accounts for approximately 75 percent of the FCPS operating budget. Funding is provided through two transfers – one transfer to support operations and another to support debt service for bond-funded capital projects to build new schools and renew older facilities. As part of their deliberations on the FY 2003 budget, the Board of Supervisors increased County funding to FCPS by \$17.3 million over the FY 2003 Advertised Budget Plan, the details of which are described below.

General Fund Transfers

- ◆ **School Operating Fund** **\$1.17 billion**

The FY 2003 County General Fund transfer to the Fairfax County Public Schools for school operations totals \$1,167,861,517, an increase of \$87,949,761, or 8.14 percent over the *FY 2002 Revised Budget Plan*. In fact, since the Board of Supervisors' number one priority is education, the Board took steps to reallocate funding from other County programs in order to increase the operating transfer to FCPS by an additional \$11,600,000 over the FY 2003 Advertised Budget Plan as well as making available for school operations an additional \$5.7 million as a result of the County assuming debt service payments formally included in the School's operating budget.

BUDGET HIGHLIGHTS

◆ School Debt Service

\$113.6 million

The FY 2003 transfer for School Debt Service is \$113,604,781, an increase of \$8,076,373 over the *FY 2002 Revised Budget Plan*. The combined transfer for School operating and School debt service is \$1.28 billion, which represents 52.5 percent of total County disbursements. Since FY 2001, the Board of Supervisors has increased authorized school bond sales from \$100 million to \$130 million each year. This level of sales has accelerated the pace of school construction. In FY 2003, the County has included funding for \$136.4 million for Public School Construction, which also includes school renewals. This transfer includes an additional \$5.7 million for the \$60 million in bonds sold for School capital projects in the fall of 1999 and 2000 in order to make more funding available for FCPS operating requirements.

Other Support for FCPS

◆ Additional County Funding in Support of Fairfax County Public Schools (FCPS) \$46.2 million

Fairfax County provides additional support to Fairfax County Public Schools over and above the Operating and Debt Service transfers shown above. For FY 2003, this support totals \$46.2 million, which funds the following:

- \$26.4 million for the Comprehensive Services Act (CSA), Head Start and School Age Child Care (SACC) programs;
- \$7.9 million to support Public School Nurses and Clinic Room Aides for schools;
- \$6.8 million for School Crossing Guards and School Resource Officers who are now assigned to all FCPS high schools, middle schools and alternative schools;
- \$1.6 million for the bus technology project to include radios;
- \$1.5 million in services provided by the Fairfax-Falls Church Community Services Board;
- \$1.8 million for athletic field maintenance and other recreation programs; and
- \$0.2 million for other programs in the Fire and Rescue Department and the Department of Community and Recreation Services that support FCPS.

Support for Public Safety

◆ Creation of a Dedicated Hazardous Materials Response Unit

\$1.77 million

The post-September 11 anthrax threat underscored the need for a fully dedicated hazardous materials response unit. The Board of Supervisors approved \$1.77 million and 23/23.0 SYE positions to support the availability of a separate, full-time (24/7) hazardous materials unit, which will respond to more than several hundred calls annually, maintain its readiness through specialized training, provide First Responder Operations training for all uniformed personnel as well as conduct/participate in training with external agencies, and develop pre-incident response plans for County-based facilities.

BUDGET HIGHLIGHTS

◆ **Increased Overtime Funding for Critical Public Safety Programs** **\$1.63 million**

Overtime funding for the Police Department has been increased \$1.63 million in FY 2003 primarily for security and investigative work that began after the events of September 11 and is expected to continue based on our current high alert status. This work includes participation in federal terrorism task forces, increased surveillance activities, and outreach to residents, neighborhood groups and businesses in target communities.

◆ **Transfer of Animal Shelter Function to Police Department**

As part of the FY 2003 budget, the functions of the Animal Shelter are transferred to the Police Department to better reflect the alignment of resources. A total of 19/19.0 SYE positions are being transferred. The Animal Shelter will continue to provide humane care, food, and temporary shelter for approximately 7,500 animals each year.

◆ **Sully District Police Station** **\$5.94 million**

The newly constructed Sully District Police Station is scheduled to open in January 2003, the first new policing district in Fairfax County in 26 years. Funding of \$5,942,418 and 25/25.0 SYE positions are included in FY 2003 for this new facility. Additional staff positions have been provided from the COPS Universal Hiring Program V grant which was approved by the Board in October 2000 as well as the redeployment of existing positions from within the Police Department.

This level of funding includes Personnel Services funding of \$1,846,115, including \$442,978 in Fringe Benefits, Operating Expenses funding of \$2,222,618, and Capital Equipment funding of \$1,873,685. Operational requirements include: vehicle expenses such as radios, sirens, equipment, and maintenance/replacement costs; telecommunications expenses; furniture and storage cabinets; computer workstations; and other one-time operating expenses associated with the opening of a new facility. Capital Equipment funding provides for the purchase of vehicles for the officers assigned to the new station.

Other New Facilities

◆ **School Age Child Care (SACC) Centers** **\$373,597**

Net funding of \$373,597 is included to support 22/22.54 SYE new positions associated with the SACC program, which provides for the safety, care, and developmental needs of school-age children through enriched learning experiences. In FY 2003, five new rooms will be added to existing school-year sites as a result of school renewals, one room each at Camelot and Bren Mar (Mason), Hunters Woods and Dogwood (Hunter Mill), and Orange Hunt (Springfield). Collectively, these five school-year sites will serve 250 additional children, including 25 with special needs. In addition, five school-year sites will transition from a school-year (9 month) schedule to a year-round (12 month) schedule at Timber Lane and Graham Road (Providence), Franconia (Lee), Glen Forest (Mason), and Dogwood (Hunter Mill). It should be noted that funding of \$1,494,391, including \$225,937 in Fringe Benefits, has been included for costs associated with these SACC program expansions. These expenditures are partially offset by revenue of \$1,120,794, resulting in a net cost of \$373,597. In FY 2003, the school-year program will provide child care for approximately 8,559 children at 125 SACC sites. SACC will also operate 25 general summer centers for approximately 2,551 children and two self-contained special needs summer centers for 50 children. Both the school year and the summer program include integrated spaces for children with special needs.

BUDGET HIGHLIGHTS

Support for Youth, Family and the Community

◆ **Consolidated Community Funding Process** **\$8.1 million**

FY 2003 will be the first year of a new two-year funding cycle that uses a consolidated process to set priorities and award funds from both the Consolidated Community Funding Pool and the Community Development Block Grant. In FY 2003, there will be approximately \$8.1 million available for the Consolidated Community Funding process, of which approximately \$6.3 million will be in Fund 118, Consolidated Community Funding Pool, and approximately \$1.8 million will be in Fund 142, Community Development Block Grant. This funding is approximately \$0.3 million more than the FY 2002 total of approximately \$7.8 million as a result of a 6.0 percent increase in the Fund 118 funding available for community-based agencies. FY 2003 funding is provided to leverage additional funds through strategies such as cash-match from other non-County sources, in-kind services from volunteers, or contributions from businesses, the faith community, and other sources.

◆ **Vendor Contract Inflation Adjustment** **\$1.8 million**

Funding increases in Human Service agencies for inflationary adjustments to vendor contracts total \$1.8 million. State revenue reimbursement of \$0.1 million results in a net cost of \$1.7 million in the Department of Family Services (\$373,795), the Health Department (\$638,692) and the Fairfax-Falls Church Community Services Board (\$691,354). The increases are largely the result of personnel-driven contracts and include disability services, emergency homeless shelters, Healthy Families Fairfax, SACC snacks, and maintenance for the Child Care Management System database in the Department of Family Services. The increase also supports maintenance for the Health Department Information System, and \$524,932 in increased contract costs for existing services by primary care providers under the Community Health Care Network. CSB programs impacted include: residential, outpatient and case management services for mental health clients; employment, training, and vocational support for mental retardation clients; and detoxification and methadone services for alcohol and drug services clients.

◆ **Special Education Graduates-Fairfax-Falls Church Community Services Board** **\$0.8 million**

Funding in the amount of \$821,033 is included to provide vocational, transportation, and related services to 94 new special education graduates of the Fairfax County Public Schools. Since 1985, additional County funding for new graduates has been included in the CSB each year, providing for a continuum of services for retarded children/adults. These students have received 20 years of Federally-mandated education. Beyond the mandated special education services, adult services such as employment and training are provided by the CSB. Without this continuity, students may experience regression that could later require more intensive services. Including the June 2002 graduating class, funding of \$15.5 million, or approximately 20 percent of the proposed FY 2003 General Fund Transfer to CSB, supports services for nearly 1,000 former and current special education graduates.

◆ **West County Developmental Center Fairfax-Falls Church Community Services Board** **\$0.4 million**

An amount of \$400,000 is included for the full-year lease costs associated with the West County Developmental Center necessary to accommodate the new class of special education graduates, reduce overcrowding at existing facilities, and address annual program growth for the next several years. It should be noted that \$250,000 for start-up, renovation, and build-out costs was included as part of the *FY 2001 Carryover Review*. Developmental and habilitative services will be provided at this site including health support, speech therapy, training, and some vocational skills development.

BUDGET HIGHLIGHTS

◆ **Communities That Care Youth Survey**
Fairfax-Falls Church Community Services Board **\$65,000**

Funding is provided for the procurement, customization, and administration of the second biannual *Communities That Care Youth Survey*. The survey, to be administered to 11,000 County 8th, 10th and 12th graders, is an assessment tool to determine the rate of use of illicit drugs, including alcohol, among Fairfax County youth and to provide data about youth substance abuse, mental health, health and anti-social behaviors. The survey will provide trend data and other information to more effectively direct resources to provide prevention, intervention, and treatment services for youth. The first *Communities That Care Youth Survey* was completed in April 2001.

◆ **Crisis Care Services for Children and Adolescents**
Fairfax-Falls Church Community Services Board **\$834,109**

Funding in the amount of \$834,109 will support the full-year operation of a crisis care facility for children and adolescents. This facility will serve children and youth in Fairfax County who do not require psychiatric hospitalization but do require diagnostic assessment and targeted treatment in a short-term secure residential setting. An estimated 70 to 80 percent of all children and adolescents pre-screened for hospitalization in mental health emergency services could be diverted from a hospital by staying in a crisis care facility. When fully operational, approximately 300 youth will be diverted from less appropriate placements to this facility. Services will be contracted out to the private sector. In FY 2002, this facility was funded for start-up costs, partial year lease expenses, and operating and equipment costs.

◆ **West Nile Virus Contract**
Health Department **\$350,000**

Funding in the amount of \$350,000 has been included in FY 2003 for ongoing contractual services to provide monitoring and proactive services aimed at preventing the escalation of West Nile Virus in Fairfax County. West Nile Virus is an arbovirus, transmitted between birds and mammals by mosquitoes. The Center for Disease Control (CDC) believes the Washington Metro area to be at a high risk potential for an outbreak of the virus over the next few years. FY 2003 services will include picking up dead birds for testing, monitoring and testing mosquito populations in the County via light traps, identifying mosquito breeding areas, applying larvicides to prevent the hatching of adult mosquitoes, treating selected storm sewers to control mosquitoes, and responding to citizen complaints of excessive mosquitoes.

Support for Transportation

◆ **Funding for Metro Operations** **\$73.5 million**

The FY 2003 County budget obligation for Metrorail and Metrobus operations and capital requirements is \$73.5 million, with funding support from a combination of State aid, gas tax revenue, a General Fund transfer, State bonds, and other miscellaneous sources.

This funding level supports existing Metrorail and Metrobus service levels, improvements to local bus service provided by Washington Metropolitan Area Transit Authority (WMATA), increased funds for MetroAccess due to increased utilization of ADA paratransit services, continuation of the Springfield Circulator Bus Service, and other service enhancements. This funding level also supports necessary capital requirements including facility and equipment maintenance and support of the existing 103-mile Metrorail system. Capital funding required for FY 2003 has increased because of additional subsidy requirements for the Infrastructure Renewal Program (IRP). FY 2003 funding of \$15.5 million is included for the IRP, an amount that is expected to increase in future years. The FY 2003 General Fund transfer to Metro is \$12.3 million and \$12.2 million in Capital requirements will be supported by County General Obligation Bonds. Any necessary adjustments to FY 2003 funding levels for Metro

BUDGET HIGHLIGHTS

Operations will be made at the *FY 2002 Carryover Review*, upon consideration and final approval of the WMATA budget, contingent upon Board of Supervisors' review and approval.

◆ **County Transit Funding** **\$16.7 million**

The FY 2003 County funding requirement for County Transit Systems is \$16.7 million, an increase of \$0.7 million over the FY 2002 level. In conjunction with various State and other miscellaneous funds, this total provides funding for operating and capital expenses for the FAIRFAX CONNECTOR bus system (Huntington, Community Bus Services (CBS), and Reston-Herndon Divisions) as well as the County's share of the subsidy for the Virginia Railway Express (VRE) commuter rail services.

These funds support required contractual adjustments in the FAIRFAX CONNECTOR Bus System, including a 6.1 percent increase for the Huntington Division to support the new contract with Yellow Bus Services approved by the Board of Supervisors on December 3, 2001.

This funding level supports FAIRFAX CONNECTOR bus service, the continuation and expansion of the Dulles Corridor Express Bus Service, and additional fuel costs associated with the introduction of low-sulfur diesel fuel. In addition, \$1.4 million in funds resulting from a change in the Northern Virginia Transportation Commission (NVTC) allocation formula, and available through a transfer from Fund 309, Metro Operations and Construction, will be utilized for various mass transit enhancements such as expanded bus service, and reduced fare initiatives on select transit trips.

Employee Compensation

Attracting and retaining effective employees is key to Fairfax County's success in delivering quality services, developing innovative solutions, and operating efficiently. The County's compensation plans reflect the commitment to providing fair and equitable compensation and benefits competitive with the marketplace. The FY 2003 budget supports our compensation program and includes funding to address a number of refinements. The General Fund cost of the FY 2003 program discussed below is \$21.1 million and is funded entirely within the Budget Guidelines established by the Board.

◆ **Non-Public Safety Adjustments** **\$9.9 million**

For FY 2003, additional funding in the amount of \$9,915,278 is provided. FY 2002 marked the second year of the County's initiative to link pay with performance for the more than 8,000 non-public safety employees covered by Pay for Performance. In an effort to more closely link pay to performance, a new continuous scale was introduced with 12 discrete points (0, 2, 2.5, 3, 3.5, 4, 4.5, 5, 5.5, 6, 6.5, 7) offering employees the opportunity to earn pay increases from 0 to 7 percent, depending on their performance rating. FY 2002 was also the last year for the cost of living adjustment for County employees. For employees in Pay for Performance, future pay increases will be based solely on performance ratings. In FY 2003, funding in the amount of \$8,052,639 for General Fund agencies and \$1,862,639 for General Fund supported agencies for a total of \$9,915,278 is included for pay for performance awards. In addition, to ensure that pay scales remain competitive with the market, non-public safety pay scales will be increased in accordance with the annual market index, calculated based on data from the Consumer Price Index, the Federal Wage adjustment, and the Employment Cost Index, which includes private sector, state and local government salaries. This approach serves to increase the long-term earning potential of employees as the top of the scale will be adjusted to reflect what is happening in the marketplace. In FY 2003, the non-public safety pay scales are adjusted 2.67 percent based on the current market index. It is important to note this adjustment will not impact most employee salaries as a result of the open ranges, and increases can only be earned through performance.

BUDGET HIGHLIGHTS

◆ **Uniformed Public Safety Adjustments** **\$8.6 million**

In FY 2003, pay increases for public safety employees, who are not participating in pay for performance, will be linked to a market rate adjustment and step increments. Funding in the amount of \$1.64 million has been included for public safety merit increments. In addition, \$7.0 million has been included to provide a 2.67 percent market rate adjustment for all public safety employees. This adjustment is consistent with the market index for FY 2003.

◆ **FY 2003 Impact of Increases in Fire and Rescue Salaries** **\$2.5 million**

Adjustments were included in the FY 2002 budget to enhance the competitiveness of Fire and Rescue employee salaries. These included a 2 percent increase for the ranks of Lieutenant and above, effective July 2001, and a 4 percent increase for all uniformed employees effective April 2002. The FY 2003 full year impact of these adjustments is \$2,471,450.

◆ **Market Study Results**

To address issues of employee recruitment and retention and ensure pay competitiveness, annual market studies are conducted on certain job classes which are compared against data on comparable positions in both the public and private sectors. This year, the classes studied included 44 core benchmark classes (selected based on the occurrence of matching job classes in the Metro area and the availability of sufficient market data in the recruitment area) and 33 supplemental benchmark classes (which are more specialized in nature or may be experiencing recruitment/retention problems). Based on the recommendations of the study, employees in classes found to be below market will be moved to a higher pay grade. In accordance with amendments to the Personnel Regulations made in FY 2001, individuals in the "S" pay plan move to the new pay grade but remain at their current pay rate. Only employees whose current pay falls below the minimum for the new pay grade will receive a pay adjustment. Position changes as a result of the market study are reflected in the Job Classification Table found in the "Compensation Plan/Pay Schedules" section in Volume 1 of the FY 2003 Adopted Budget Plan.

◆ **Increase in Shift Differential Pay Rate** **\$0.6 million**

FY 2003 is the second year of the three-year planned phase-in of an increase in shift differential. County employees, in a number of agencies, work evening and overnight shifts to provide important coverage of County operations outside the normal business hours. In FY 2001, the Department of Human Resources conducted a survey of shift differential rates for the Washington area jurisdictions. The survey indicated that Fairfax County's rates were near the lowest in the region. In order to bring these rates to levels more comparable to those in surrounding jurisdictions, a three-year phased increase was proposed for all agencies except for the Fire and Rescue Department where the shift differential increased by \$0.44 effective January 12, 2002. In FY 2002, the first year of the phase-in, shift hourly differentials were increased from \$0.50 to \$0.55 and \$0.70 to \$0.75 for public safety 2nd and 3rd shifts, and from \$0.25 to \$0.40 and \$0.35 to \$0.55 for non-public safety 2nd and 3rd shifts. In FY 2003, shift differential hourly rates increase from \$0.55 to \$0.60 and \$0.75 to \$0.80 for public safety 2nd and 3rd shifts, and from \$0.40 to \$0.55 and \$0.55 to \$0.75 for non-public safety 2nd and 3rd shifts. By year three of the phased-in increase, the rates for all County employees will be equivalent to \$0.65 for the 2nd shift and \$0.90 for the 3rd shift, rates more consistent with the region. The FY 2003 increase associated with the changes is \$598,067.

BUDGET HIGHLIGHTS

Other Employee-Related Items

◆ **Health Insurance Cost Increase** **\$4.5 million**

In FY 2003, group health insurance premiums total \$36,327,637, an increase of \$4,466,642 or 14.0 percent over the *FY 2002 Revised Budget Plan*. The increase is based on nationwide health insurance cost growth trends, which result in an average health insurance premium increase of 20.0 percent for both the self-insured plan and the HMOs, effective January 1, 2003 (a six-month impact in FY 2003). After slow medical cost growth in the early to mid 1990's, spending for health care has been steadily increasing in recent years. The primary factors in the escalating cost growth are increased utilization and the rising costs of prescription drugs. The County offers a competitive program of health care coverage for employees and retirees. To offset larger premium increases, the plans have been modified to increase deductibles and out-of-pocket limits as well as add incentives for generic drugs.

◆ **Retirement Systems** **\$1.2 million**

The FY 2003 employer contributions total \$50,278,694, an increase of \$1,221,008 or 2.5 percent over the *FY 2002 Revised Budget Plan*. The net increase is based on the impact of the changes in the employer contribution rates as determined by the actuarial valuation which results in an increase of \$7,783, a net increase of \$1,497,840 for pay for performance/merit increments for current staff, new positions and salary adjustments, and an increase in the Uniformed contribution based on benefit enhancements, offset by a decrease of \$284,615 associated with the Retirement Corridor approach.

◆ **Workers' Compensation** **\$3.6 million**

An increase of \$3,593,219 in the General Fund workers' compensation premium reflects the one-time use in FY 2002 of available savings due to the cumulative impact of better than projected claims experience. This experience resulted in lower than anticipated workers' compensation liability, which is passed on to the General Fund through reduced premiums. In FY 2003, this balance is unavailable to offset premium costs to the General Fund.

◆ **Funding for Training** **No Increase**

Training funding in Agency 89, Employee Benefits, remains at the FY 2002 Adopted Budget Plan level of \$1,592,150. This level of funding supports: the County's Tuition Assistance Program; General County Training Program which includes supervisory development, career development and team building; Language Skills Program; and Information Technology Training. In addition, the agency-specific training initiatives undertaken in FY 2002 have been maintained, whereby funding for certification training previously budgeted in Employee Benefits was moved to agency operating budgets and professional development training was provided based on a percentage of Regular Salaries and Limited Term funding.

BUDGET HIGHLIGHTS

Business Operations (Including Information Technology)

◆ Additional Positions

A net total of 23 new positions is included in the FY 2003 budget. Of this amount, 70 new positions are necessary to support new facilities or completed expansions to existing facilities and the creation of a full-time HAZMAT unit, and one position (non-General Fund) to address workload increases (see detail below). Additionally, 48 existing positions were abolished as part of reductions approved by the Board of Supervisors. Only 76 net positions have been added to the County's total position count since FY 1991. The position count has remained relatively stable over the past decade despite the addition of new facilities, sizeable increases in workload, and increases in population (and related service requirements) by redirecting resources and making effective use of technology. Details are included in the narrative portion of each agency write-up.

▪ Additional Position – McLean Community Center \$35,000

Funding of \$35,000 including \$28,000 in Personnel Services and \$7,000 for Fringe Benefits is included to provide for 1/1.0 SYE additional Recreation Specialist I position. The position will assist the Performing Arts Director with administrative support duties as well as coordination and scheduling of programs, expansion of current programs, and the development of new programs especially in the areas of youth participation. Patron participation is expected to increase from 65,535 hours in FY 1999 to an estimated 86,000 hours in FY 2003. This position is entirely supported with revenues of the Community Center and has no General Fund impact.

◆ Vendor Contract Increases \$1.4 million

Funding for contractual increases in Facilities Management (\$890,857) and County Transit (\$498,408) is provided. The increases include elevator maintenance, security and custodial services, parking management, and defibrillator training in the Facilities Management Division, as well as contract requirements for FAIRFAX CONNECTOR bus service for the Community Bus Services, Reston-Herndon and Huntington Divisions.

◆ Information Technology (IT) Funding \$8.12 million

In FY 2003, a total of \$5,921,626 is transferred from the General Fund, \$540,000 is available as a result of the State's Technology Trust Fund, \$622,000 is projected in interest earnings and \$1,039,577 is anticipated to be available from the FY 2002 year-end balance. FY 2003 Information Technology funding requests, which totaled approximately \$29.6 million, spanned a wide variety of technologies and initiatives, including funding for the continuation of major redesign initiatives, as well as smaller, agency-specific technology enhancements. Significant review and analysis were required to manage the technology needs within limited fiscal resources.

During review, funding consideration was guided by five information technology priorities established by the Senior Information Technology Steering Committee, which is comprised of the County Executive and Senior County managers. These initiatives included a mix of projects that provide benefits for both citizens and employees and adequately balance new and continuing initiatives with the need to maintain and strengthen the County's technology infrastructure. Funding was proposed at a level of \$10.19 million. During deliberations on the FY 2003 budget, however, the Board of Supervisors approved an \$8.12 million expenditure plan. The adopted funding levels of the five information technology priorities are as follows:

BUDGET HIGHLIGHTS

Information Technology Priorities	FY 2003 Adopted Funding
Projects Providing Convenient Access to Information and Services	\$2.59 million
Projects Providing a High Level of Responsiveness to Customer Requirements	\$0.88 million
Management of County Information Assets	\$2.57 million
Management of County Technology Assets	\$1.83 million
Management of County Human Resource Assets	<u>\$0.25 million</u>
TOTAL	\$8.12 million

◆ **Health Insurance Portability and Accountability Act (HIPAA) \$200,000**

FY 2003 funding of \$200,000 is included in the Department of Information Technology to support technical and business operation requirements to meet the Federally-mandated Health Insurance Portability and Accountability Act (HIPAA) passed by Congress in 1996. This Act requires a number of measures in order to protect the privacy of individually identifiable health information. It is anticipated that a majority of the mandate will require changes to business practices, staffing allocations, facility configurations, and awareness training. Every County agency will need to assess its handling of data and procedures within its business practices, and incorporate the privacy provisions in all systems it uses. HIPAA compliance for electronic transmission standards is required by October 2002. Compliance with privacy and disclosure regulations is required by April 2003. Security and storage regulations will be implemented at a future date.

◆ **Solid Waste Disposal Transfer \$3.4 million**

In FY 2003, to fund the operating deficit for Fund 110, Refuse Disposal, a General Fund transfer of \$3,439,291 is required, a reduction of \$2,060,709 from the FY 2002 level of \$5.5 million primarily due to projected increased disposal tonnages and the FY 2002 negotiated contracted disposal rate increase from \$36.00 to \$37.95 per ton. The County's refuse disposal system has maintained a competitive disposal rate in order to retain tonnage levels at the required 930,750 tons per year at the Energy/Resource Recovery Facility. As a result, program costs over the same period exceeded revenues by a yearly average of \$4.8 million. These shortfalls had been absorbed from fund balances that were depleted in FY 2000. In FY 2001, \$5.46 million was made available from the Rate Stabilization Reserve in Fund 112, Energy/Resource Recovery Facility, to cover the operational shortfall and an additional \$5.5 million was transferred from the General Fund in FY 2002. In FY 2003, a transfer of \$3.4 million from the General Fund will allow the County to maintain current refuse disposal rates and continue to provide the level of service to specific disposal programs that do not fully recover their costs. The subsidized programs include the County's Recycling Program, Household Hazardous Waste Program, and Code Enforcement Program. The FY 2004 General Fund transfer to Fund 110 could increase, primarily as a result of economic factors which may result in a decrease of waste tonnages or a change in the contracted rate for disposal based on current conditions or a more competitive market.

BUDGET HIGHLIGHTS

Capital Construction Program

Financial Policies and Debt Management

In 1975, the Board of Supervisors adopted the *Ten Principles of Sound Financial Management*, a set of policies which has been instrumental in maintaining the County's "triple A" bond rating. 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 citizens of Fairfax County.

From time to time, the Board of Supervisors has amended and reaffirmed the *Ten Principles of Sound Financial Management* in order to address changing economic conditions. The Board last affirmed the *Ten Principles* in August 1988. This year, the *Ten Principles* have been revised to reflect current economic conditions and operating practices. Staying current will allow the County to continue to maintain its superior fiscal position, and, more importantly, will enable it to adjust its debt capacity from \$150 million to \$200 million annually to meet increasing capital needs.

In addition to bond financing and bonding capacity, the *Ten Principles* also address management practices related to financial policies and tools. The amendments reflect current fiscal management practices that provide greater accountability. For example, the County has replaced the Management by Objectives (MBO) approach with a performance measurement system that uses a Family of Measures (Output, Efficiency, Service Quality, and Outcome) that is linked to each agency's mission, goals and objectives, and focuses on meaningful results. Further information on the *Ten Principles of Sound Financial Management*, including the 1988 and 2002 (updated) versions, may be found in the "Long-Term Financial Policies and Tools" section of this *Overview* volume.

In addition, this year marks the beginning of a process to enhance the way the County uses the Capital Improvement Program (CIP) as an effective planning tool for capital facilities. The County has been challenged in recent years to keep pace with facility requirements associated with infrastructure maintenance and growth in population. In order to address these issues and link the CIP to the County's goals as identified in the Comprehensive Plan, staff is working to refine the capital planning process. These refinements include development of Guiding Principles for capital planning and new criteria to be utilized by staff in forming recommendations for the CIP and the capital budget. Format changes to the CIP document have also been developed to distinguish major maintenance and rehabilitation projects from new or growth-initiated projects and to identify long-term project requirements. This will be an iterative process over the next several years that is expected to result in a comprehensive blueprint for the development and renewal of capital facilities.

Following are details on the components of the Capital Construction Program for FY 2003.

Paydown Construction Program

An amount of \$16.2 million is included for County Paydown construction in FY 2003 and is directed to the most critical projects. Further detail is provided in the "Capital Projects Overview" section of this *Overview* volume.

◆ County Maintenance

\$1.44 million

Funding in the amount of \$1,436,000 will continue to provide general maintenance funds to address priority requirements at County facilities including: general maintenance funds including: HVAC/electrical replacement (\$350,000); roof repair and waterproofing (\$200,000); parking lot resurfacing (\$200,000); fire alarm replacement (\$200,000); and emergency generator replacement (\$36,000). Funding is also included in the amount of \$450,000 for miscellaneous building repairs.

BUDGET HIGHLIGHTS

◆ **Parks Maintenance** **\$1.83 million**

Funding in the amount of \$1,829,000 has been included for Park maintenance at non-revenue supported Park facilities to fund such items as: repairs/replacements to roofs, electrical and lighting systems, security and fire alarms, sprinklers, and HVAC equipment (\$505,000); grounds maintenance (\$700,000); minor routine preventive maintenance (\$470,000); and ongoing implementation of ADA compliance at Park facilities (\$154,000).

◆ **Athletic Field Maintenance** **\$1.50 million**

Funding in the amount of \$1,500,000 has been included for Athletic Field maintenance in order to maintain quality athletic fields at acceptable standards, improve safety standards, improve playing conditions and increase user satisfaction. Maintenance includes: field lighting, fencing, irrigation, dugout covers, infield dirt, aerification and seeding. The FY 2003 funding level includes: Boys' Baseball field lighting (\$100,000), Girls' Softball field lighting (\$100,000), Girls' Fast Pitch field maintenance (\$200,000), general field maintenance at designated Fairfax County Public School athletic fields (\$800,000), and the Field Maintenance Matching Program (\$300,000).

◆ **Revitalization Initiatives** **\$1.60 million**

Funding totaling \$1,600,000 is provided for Commercial Revitalization projects (\$608,000) to be approved by the Board of Supervisors in the context of the Capital Improvement Program (CIP) and/or other planning discussions; and for specific commercial revitalization efforts (\$992,000) in Baileys Crossroads/Seven Corners, Annandale, Richmond Highway, Lake Anne, Merrifield, Springfield, and McLean, as well as Commercial Revitalization program costs.

◆ **Stormwater Management** **\$2.42 million**

A total of \$2,420,000 has been included for storm drainage maintenance and emergency repairs including: Kingstowne environmental monitoring (\$150,000); dam safety inspections and improvements (\$500,000); perennial stream mapping (\$75,000); and annual emergency drainage repairs throughout the County (\$95,000). An amount of \$1,600,000 is associated with the Virginia Pollutant Discharge Elimination System (VPDES) Municipal Separate Storm Sewer System (MS4) discharge permit. The MS4 discharge permit is considered a renewal of the National Pollutant Discharge Elimination System (NPDES) permit, and will be valid for five years. In accordance with the permit renewal submission approved by the Board of Supervisors on July 23, 2001, activities will include water quality testing, watershed master planning, improvement programs, and development of the GIS-based storm sewer system inventory. The Virginia Department of Environmental Quality (DEQ) is expected to make a decision regarding final permit requirements during FY 2002.

◆ **New or Renovated County Facilities** **\$2.50 million**

Funding in the amount of \$2,500,000 has been included for new or renovated County facilities. This funding level includes: \$500,000 to help offset increased construction costs associated with the West County Recreation Center, and \$2,000,000 has been included in FY 2003 to begin to address property and liability management at the Laurel Hill (Lorton Prison) property, as well as the master planning required for redevelopment and public use.

BUDGET HIGHLIGHTS

◆ **Payments and Obligations** **\$3.66 million**

A total of \$3,664,717 has been provided for costs associated with annual contributions and contractual obligations. Funding of \$1,021,702 is required for the first year of a five-year lease-purchase agreement associated with systems furniture for the new South County Center. FY 2003 represents the final year for reimbursement to the Fairfax County Public Schools for renovations to construct a School Aged Child Care (SACC) facility at Lemon Road Elementary School (\$1,358,691), to replace leased space at Chesterbrook Presbyterian Church. In addition, annual contributions have been provided for: SACC program school operating and overhead costs (\$500,000); final payment of a six-year payment plan to purchase the Mount Gilead property in Centreville (\$105,500); and the County's annual contribution to the Northern Virginia Community College capital program (\$678,824).

◆ **Other Paydown Projects** **\$1.25 million**

Other paydown projects supported in FY 2003 include: safety upgrades and emergency repairs to trails and sidewalks (\$75,000), VDOT participation for sidewalk repair and replacement (\$300,000), developer defaults (\$100,000), annual road maintenance (\$50,000), the Board of Road Viewers program (\$50,000), construction associated with TAC Spot Improvement projects (\$500,000), and assessment studies associated with the Public Safety Communications Center (PSCC) and the County's West Ox Road Complex (\$175,000).

◆ **Housing Trust Fund/Affordable Housing Partnership** **\$0.8 million**

During deliberations on the FY 2003 Budget, the Board of Supervisors approved an allocation of \$836,000 in additional FY 2002 revenues for proffers, loan repayments, and investment income from Fund 144, Housing Trust Fund, to replenish the Affordable Housing Partnership Program.

Bond-Funded Projects

◆ **Bond-Funded Projects** **\$183.02 million**

In FY 2003, an amount of \$183,023,848 is included in General Obligation bond funding. Of this amount, \$136,400,000 is budgeted in Fund 390, Public School Construction, and \$12,154,147 has been included in Fund 309, Metro Operations and Construction, to support the completion of the 103-mile Metrorail System, as well as maintain and/or acquire facilities, equipment, railcars and buses. In addition, FY 2003 bond funding in the amount of \$34,469,701 has been included for projects such as the Northern Virginia Regional Park Authority (\$2,250,000), storm drainage house flooding projects (\$939,363), West Ox Maintenance Facility expansion (\$2,085,000), construction of the Fairfax Center and Crosspointe fire stations (\$9,305,338), and several projects within the Park Authority bond program (\$19,890,000), including development of athletic fields and infrastructure renovations. Funding for these bond projects is consistent with the FY 2003 - 2007 Capital Improvement Program (With Future Years to 2012) as approved by the Board of Supervisors on April 29, 2002.

County Budget Reductions

The Board of Supervisors made a number of adjustments to the FY 2003 Advertised Budget Plan in order to reduce the Real Estate Tax rate from \$1.23 per \$100 of assessed value to \$1.21. Since the value of each penny of the Real Estate Tax is \$11.6 million, a two-cent reduction requires a corresponding expenditure decrease of \$23.2 million. Furthermore, with education as the Board's top priority, the Board made other adjustments in order to allocate an additional \$11.6 million for the operating transfer to the Fairfax County Public Schools (FCPS). This is in addition to \$5.7 million in additional debt service the County will also provide to FCPS above the level in the advertised budget for a total increase for the Schools of \$93.6 million.

BUDGET HIGHLIGHTS

In order to achieve the above actions, the Board of Supervisors spent considerable time reviewing the Inventory of County Activities, Programs and Services (ICAPS) prepared and presented during the fall of 2001. The County Executive also directed all County agencies to prepare a list of potential reductions and their impact. While agencies identified potential reductions of up to 5 percent, the Board selected those options that would minimize service impact. Nevertheless, citizens will still be affected through reduced library collection materials as well as longer wait times for services such as plan review, inspections, and permits.

As part of the FY 2003 Adopted Budget Plan, the Board approved reductions totaling \$28.8 million including the elimination of 50/50.0 SYE positions, all of which are currently vacant so no reduction in force will be necessary. These reductions are described briefly below.

<u>Savings (in millions)</u>	<u>Positions</u>	<u>Agency/Fund</u>	<u>Description</u>
\$0.3	1/1.0	Department of Finance	Delay e-gov initiatives and reduce contractor support for mandatory financial reports.
\$0.3	1/1.0	Department of Human Resources	Reduce funding for regular and limited term positions that support recruitment and health benefits review activities.
\$0.6	6/6.0	Department of Tax Administration	Eliminate 6 administrative assistant positions and reduce limited term funding for real estate appraisal, etc.
\$0.9	3/3.0	Department of Information Technology	Abolish positions associated with strategic planning, new human services IT projects and PRISM modifications, as well as reduce funding for land development, E-government, GIS, and public safety systems.
\$0.3	0/0.0	Juvenile and Domestic Relations District Court	Adjust the First Offender and Work Training Program and reduce County support for the Enterprise School.
\$0.9	0/0.0	Police Department	Eliminate maintenance funding for the In-Car Video Pilot in the Mount Vernon District as well as reduce funding for DWI enforcement and community policing, and decrease replacement capital equipment funding by half.
\$1.0	3/3.0	Office of the Sheriff	Reduce overtime funding for training, material management, recreation activities for inmates, and special events, as well as various operating expenses.
\$2.3	0/0.0	Fire and Rescue Department	Decrease the apparatus replacement reserve contribution by half and reduce limited term support for fiscal services and prevention.
\$1.4	0/0.0	Facilities Management Division	Reduce utility budget based on additional energy savings measures as well as custodial services, consolidate leases, and defer some maintenance.
\$0.3	3/3.0	Office of Capital Facilities	Abolish three positions, which will reduce the agency's ability to respond to special projects and citizen requests. Decrease utility budget for streetlights.

BUDGET HIGHLIGHTS

<u>Savings (in millions)</u>	<u>Positions</u>	<u>Agency/Fund</u>	<u>Description</u>
\$1.8	1/1.0	Department of Family Services	Eliminate vacant Deputy Director position and reduce overtime and operating expenses in the Comprehensive Services Act (CSA) and Virginia Initiative for Employment not Welfare (VIEW) programs.
\$0.4	2/2.0	Department of Administration for Human Services	Abolish 2 positions and eliminate funding for limited term support, which will result in longer administrative response to human service agencies.
\$1.0	2/2.0	Health Department	Delay the opening of the Little River Glen Adult Day Health Care Center until the fall of FY 2004 (2 positions were included in the advertised budget for this facility). Abolish 28 limited term clinic room aides, which will limit flexibility for lunchtime medication administration. Discontinue the oral rabies pilot program.
\$0.4	1/1.0	Department of Community and Recreation Services	Eliminate 1 FASTRAN position and reduce limited-term hours and operating expenses at various community centers.
\$0.6	3/3.0	Fairfax County Park Authority	Reduce administrative/systems support as well as park maintenance.
\$0.7	0/0.0	Fairfax County Public Library	Reduce the system-wide materials budget by 11 percent, which is equivalent to half of a community library's collection.
\$0.7	10/10.0	Land Development Services	Abolish 10 vacant positions, which will impact the timeliness of plan processing and review, permit issuance, and inspections.
\$0.4	0/0.0	Fund 100, County Transit	Reduce CONNECTOR costs, which will result in decreased service on routes to be identified.
\$3.1	0/0.0	Fund 104, Information Technology	Reduce funding for various IT projects in the areas of human services, GIS, public safety, and planning and development.
\$3.2	1/1.0	Fund 106, Fairfax-Falls Church Community Services Board	Close or consolidate underutilized services such as Fairfax House, reduce other services and/or have clients absorb some of the costs.
\$3.7	0/0.0	Capital Paydown	Reduce/delay various projects including miscellaneous building, park, trail and road maintenance/repair.
\$4.5	13/13.0	Other agencies	The remainder of the \$28.8 million in reductions is distributed among a number of agencies, which are grouped here and have various impacts.
\$28.8	50/50.0	TOTAL	GENERAL FUND AND GENERAL FUND-SUPPORTED

BUDGET HIGHLIGHTS

Tax Rate and Fee Adjustments

The Board of Supervisors approved the following tax rate and fee adjustments as part of adoption of the FY 2003 budget.

◆ Real Estate Tax Rate

Concerned that homeowners were facing the second year of double-digit assessment increases, the Board of Supervisors decreased the tax rate from \$1.23 per \$100 of assessed value to \$1.21. This results in an average household decrease of \$55 annually.

◆ Tax Relief

The Board of Supervisors increased the allowable asset limit to qualify for Tax Relief for the Elderly and Disabled from \$150,000 to \$160,000.

◆ Reston Community Center

Based on rising assessments in Small District 5, Reston Community Center, the Board of Governors and the Board of Supervisors approved a decrease per \$100 of assessed value from \$0.06 to \$0.052. Projected revenue and fund balance are sufficient to support full annual operations under the reduced rate.

◆ Sewer Service Rate and Availability Charges

The Sewer Service Rate and Sewer Availability Charge will increase in FY 2003 based on increased costs associated with capital project construction, system operation debt service and upgrades to more effectively reduce nitrogen discharge from wastewater treatment plants in order to meet new, more stringent nitrogen discharge limitations. The Sewer Service Charge rate will increase from \$2.88 to \$2.95 per 1,000 gallons of water consumption in FY 2003. Based on this rate increase, the additional annual cost to the typical household is anticipated to be \$5.32. The Sewer Availability Charge will increase from \$5,069 to \$5,247.

◆ Solid Waste Reduction and Recycling Centers (SWRRC)

The Solid Waste Reduction and Recycling Program (SWRRC) operates on a user fee basis in which program participants purchase a permit which entitles the holder to use the disposal and recycling facilities at two SWRRC sites located in Great Falls and McLean. To fully fund the cost of the SWRRC program for FY 2003, the current annual user fee of \$195 per participant charged to SWRRC customers must be increased to \$225, an increase of \$30 per year. Due to savings and cost control mechanisms SWRRC program costs have only modestly increased since FY 2000, for an average annual increase of 3.5 percent. However, SWRRC program revenues have shown a sharp decrease as a result of a reduction in the number of customers. The number of SWRRC program participants has decreased from 1,092 in FY 1999 to 930 in FY 2001, and is projected to be 850 in FY 2002. Since FY 1998, the SWRRC program has been drawing down its program balance to cover increased personnel and operating costs and the decreased revenues associated with the loss of customers. The program balance will be depleted during FY 2002 and will be unavailable to support continued deficit spending. The fee increase to \$225 is necessary to offset this funding shortfall and to cover program costs. The SWRRC program will be monitored during the year and at the *FY 2003 Third Quarter Review* to assess the impact of attrition in the customer base adversely affecting the ability of the program to sustain itself. In the event of continued loss of customers to less expensive alternatives, long-term program operations will not be sustainable.

BUDGET HIGHLIGHTS

◆ Computer Depreciation Schedule Adjustment

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) annually reviews the depreciation rate schedule for computer hardware due to the speed with which computer values change. The computer depreciation schedule was adjusted in each year from FY 1999 to FY 2001. It was not necessary to change the depreciation schedule in FY 2002. Based on current trends, however, the computer depreciation schedule for equipment purchased one to three years prior will be adjusted in FY 2003. This change to the computer depreciation schedule is anticipated to reduce Personal Property revenue by approximately \$5.0 million.

Financial Forecast

The Financial Forecast for FY 2004 reflects a deficit of approximately \$24 million. In accordance with the Board's Budget Guidelines, increases in County expenditures and the transfer to the Schools have been limited to match the revenue growth rates which is anticipated to be 6.68 percent in FY 2004, a rate consistent with the overall revenue growth rate in FY 2003. As a result, County spending levels are suppressed in order to fit within the scope of the projected revenue growth. Increases associated with our growing population as well as pressures placed on County services from business expansion, State mandates, and other factors cannot easily be accommodated within this level of revenue growth. The County will continue to be challenged in order to balance these increasing service requirements and infrastructure needs within the constraints of projected revenue growth. Details of this growth are included in the "Financial Forecast" section of this *Overview* volume.

Performance Measurement

For FY 2003, we will continue the efforts initiated in FY 1998 to ensure greater accountability to the citizens of Fairfax County. The County's performance measurement model places a strong emphasis on quantified objectives linked to a Family of Measures, first introduced in the FY 1999 Advertised Budget Plan. The Family of Measures includes output, efficiency, service quality and outcome indicators. Outcome is particularly important as it reflects the benefit County services offer to customers, whether they are internal – County agencies, or external – citizens. The objectives and indicators shown for the agencies in the FY 2003 Adopted Budget Plan reflect improvements made since the first time the Family of Measures methodology was introduced.

Government Performance Project

Fairfax County is "one of the best-managed jurisdictions in America" according to the evaluation results announced on January 29, 2002 by *Governing* magazine and the Government Performance Project (GPP). Fairfax County received an overall grade of "A-," one of only two jurisdictions to receive the highest grade awarded in the comprehensive study, which looked in-depth at management practices in 40 counties nationwide.

The Government Performance Project evaluated management practices in five areas: Financial Management, Capital Management, Human Resources Management, Information Technology Management, and Managing for Results, which includes both strategic planning and performance measurement. Fairfax County was the only jurisdiction out of the 40 surveyed to receive a grade of "A-" or better in all five areas evaluated. The report applauded the County's efforts at decentralization of functions and efforts to increase flexibility for managers at the agency level.

BUDGET HIGHLIGHTS

Fairfax County's grades in the five management areas studied are as follows: Fairfax County earned an "A" in **Information Technology Management**, one of only two counties in the survey to earn the top score in that area. In **Financial Management**, the County received an "A-," one of only four counties to earn the highest grade awarded in this category. Fairfax County topped the competition in **Human Resources Management**, achieving the only "A-," the highest grade awarded in the category. In **Capital Management**, the County was one of only three counties to earn an "A-," scoring high marks for its long-term capital planning. In **Managing for Results**, the County received an "A-," one of only three awarded in this category which looked at strategic planning and performance measurement. The entire Government Performance Report for counties, including evaluations of all 40 counties surveyed, can be viewed at *Governing* magazine's website: <http://www.maxwell.syr.edu/gpp>.

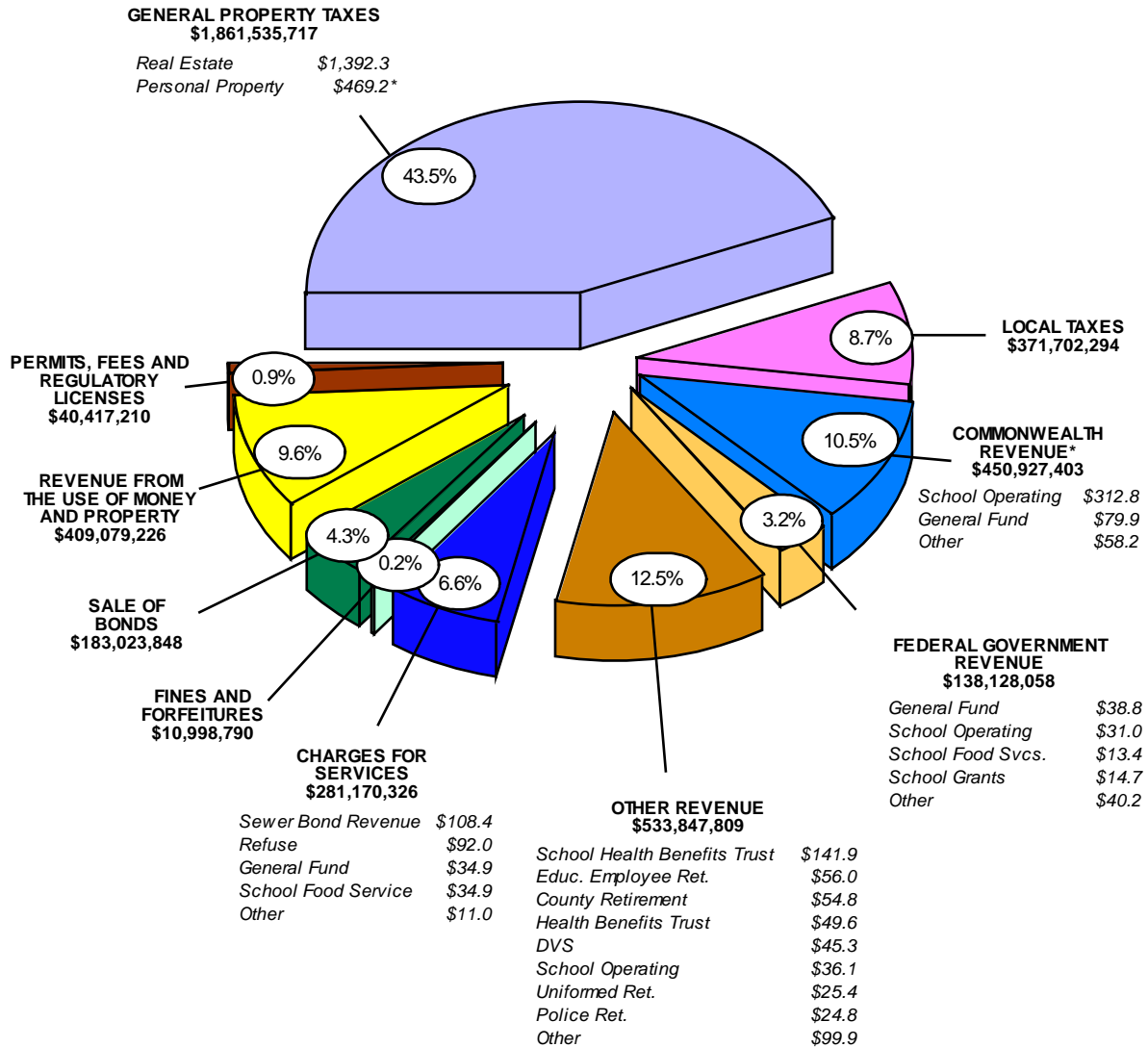
Fairfax County Economic Index

The *Fairfax County Economic Index*, developed by economist Dr. Stephen Fuller of George Mason University, provides current information by which the performance of Fairfax County's economy can be evaluated. The *Index* provides a framework for analyzing the County's economy by tracking the strength of current conditions using the Coincident Index, and by forecasting future changes in the economy using the Leading Index. The *Fairfax County Economic Index*, which is published monthly, is available on the Department of Management and Budget's website at: <http://www.fairfaxcounty.gov/dmb>.

BUDGET HIGHLIGHTS

FY 2003 REVENUE ALL FUNDS

(subcategories in millions)

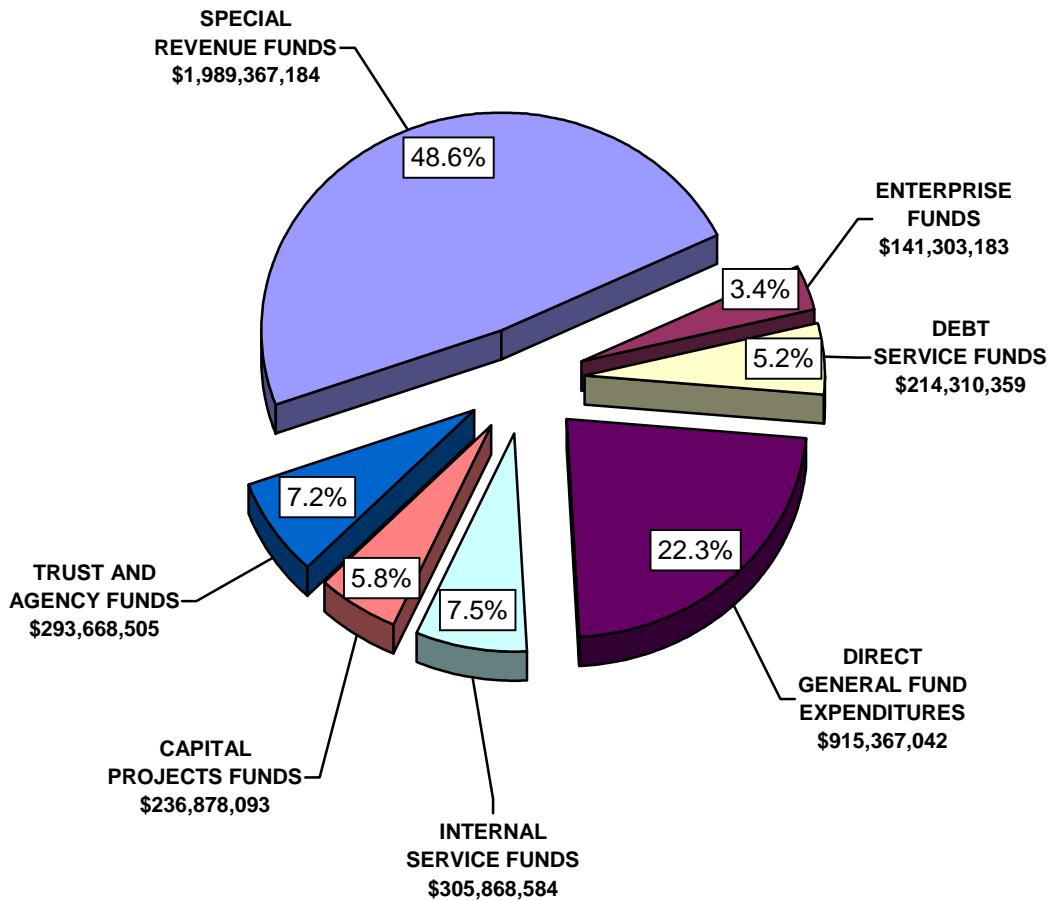


TOTAL REVENUE = \$4,280,830,681

* 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.

BUDGET HIGHLIGHTS

FY 2003 EXPENDITURES ALL FUNDS



TOTAL EXPENDITURES = \$4,096,762,950

General Fund Statement

This section includes:

- ▶ *Summary of General Fund Statement
(Page 58)*
- ▶ *General Fund Statement
(Page 59)*
- ▶ *General Fund Expenditures by Agency
(Page 61)*

**FY 2003 ADOPTED GENERAL FUND STATEMENT
FUND 001, GENERAL FUND**

	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
Beginning Balance	\$88,484,891	\$45,064,591	\$78,562,916	\$46,803,208	\$46,457,565	(\$32,105,351)	-40.87%
Revenue							
Real Property Taxes	\$1,085,995,525	\$1,226,142,926	\$1,229,727,617	\$1,408,041,365	\$1,384,758,240	\$155,030,623	12.61%
Personal Property Taxes ¹	317,487,645	248,359,099	270,118,786	267,675,592	267,236,545	(2,882,241)	-1.07%
General Other Local Taxes	360,365,264	372,204,163	353,859,015	351,719,305	355,199,911	1,340,896	0.38%
Permits, Fees & Regulatory Licenses	31,908,008	33,892,369	28,990,840	29,354,826	29,354,826	363,986	1.26%
Fines & Forfeitures	9,116,533	11,595,781	10,024,451	10,243,510	10,997,380	972,929	9.71%
Revenue from Use of Money & Property Charges for Services	58,939,714 32,751,935	44,674,492 33,000,331	27,838,356 34,109,394	26,148,239 34,906,731	32,737,042 34,906,731	4,898,686 797,337	17.60% 2.34%
Revenue from the Commonwealth ¹	202,488,873	291,247,990	288,489,277	282,452,258	281,948,245	(6,541,032)	-2.27%
Revenue from the Federal Government	36,885,800	38,765,556	37,418,266	38,820,556	38,820,556	1,402,290	3.75%
Recovered Costs/Other Revenue	5,434,555	5,778,390	5,582,309	5,677,428	5,677,428	95,119	1.70%
Total Revenue	\$2,141,373,852	\$2,305,661,097	\$2,286,158,311	\$2,455,039,810	\$2,441,636,904	\$155,478,593	6.80%
Transfers In							
105 Cable Communications	\$1,683,800	\$1,614,594	\$1,614,594	\$1,465,732	\$1,465,732	(\$148,862)	-9.22%
503 Department of Vehicle Services	0	1,300,000	3,000,000	1,700,000	1,700,000	(1,300,000)	-43.33%
Total Transfers In	\$1,683,800	\$2,914,594	\$4,614,594	\$3,165,732	\$3,165,732	(\$1,448,862)	-31.40%
Total Available	\$2,231,542,543	\$2,353,640,282	\$2,369,335,821	\$2,505,008,750	\$2,491,260,201	\$121,924,380	5.15%
Direct Expenditures							
Personnel Services	\$450,909,274	\$483,005,920	\$479,024,870	\$518,471,671	\$513,704,866	\$34,679,996	7.24%
Operating Expenses	273,465,600	306,935,045	316,835,763	319,624,512	309,005,021	(7,830,742)	-2.47%
Recovered Costs	(30,474,872)	(32,357,228)	(31,888,409)	(31,348,082)	(31,795,876)	92,533	-0.29%
Capital Equipment	7,073,181	3,946,353	6,819,736	4,094,769	3,782,456	(3,037,280)	-44.54%
Fringe Benefits	108,577,744	111,515,658	112,509,603	121,533,953	120,670,575	8,160,972	7.25%
Total Direct Expenditures	\$809,550,927	\$873,045,748	\$883,301,563	\$932,376,823	\$915,367,042	\$32,065,479	3.63%

**FY 2003 ADOPTED GENERAL FUND STATEMENT
FUND 001, GENERAL FUND**

	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
Transfers Out							
002 Revenue Stabilization	\$4,644,655	\$0	\$2,511,050	\$0	\$0	(\$2,511,050)	-100.00%
090 Public School Operating	988,000,908	1,078,090,014	1,079,911,756	1,156,261,517	1,167,861,517	87,949,761	8.14%
100 County Transit System	15,902,018	16,063,083	16,063,083	17,138,953	16,738,953	675,870	4.21%
103 Aging Grants & Programs	1,302,644	1,592,226	1,636,511	1,746,333	1,735,999	99,488	6.08%
104 Information Technology	18,393,266	13,395,000	12,788,178	9,031,626	5,921,626	(6,866,552)	-53.69%
106 Community Services Board	67,936,678	74,368,148	74,594,347	81,645,533	78,401,580	3,807,233	5.10%
110 Refuse Disposal	0	5,500,000	5,500,000	3,620,306	3,439,291	(2,060,709)	-37.47%
118 Consolidated Community Funding Pool	5,820,176	5,923,150	5,923,150	6,278,539	6,278,539	355,389	6.00%
119 Contributory Fund	6,198,375	6,682,638	6,697,638	6,613,984	6,456,429	(241,209)	-3.60%
120 E-911	2,587,445	3,796,353	5,291,176	4,911,678	4,666,094	(625,082)	-11.81%
141 Housing Programs for the Elderly	1,359,404	1,253,327	1,190,661	1,302,604	1,237,474	46,813	3.93%
144 Housing Trust Fund	1,900,000	0	300,000	0	0	(300,000)	-100.00%
200 County Debt Service	94,667,437	98,009,886	98,009,886	100,089,491	100,089,491	2,079,605	2.12%
201 School Debt Service	95,250,687	105,528,408	105,528,408	110,306,798	113,604,781	8,076,373	7.65%
302 Library Construction	240,000	0	0	0	0	0	-
303 County Construction	15,465,319	5,192,957	4,256,813	6,315,541	2,611,941	(1,644,872)	-38.64%
304 Primary & Secondary Road Bond Constr	423,277	150,000	350,000	0	0	(350,000)	-100.00%
307 Sidewalk Construction	800,000	0	0	0	0	0	-
308 Public Works Construction	903,724	580,776	850,277	0	0	(850,277)	-100.00%
309 Metro Operations and Construction	12,673,283	11,450,844	11,450,844	12,272,714	12,272,714	821,870	7.18%
311 County Bond Construction	1,130,000	0	0	0	0	0	-
313 Trail Construction	150,000	200,000	200,000	0	0	(200,000)	-100.00%
340 Housing Assistance Program	2,883,404	1,850,000	1,850,000	1,850,000	1,600,000	(250,000)	-13.51%
500 Retiree Health	1,896,000	1,917,915	1,917,915	2,228,491	2,228,491	310,576	16.19%
504 Document Services Division	2,900,000	2,900,000	2,755,000	1,900,000	1,900,000	(855,000)	-31.03%
Total Transfers Out	\$1,343,428,700	\$1,434,444,725	\$1,439,576,693	\$1,523,514,108	\$1,527,044,920	\$87,468,227	6.08%
Total Disbursements	\$2,152,979,627	\$2,307,490,473	\$2,322,878,256	\$2,455,890,931	\$2,442,411,962	\$119,533,706	5.15%
Total Ending Balance	\$78,562,916	\$46,149,809	\$46,457,565	\$49,117,819	\$48,848,239	\$2,390,674	5.15%
Less:							
Managed Reserve	\$43,655,492	\$46,149,809	\$46,457,565	\$49,117,819	\$48,848,239	\$2,390,674	5.15%
Total Available	\$34,907,424	\$0	\$0	\$0	\$0	\$0	-

¹ 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 Revenue from the Commonwealth category in accordance with guidelines from the State Auditor of Public Accounts.

FY 2003 ADOPTED SUMMARY GENERAL FUND EXPENDITURES

#	Agency Title	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
Legis - Exec Functions/Central Services								
01	Board of Supervisors	\$3,403,074	\$4,078,580	\$4,038,447	\$4,237,361	\$4,136,666	\$98,219	2.43%
02	Office of the County Executive	5,357,292	6,427,002	6,640,202	6,791,809	6,498,139	(142,063)	-2.14%
04	Department of Cable Communications and Consumer Protection	1,370,109	1,695,645	1,695,689	1,778,919	1,689,904	(5,785)	-0.34%
06	Department of Finance	6,019,870	6,466,849	6,441,527	7,211,110	6,910,054	468,527	7.27%
11	Department of Human Resources	5,705,014	6,272,104	6,337,426	6,509,135	6,183,678	(153,748)	-2.43%
12	Department of Purchasing and Supply Management	3,442,797	3,772,351	3,633,878	4,132,282	4,010,668	376,790	10.37%
13	Office of Public Affairs	666,734	851,275	876,350	903,075	857,921	(18,429)	-2.10%
15	Electoral Board and General Registrar	2,161,594	3,042,465	4,005,693	2,119,533	2,013,545	(1,992,148)	-49.73%
17	Office of the County Attorney	5,077,620	5,482,940	5,541,106	5,674,035	5,410,333	(130,773)	-2.36%
20	Department of Management and Budget	2,542,330	3,030,498	2,972,876	3,132,676	2,976,042	3,166	0.11%
37	Office of the Financial and Program Auditor	160,771	179,210	180,835	187,835	185,487	4,652	2.57%
41	Civil Service Commission	173,152	187,170	186,141	196,191	196,191	10,050	5.40%
57	Department of Tax Administration	18,712,258	19,558,598	19,290,149	20,548,429	19,931,438	641,289	3.32%
70	Department of Information Technology	16,730,132	20,746,042	20,681,855	21,962,617	21,014,486	332,631	1.61%
	Total Legis - Exec Functions/Central Services	\$71,522,747	\$81,790,729	\$82,522,174	\$85,385,007	\$82,014,552	(\$507,622)	-0.62%
Judicial Administration								
80	Circuit Court and Records	\$7,874,131	\$8,816,442	\$9,005,005	\$9,140,032	\$8,920,032	(\$84,973)	-0.94%
82	Office of the Commonwealth's Attorney	1,541,497	2,015,273	1,822,235	2,099,578	1,994,599	172,364	9.46%
85	General District Court	1,525,163	1,618,606	1,653,953	1,626,059	1,586,059	(67,894)	-4.10%
91	Office of the Sheriff	12,575,532	12,202,881	13,382,606	14,288,208	14,123,208	740,602	5.53%
	Total Judicial Administration	\$23,516,323	\$24,653,202	\$25,863,799	\$27,153,877	\$26,623,898	\$760,099	2.94%
Public Safety ¹								
04	Department of Cable Communications and Consumer Protection	\$878,073	\$981,693	\$938,548	\$1,021,385	\$970,385	\$31,837	3.39%
31	Land Development Services	9,010,703	9,677,786	9,444,527	10,327,065	9,947,557	503,030	5.33%
81	Juvenile and Domestic Relations District Court	16,078,098	17,089,796	17,135,948	17,675,329	17,375,329	239,381	1.40%
90	Police Department	106,508,520	115,410,566	116,530,006	130,128,979	129,325,400	12,795,394	10.98%
91	Office of the Sheriff	29,184,817	29,862,680	29,997,109	30,639,234	29,764,234	(232,875)	-0.78%
92	Fire and Rescue Department	95,487,186	103,219,165	107,429,791	112,062,529	111,188,509	3,758,718	3.50%
96	Animal Shelter	770,772	1,041,469	1,082,764	0	0	(1,082,764)	-100.00%
	Total Public Safety	\$257,918,169	\$277,283,155	\$282,558,693	\$301,854,521	\$298,571,414	\$16,012,721	5.67%

FY 2003 ADOPTED SUMMARY GENERAL FUND EXPENDITURES

#	Agency Title	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
Public Works								
08	Facilities Management Division	\$30,047,194	\$31,269,192	\$35,359,437	\$34,154,262	\$33,102,262	(\$2,257,175)	-6.38%
25	Business Planning and Support	2,172,741	2,707,187	2,659,572	2,683,095	2,548,940	(110,632)	-4.16%
26	Office of Capital Facilities	7,934,010	8,338,763	8,209,875	8,825,296	8,484,031	274,156	3.34%
29	Stormwater Management	6,676,784	8,065,911	8,169,391	8,558,203	8,290,293	120,902	1.48%
87	Unclassified Administrative Expenses	189,419	220,474	220,474	220,474	220,474	0	0.00%
	Total Public Works	\$47,020,148	\$50,601,527	\$54,618,749	\$54,441,330	\$52,646,000	(\$1,972,749)	-3.61%
Health and Welfare								
05	Office for Women	\$396,876	\$481,055	\$480,252	\$506,446	\$481,124	\$872	0.18%
67	Department of Family Services	145,285,927	162,832,483	157,637,170	167,277,725	164,992,586	7,355,416	4.67%
68	Department of Administration for Human Services	10,651,955	12,023,896	11,624,356	12,423,541	12,004,717	380,361	3.27%
69	Department of Systems Management for Human Services	4,416,206	5,182,945	5,280,028	5,475,867	5,202,074	(77,954)	-1.48%
71	Health Department	33,914,140	36,738,300	37,546,855	39,095,159	38,059,540	512,685	1.37%
	Total Health and Welfare	\$194,665,104	\$217,258,679	\$212,568,661	\$224,778,738	\$220,740,041	\$8,171,380	3.84%
Parks, Recreation and Cultural								
50	Department of Community and Recreation Services	\$14,268,980	\$12,234,602	\$11,828,226	\$12,544,207	\$12,145,380	\$317,154	2.68%
51	Fairfax County Park Authority	19,818,436	24,146,994	23,921,570	24,911,937	24,266,258	344,688	1.44%
52	Fairfax County Public Library	27,190,450	27,341,066	26,145,211	28,433,467	27,722,631	1,577,420	6.03%
	Total Parks, Recreation and Cultural	\$61,277,866	\$63,722,662	\$61,895,007	\$65,889,611	\$64,134,269	\$2,239,262	3.62%
Community Development								
16	Economic Development Authority	\$6,713,354	\$6,837,644	\$6,895,762	\$6,908,121	\$6,562,715	(\$333,047)	-4.83%
31	Land Development Services	8,134,963	9,184,998	9,136,673	9,737,038	9,398,341	261,668	2.86%
35	Department of Planning and Zoning	8,018,382	8,752,959	8,396,889	9,093,231	8,820,847	423,958	5.05%
36	Planning Commission	599,159	630,792	627,792	648,870	648,870	21,078	3.36%
38	Department of Housing and Community Development	4,705,286	5,662,290	5,905,467	5,600,815	5,320,774	(584,693)	-9.90%
39	Office of Human Rights	1,131,293	1,241,194	1,179,134	1,291,370	1,271,426	92,292	7.83%
40	Department of Transportation	3,750,494	6,074,519	5,351,840	5,905,197	5,789,937	438,097	8.19%
	Total Community Development	\$33,052,931	\$38,384,396	\$37,493,557	\$39,184,642	\$37,812,910	\$319,353	0.85%

FY 2003 ADOPTED SUMMARY GENERAL FUND EXPENDITURES

#	Agency Title	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
Non-Departmental								
87	Unclassified Administrative Expenses	\$3,485,451	\$4,283,582	\$8,622,525	\$4,454,797	\$4,454,797	(\$4,167,728)	-48.34%
89	Employee Benefits	117,092,188	115,067,816	117,158,398	129,234,300	128,369,161	11,210,763	9.57%
	Total Non-Departmental	\$120,577,639	\$119,351,398	\$125,780,923	\$133,689,097	\$132,823,958	\$7,043,035	5.60%
	Total General Fund Direct Expenditures	\$809,550,927	\$873,045,748	\$883,301,563	\$932,376,823	\$915,367,042	\$32,065,479	3.63%

¹ As part of the FY 2003 Adopted Budget Plan Agency 96, Animal Shelter was consolidated with Agency 90, Police Department.



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General Fund Revenue Overview

This section includes:

- ▶ *Summary of General Fund Revenue (Page 66)*
- ▶ *Major Revenue Sources (Page 69)*
- ▶ *Real Estate Tax (Page 70)*
- ▶ *Personal Property Tax (Page 77)*
- ▶ *Local Sales Tax (Page 80)*
- ▶ *Business, Professional and Occupational License Tax (Page 83)*

GENERAL FUND REVENUE OVERVIEW

SUMMARY OF GENERAL FUND REVENUE

Category	FY 2001 Actual	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Over the FY 2003 Advertised Budget Plan	
					Increase/ (Decrease)	Percent Change
Real Estate Taxes - Current and Delinquent	\$1,085,995,525	\$1,229,727,617	\$1,408,041,365	\$1,384,758,240	(\$23,283,125)	-1.65%
Personal Property Taxes - Current and Delinquent ¹	437,316,910	467,940,919	469,678,651	469,239,604	(439,047)	-0.09%
Other Local Taxes	360,365,264	353,859,015	351,719,305	355,199,911	3,480,606	0.99%
Permits, Fees and Regulatory Licenses	31,908,008	28,990,840	29,354,826	29,354,826	0	0.00%
Fines and Forfeitures	9,116,533	10,024,451	10,243,510	10,997,380	753,870	7.36%
Revenue from Use of Money/Property	58,939,714	27,838,356	26,148,239	32,737,042	6,588,803	25.20%
Charges for Services	32,751,935	34,109,394	34,906,731	34,906,731	0	0.00%
Revenue from the Commonwealth and Federal Governments	119,545,408	128,085,410	119,269,755	118,765,742	(504,013)	-0.42%
Recovered Costs/ Other Revenue	5,434,555	5,582,309	5,677,428	5,677,428	0	0.00%
Total Revenue	\$2,141,373,852	\$2,286,158,311	\$2,455,039,810	\$2,441,636,904	(\$13,402,906)	-0.55%
Transfers In	1,683,800	2,914,594	3,165,732	3,165,732	0	0.00%
Total Receipts	\$2,143,057,652	\$2,289,072,905	\$2,458,205,542	\$2,444,802,636	(\$13,402,906)	-0.55%

¹ 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.

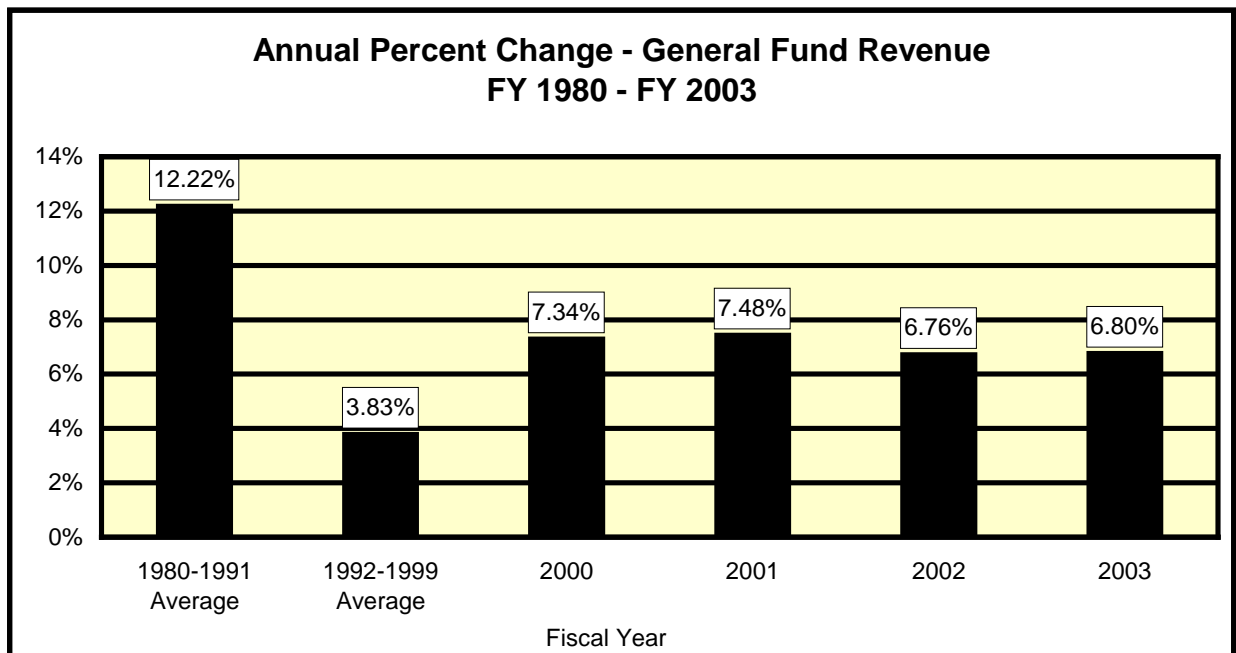
As reflected in the preceding table, FY 2003 General Fund revenues are projected to be \$2,441,636,904, a decrease of \$13,402,906, or 0.6 percent, from the FY 2003 Advertised Budget Plan. This decrease is primarily the result of a \$0.02 reduction in the Real Estate Tax rate from \$1.23 per \$100 of assessed value to \$1.21 per \$100 of assessed value. The Real Estate Tax reduction is partially offset by an increase in Revenue from the Use of Money and Property due to an expected rise in interest rates and an increase in Other Local Taxes due to projected Business, Professional, and Occupational License Tax revenue.

GENERAL FUND REVENUE OVERVIEW

FY 2003 revenues are projected to increase \$155,478,593, or 6.8 percent, over the *FY 2002 Revised Budget Plan*. The level of revenue growth in FY 2003 is primarily due to a 15.14 percent increase in the Real Estate tax base offset by a decrease in Revenue from the Commonwealth and Federal Government due to reductions in State aid.

Incorporating Transfers In, totaling \$3.2 million, FY 2003 General Fund receipts are expected to be \$2,444,802,636. The Transfer In to the General Fund reflects \$1.5 million from Cable Communications for use of County rights of way and indirect support provided by General Fund agencies, as well as, a transfer of \$1.7 million from the Department of Vehicle Services' Vehicle Replacement Reserve based on actual replacement requirements.

The following chart depicts General Fund revenue growth since FY 1980. From FY 1980 to FY 1991, average annual General Fund revenue growth exceeded 12 percent per year. Although the pace of the County's revenue growth has steadily accelerated in the last few years, it has not reached the double-digit growth experienced during the 1980s.



The slow economy, the unprecedented number of interest rate reductions, and especially the events of September 11 have all complicated the projection of County revenues for FY 2002 and FY 2003. The record 10-year expansion of the U.S. economy officially ended in March 2001. On the national level, real economic growth, as measured by the Gross Domestic Product (GDP), increased 1.2 percent in 2001, well below the 4.1 percent growth achieved in 2000.

Fairfax County's economy also slowed in 2001 from its record-setting pace of 2000. The economy was slowing well before September 11, but the terrorist attacks deepened the contraction by causing layoffs in many sectors of the economy. In 2001, the average unemployment rate was 1.9 percent compared to 1.2 percent in 2000. By the end of 2001, County Sales Tax revenues were hit especially hard by the economic slowdown, falling 7.2 percent from 2000. The surge in auto purchases during the fourth quarter of 2001 did not impact County Sales Tax receipts, as there is no local sales tax on vehicles. While the Federal Reserve took steps to moderate the economic downturn by lowering interest rates 11 times in 2001, for a total of 475 basis points, the interest rate cuts significantly reduced earnings on the County's investment portfolio in 2001. As a result, the revenue estimate for Investment Interest was lowered \$18.6 million during the fall 2001 revenue review. The nonresidential housing market also did not fare well. The County's overall office vacancy rate rose from the 3.5 percent recorded at the end of 2000 to 6.4 percent at the end of 2001. The amount of sublet space on the market increased dramatically as the economy slowed and firms that had

GENERAL FUND REVENUE OVERVIEW

anticipated growth downsized during 2001. Including sublet space, the office vacancy rate was 12.5 percent by the end of 2001.

While the growth of the national economy in the coming months is still uncertain, measures to stimulate the economy have improved the prospects of a rebound in 2002. Low interest rate auto financing, heavy discounting by retailers, and the availability of cash from mortgage refinancing lead to a 5.4 percent jump in consumer spending in the last three months of 2001. Since January 2002, the Federal Reserve has left interest rates unchanged and has indicated that there are signs of renewed economic activity. Consumer Confidence, which had fallen dramatically in the fall of 2001, gained strength in the First Quarter of 2002. When consumers are optimistic, they are more likely to spend money, thus boosting economic activity. The U.S. Leading Index of Economic Indicators increased 2.2 percent during the six-month span through April 2002. Although a few indicators are pointing to possible improvements in the national economy, it is too early to determine if they represent a longer-term trend. For instance, many economists expect that unemployment, which lags other indicators, will increase during the coming months. The national unemployment rate rose to 6.0 percent in April, increasing 0.4 percentage points since January 2002. The increase in the number of unemployed workers from March to April was primarily in special trades such as heavy construction and general building contractor work.

Fairfax County Economic indicators have also shown signs of improvement in the local economy. Fairfax County's Leading Index, which is designed to forecast the performance of the County's economy nine to twelve months in advance, is outperforming its 12-month moving average and pointing to renewed growth in the economy by mid-2002. The residential housing market in Fairfax County will contribute to the rebound in the economy. Despite losses in employment and consumer spending, there was substantial price appreciation in real estate during 2001, driven by high demand, a tight housing supply and low mortgage rates. This trend is expected to continue into 2002. Through March, median home sales prices increased for new and existing home sales. In FY 2003, Current and Delinquent Real Estate Tax revenues in Fairfax County comprise 56.7 percent of General Fund Revenue and are the major driver of overall revenue changes. FY 2003 Real Estate property values were established as of January 1, 2002 and reflect market activity through calendar year 2001. The Real Estate Tax base is projected to increase 15.14 percent in FY 2003, and is comprised of an 11.72 percent rise in total equalization (reassessment of existing residential and non-residential properties), and new growth of 3.42 percent. Residential properties gained 16.27 percent as a result of equalization, while non-residential properties increased at a rate of only 0.52 percent. The nonresidential property base, however, did experience a somewhat higher rate of increase due to new construction, advancing 4.41 percent, whereas the residential base grew 3.01 percent as a result of new construction. The total value of nonresidential property increased 4.93 percent in FY 2003, while the value of residential property, representing 73.7 percent of the County's FY 2003 Real Estate Tax base, increased 19.28 percent.

Other factors that could contribute to an improvement in the Fairfax County economy include an increase in Federal procurement spending in Northern Virginia in response to the war on terrorism. Federal spending will likely expand overall employment rates. In March, Fairfax County's employment rate was 2.9 percent, a decrease of 0.2 percentage points from December 2001.

The FY 2003 General Fund revenue estimates discussed in this section are based on a review of all relevant indicators, including the Fairfax County Economic Index, consultations with the County's economic advisor, Dr. Stephen Fuller, actual FY 2001 collections and FY 2002 year-to-date trends.

GENERAL FUND REVENUE OVERVIEW

MAJOR REVENUE SOURCES

The following major revenue categories comprise 98.3 percent of total FY 2003 General Fund revenue and are discussed in this section. Unless otherwise indicated, comparative data are presented relative to the FY 2003 Advertised 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 2001 Actual	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Over the FY 2003 Advertised Budget Plan	
					Increase/ (Decrease)	Percent Change
Real Estate Tax - Current	\$1,079,282,128	\$1,222,848,379	\$1,401,162,127	\$1,377,879,002	(\$23,283,125)	-1.66%
Personal Property Tax - Current	427,509,066	458,819,970	461,478,092	461,039,045	(439,047)	-0.10%
Paid Locally	308,716,530	260,997,837	259,475,033	259,035,986	(439,047)	-0.17%
Reimbursed by Commonwealth	118,792,536	197,822,133	202,003,059	202,003,059	0	0.00%
Local Sales Tax	133,492,619	125,063,140	126,898,084	126,898,084	0	0.00%
Recordation/Deed of Conveyance Taxes	16,337,407	18,749,039	13,632,881	14,498,840	865,959	6.35%
Vehicle License Tax	18,232,854	18,642,723	19,018,442	19,018,442	0	0.00%
Consumer Utility Tax	85,388,447	87,663,680	89,428,108	89,428,108	0	0.00%
Business, Professional and Occupational License Tax-Current	89,266,311	87,154,888	84,540,241	87,154,888	2,614,647	3.09%
Permits, Fees and Regulatory Licenses	31,908,008	28,990,840	29,354,826	29,354,826	0	0.00%
Interest on Investments	56,321,542	25,120,000	23,386,994	29,975,797	6,588,803	28.17%
Charges for Services	32,751,935	34,109,394	34,906,731	34,906,731	0	0.00%
Fines and Forfeitures	9,116,533	10,024,451	10,243,510	10,997,380	753,870	7.36%
Revenue from the Commonwealth and Federal Government ¹	119,545,408	128,085,410	119,269,755	118,765,742	(504,013)	-0.42%
Total Major Revenue Sources	\$2,099,152,258	\$2,245,271,914	\$2,413,319,791	\$2,399,916,885	(\$13,402,906)	-0.56%

¹ Excludes Personal Property Taxes that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998.

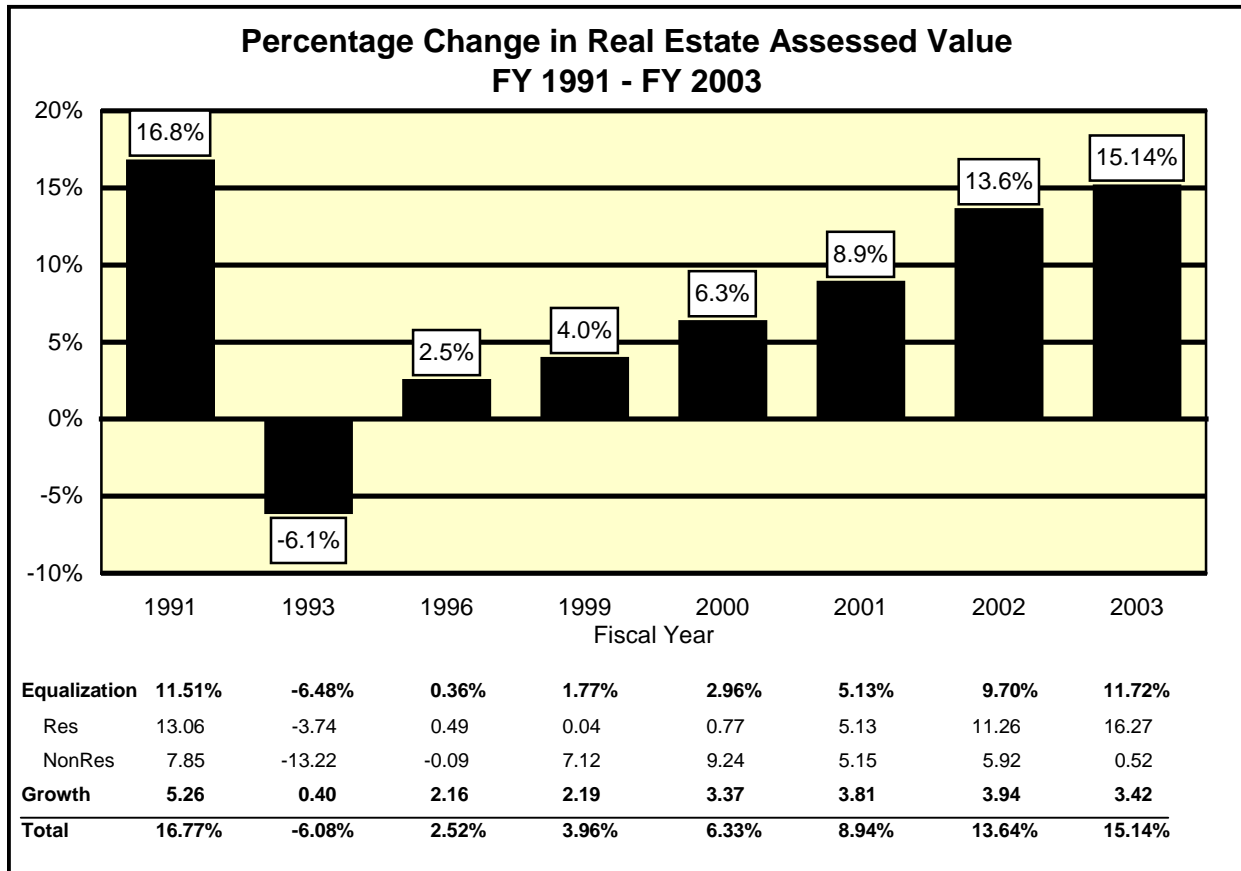
GENERAL FUND REVENUE OVERVIEW

REAL ESTATE TAX-CURRENT

FY 2001 Actual	FY 2002 Revised	FY 2003 Advertised	FY 2003 Adopted	Increase/ (Decrease)	Percent Change
\$1,079,282,128	\$1,222,848,379	\$1,401,162,127	\$1,377,879,002	(\$23,283,125)	-1.66%

The FY 2003 estimate of \$1,377,879,002 for Current Real Estate Taxes represents a decrease of \$23,283,125, or 1.7 percent, from the FY 2003 Advertised Budget Plan. This decrease is the result of the adoption of a \$0.02 reduction in the Real Estate Tax rate and expansion of the Tax Relief Program for the Elderly and Disabled. The FY 2003 Real Estate Tax rate was reduced from \$1.23 per \$100 of assessed value to \$1.21 per \$100 of assessed value. The revenue decrease associated with the reduction in the tax rate is \$22.8 million. In addition, as part of the FY 2003 Budget, the Board of Supervisors approved an increase in the maximum level of assets allowed for Real Estate tax relief eligibility from \$150,000 to \$160,000. This change in the Tax Relief Program is anticipated to reduce revenue by approximately \$0.5 million.

The FY 2003 Real Estate estimate is based on a 15.14 percent increase in the FY 2003 valuation of real property, as compared to the FY 2002 Real Estate Land Book. The FY 2003 estimate is comprised of an increase in equalization of 11.72 percent and in normal growth of 3.42 percent, and an estimated total collection rate of 99.50 percent. The following chart shows changes in the County's assessed value base in FY 1991, FY 1993, FY 1996, and from FY 1999 to FY 2003. The FY 2003 figures reflected herein are based on the final assessments for Tax Year 2002 (FY 2003), which were established as of January 1, 2002. Real Estate Tax revenue in FY 2003 is projected to increase 14.7 percent after taking into account increased tax abatements as a result of the County's revitalization effort, and changes in the Tax Relief Program which will be discussed below. Throughout FY 2003, 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 collection rate.



GENERAL FUND REVENUE OVERVIEW

The FY 2003 **Main Assessment Book Value** is \$114,902,589,425 and represents an increase of \$15,109,197,695, or 15.14 percent, over the FY 2002 main assessment book of \$99,793,391,730. This is the largest increase since FY 1991 when total assessments increased 16.8 percent. From FY 1992 to FY 1994, the assessment base declined an average of 2.8 percent. After the recession, the value of real property increased at modest annual rates, averaging 2.5 percent from FY 1995 through FY 1999. It was not until FY 1999 that the assessment base exceeded its FY 1991 level. The assessment base is now \$114.9 billion, \$41.9 billion higher than its FY 1991 level.

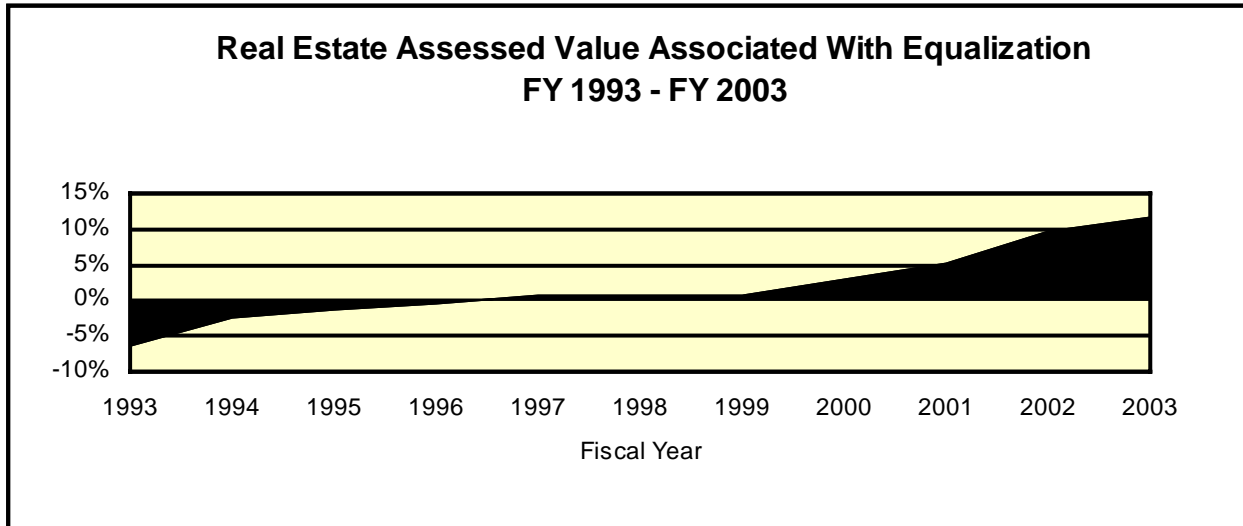
The overall increase in the assessment base includes **equalization**, the reassessment of existing properties, and **normal growth**, which is associated with construction of new properties in Fairfax County. The FY 2003 assessment base reflects a significant increase in the values of existing residential properties of 16.27 percent, while nonresidential properties grew a slight 0.52 percent, as a result of equalization. Nonresidential and residential properties experienced moderate growth due to new construction at 4.41 percent and 3.01 percent, respectively. As a result of these changes, the residential portion of the total assessment base rose from 71.1 percent in FY 2002 to 73.7 percent in FY 2003. The table below reflects changes in the Real Estate Tax assessment base from FY 1997 through FY 2003.

Main Real Estate Assessment Book Base Changes
(in millions)

Assessed Base Change Due To:	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Equalization	\$392.6	\$567.7	\$1,289.6	\$2,241.4	\$4,139.5	\$8,522.9	\$11,699.8
% Change	0.57%	0.80%	1.77%	2.96%	5.13%	9.70%	11.72%
Residential	-0.23%	-0.50%	0.04%	0.77%	5.13%	11.26%	16.27%
Nonresidential	3.27%	5.05%	7.12%	9.24%	5.15%	5.92%	0.52%
Normal Growth	\$1,472.6	\$1,369.7	\$1,598.0	\$2,556.9	\$3,067.6	\$3,456.3	\$3,409.4
% Change	2.13%	1.93%	2.19%	3.37%	3.81%	3.94%	3.42%
Total							
% Change	2.70%	2.73%	3.96%	6.33%	8.94%	13.64%	15.14%

Equalization, or reassessment of existing residential and nonresidential property, represents an increase in value of \$11,699,818,655, or 11.72 percent in FY 2003. The increase in total equalization is due to a boost in residential property values and a slight increase in nonresidential property values. The significant increase in residential properties is a result of increased demand for homes in the County without a commensurate increase in the supply of existing homes. This trend mirrors that which is occurring on a regional and national basis. Changes in the assessment base as a result of equalization are shown in the following chart. The increase in the tax levy associated with the overall 11.72 percent increase in equalization is \$141,567,806 based on a tax rate of \$1.21 per \$100 of assessed value.

GENERAL FUND REVENUE OVERVIEW



Over the last two years, **residential** equalization has experienced double digit growth, the highest in over a decade. Due to the recession, residential equalization declined notably from FY 1992 through FY 1994 and remained essentially flat from FY 1995 through FY 2000. Following a moderate increase in FY 2001, residential equalization rose 11.26 percent in FY 2002. In FY 2003, overall residential equalization increased a robust 16.27 percent. This increase reflects the strength of the housing market in the County and throughout the Northern Virginia area. As a result of the sustained increases in both sales volume and sales price, the majority of residential properties in the County will receive valuation increases. It should be noted that the County's median assessment to sales ratio is in the low 90 percent range, well within professional assessing standards of 90 percent to 110 percent.

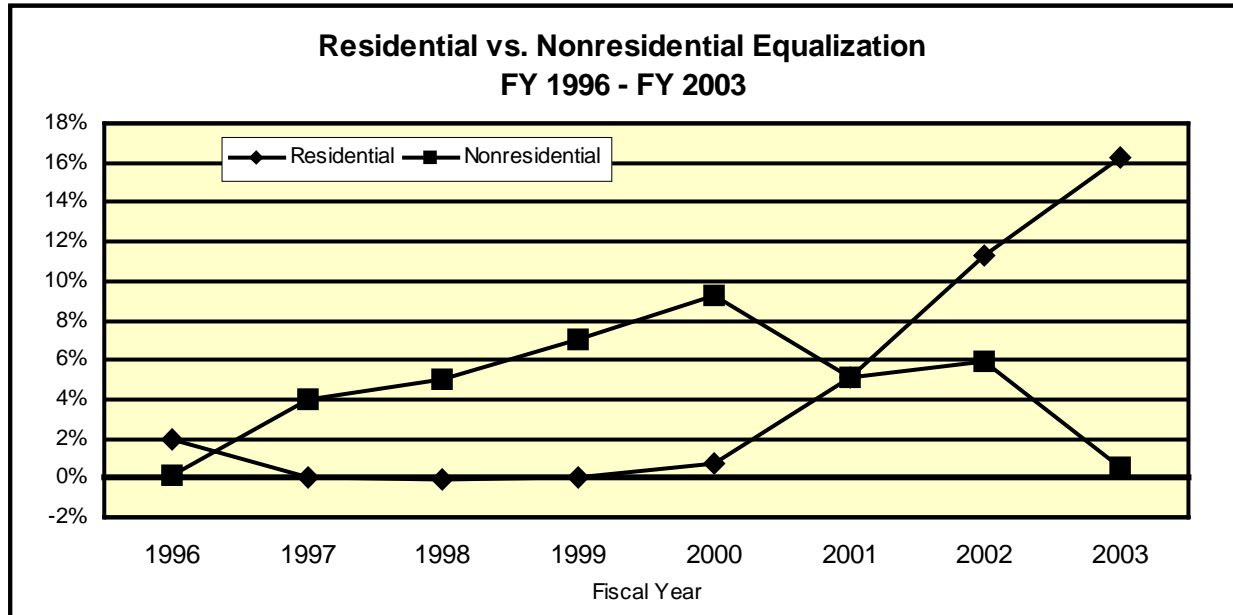
All types of residential property experienced increases in value in FY 2003. While townhouse and condominium property values experienced significant increases due to equalization, changes in the assessed value of single family homes have the most impact on the total residential base because they represent 75.3 percent of the total. Changes in residential equalization by housing type since FY 2000 are shown in the following table. It should be noted that 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 2000	FY 2001	FY 2002	FY 2003
Single Family (75.3%)	1.26%	6.43%	12.08%	16.14%
Townhouse/Duplex (17.9%)	-0.16%	2.22%	10.98%	18.56%
Condominiums (5.8%)	-1.96%	1.17%	10.30%	21.19%
Vacant Land (0.8%)	1.24%	9.84%	7.90%	15.23%
Other (0.2%) ¹	0.49%	1.38%	5.73%	3.00%
Total Residential Equalization (100%)	0.77%	5.13%	11.26%	16.27%

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

GENERAL FUND REVENUE OVERVIEW



Based on the increase in residential equalization, the mean assessed value of all residential property in the County is \$272,943. This is an increase of \$38,194 over the FY 2002 value of \$234,749. Compared to FY 2002, the typical residential annual tax bill will increase \$415.20 in FY 2003, on average, based on a tax rate of \$1.21 per \$100 of assessed value.

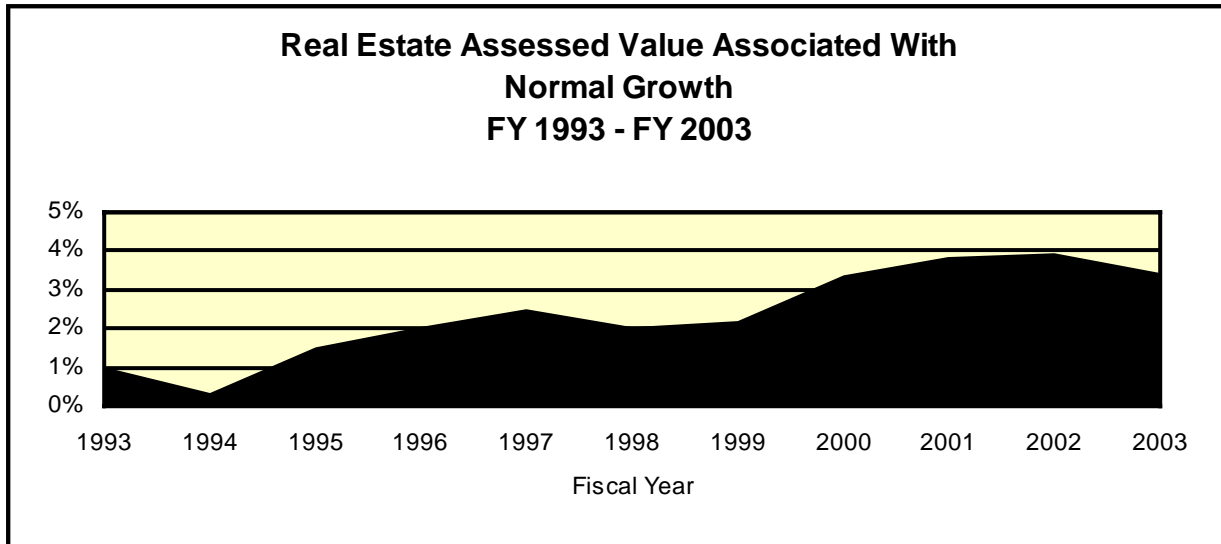
Nonresidential equalization experienced slight growth of 0.52 percent in FY 2003, the smallest increase since FY 1996 when the change due to equalization was negative. As a result of rising office vacancy rates, increased supply, and recent sales activity, the values of elevator offices (mid- and high-rises), which comprise 40.6 percent of the nonresidential tax base, fell 2.48 percent. As the economy has slowed, office space that many companies had leased or purchased in anticipation of expansion has not been needed. As such, the amount of office space available for sublease has increased. The Economic Development Authority recently reported that the office vacancy rate climbed to 6.4 percent by the end of 2001, up from 3.5 percent at year-end 2000. Including sublet space, the office vacancy rate is 12.5 percent. Low-rise office property has fared somewhat better than mid- and high-rises, increasing 1.46 percent. The value in hotel property fell 15.39 percent in FY 2003. While hotels were experiencing slower growth than in the past several years even before September 11, during the fourth quarter of 2001, hotels experienced a precipitous drop in occupancy rates leading to the significant decline in value. Due to an ample supply of retail space, regional malls have exhibited a slight increase of 0.34 percent while other retail properties increased 1.91 percent in FY 2003. Nonresidential equalization changes by category since FY 2000 are presented in the following table.

GENERAL FUND REVENUE OVERVIEW

Nonresidential Equalization Changes

Category (Percent of Base)	FY 2000	FY 2001	FY 2002	FY 2003
Apartments (15.64%)	3.43%	3.54%	6.53%	9.59%
Office Condominiums (2.04%)	0.48%	2.08%	4.95%	7.75%
Industrial (7.54%)	10.55%	7.46%	7.25%	2.08%
Retail (11.83%)	4.49%	2.73%	2.84%	1.91%
Regional Malls (3.69%)	3.08%	0.87%	2.20%	0.34%
Office Elevator (40.59%)	16.20%	6.74%	6.54%	-2.48%
Office - Low Rise (3.88%)	10.95%	6.05%	7.30%	1.46%
Vacant Land (4.93%)	19.86%	5.96%	6.36%	-0.08%
Hotels (4.74%)	24.40%	7.16%	6.58%	-15.39%
Other (5.12%)	4.88%	2.62%	6.35%	3.02%
Nonresidential Equalization (100%)	9.24%	5.15%	5.92%	0.52%

Normal Growth of \$3,409,379,040, or 3.42 percent, over the FY 2002 assessment book value results from new construction, new subdivisions and rezoning. This level of growth is similar to the 3.81 percent and 3.94 percent increases realized in FY 2001 and FY 2002 (see following chart). Normal growth in FY 2003 continues to be well below the 6.9 percent average growth experienced during the 1980s. In FY 2003, the nonresidential property base experienced a somewhat higher rate of increase due to new construction, advancing 4.41 percent, whereas the residential base grew 3.01 percent as a result of new construction. The total rate of growth due to new construction is consistent with activity in the housing and commercial building industry throughout the Washington metropolitan area.



In addition to the final equalization and normal growth adjustments in the Main Book, the following projected adjustments were made to the FY 2003 Real Estate Tax revenue estimate:

GENERAL FUND REVENUE OVERVIEW

Additional Assessments expected to be included in the new real estate base are prorated assessments under the Norfolk Plan of \$371.1 million and additional supplemental assessments of \$31.3 million. The Norfolk Plan assessments are supplemental assessments, which are made during the year for new construction that is completed subsequent to finalizing the original assessment book. Supplemental assessments may also result due to changes in ownership or tax exempt status. The total value of the supplemental assessments will be closely monitored based on new construction and building permit activity.

Exonerations, Certificates and Tax Abatements are anticipated to reduce the Real Estate assessment base by \$747.0 million in FY 2003, an additional \$232.6 million over FY 2002. This increase is due to rising property values and an increase in tax abatements associated with the County's revitalization effort. Each \$100.0 million change in the level of exonerations, certificates and tax abatements is equivalent to a change of \$1.2 million in tax levy.

Tax Relief for the Elderly and Disabled is projected to reduce the Real Estate assessment base in FY 2003 by \$971,130,000. During FY 2001 and FY 2002, the income limits associated with the Real Estate Tax Relief Program for the Elderly and Disabled were expanded as approved by the Board of Supervisors. In FY 2003, the income limits of the Tax Relief program remain the same as in FY 2002 and provides 100 percent exemption for elderly and disabled taxpayers with incomes up to \$40,000; 50 percent exemption for eligible applicants with income between \$40,001 and \$46,000; and 25 percent exemption if income is between \$46,001 and \$52,000. As part of the FY 2003 Budget, the Board of Supervisors approved an increase in the allowable asset limit of \$150,000 to \$160,000 for all ranges of tax relief. The table below presents income thresholds for the Tax Relief Program for the Elderly and Disabled since FY 2000.

Real Estate Tax Relief for the Elderly and Disabled

	Income Limit	Percent Relief
FY 2000	Up to \$30,000	100%
	Over \$30,000 to \$35,000	50%
	Over \$35,000 to \$40,000	25%
FY 2001	Up to \$35,000	100%
	Over \$35,000 to \$40,000	50%
	Over \$40,000 to \$46,000	25%
FY 2002 & FY 2003	Up to \$40,000	100%
	Over \$40,000 to \$46,000	50%
	Over \$46,000 to \$52,000	25%

FY 2003 Asset Limit Increased from \$150,000 to \$160,000

The FY 2003 local assessment base of \$113,586,826,065 is derived from the main book assessment and subsequent adjustments discussed above. From this local assessment base, a local tax levy of \$1,374,400,595 is calculated using a tax rate of \$1.21 per \$100 of assessed value. Based on an expected local collection rate of 99.50 percent, revenue from local assessments is estimated to be \$1,367,528,592. In FY 2003, every 0.1 percentage point change in the collection rate on the locally assessed Real Estate Tax levy yields a revenue change of \$1.4 million, while every penny on the tax rate yields \$11.6 million in revenue.

Added to the local assessment base is an estimated \$855,405,787 in assessed value for Public Service Corporations (PSC) property. Using a rate of \$1.21 per \$100 of assessed value, the tax levy on PSC property is \$10,350,410. The collection rate on PSC property is expected to be 100.0 percent.

GENERAL FUND REVENUE OVERVIEW

The total assessment base, including Public Service Corporations, is \$114,442,231,852 with a total tax levy of \$1,384,751,005 at the \$1.21 per \$100 assessed value tax rate. Estimated FY 2003 revenue from the Real Estate Tax, including receipts from Public Service Corporations, totals \$1,377,879,002 at the \$1.21 per \$100 assessed value tax rate, and reflects an overall collection rate of 99.50 percent. The total collection rates experienced in this category since FY 1988 are shown in the following table:

Real Estate Tax Collection Rates

Fiscal Year	Collection Rate	Fiscal Year	Collection Rate
1988	99.58%	1996	99.47%
1989	99.59%	1997	99.56%
1990	99.49%	1998	99.54%
1991	98.96%	1999	99.50%
1992	98.87%	2000	99.63%
1993	99.03%	2001	99.53%
1994	99.15%	2002 (estimated)	99.50%
1995	99.32%	2003 (estimated) ¹	99.50%

¹ In FY 2003, every 0.1 percentage point change in the collection rate yields a revenue change of \$1,397,629.

The Commercial/Industrial percentage of the County's Real Estate Tax base is 21.97 percent, a drop of 2.87 percentage points from the FY 2002 level of 24.84 percent. This reduction is due to the increase in the residential portion of the Real Estate Tax base. The Commercial/Industrial percentage is based on Virginia land use codes and excludes multi-family rental apartments, which comprises 4.37 percent of the County's Real Estate Tax base. Fairfax County's historical Commercial/Industrial percentages are detailed in the following table:

Commercial/Industrial Percentages

Fiscal Year	Percentage	Fiscal Year	Percentage
1988	25.49%	1996	19.04%
1989	26.73%	1997	19.56%
1990	26.76%	1998	20.47%
1991	26.25%	1999	21.84%
1992	25.66%	2000	24.32%
1993	22.82%	2001	25.37%
1994	20.94%	2002	24.84%
1995	19.59%	2003	21.97%

GENERAL FUND REVENUE OVERVIEW

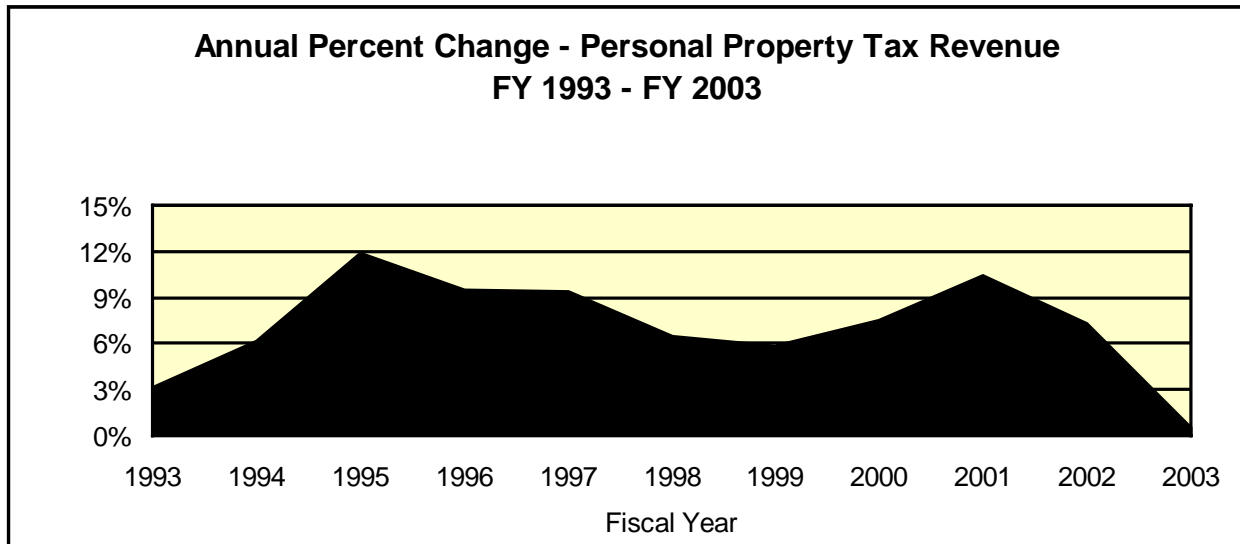
PERSONAL PROPERTY TAX-CURRENT

	FY 2001 Actual	FY 2002 Revised	FY 2003 Advertised	FY 2003 Adopted	Increase/ (Decrease)	Percent Change
Paid Locally	\$308,716,530	\$260,997,837	\$259,475,033	\$259,035,986	(\$439,047)	-0.17%
Reimbursed by State	118,792,536	197,822,133	202,003,059	202,003,059	0	0.00%
Total	\$427,509,066	\$458,819,970	\$461,478,092	\$461,039,045	(\$439,047)	-0.10%

The FY 2003 Personal Property Tax revenue is expected to be \$461,039,045, a decrease of \$439,047, or 0.1 percent, from the FY 2003 Advertised Budget Plan estimate. This reduction is the result of the \$0.02 decrease in the Real Estate Tax rate. The Real Estate Tax rate impacts two classes of personal property: mobile homes and non-vehicle Public Service Corporation property.

The Personal Property Tax estimate is comprised of two components, that which is paid by citizens 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 phases out the Personal Property Tax 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. In 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 State's lower than anticipated General Fund revenue growth, the reimbursement rate will remain at 70 percent in FY 2003. The PPTRA has no impact on the assessment or projection of Personal Property Tax revenues; therefore, for purposes of this narrative, aspects of the total Personal Property Tax will be discussed.

The Personal Property Tax consists of two major components: vehicles and business personal property. The vehicle component, which represents approximately 67 percent of the total category in FY 2003, is the major driver of the overall category. Both the vehicle and business components, however, are sensitive to changes in the national and local economies. Annual changes in total Personal Property Tax revenues are shown in the following chart.



Total Personal Property Tax revenues experienced average annual growth of 10.2 percent from FY 1994 through FY 1997. More moderate gains of 6.4, 5.9, and 7.5 percent in total Personal Property Tax revenue were experienced in FY 1998 through FY 2000, respectively. Strong job growth and business expansion pushed total Personal Property Tax growth to 10.4 percent in FY 2001. In FY 2002, Personal Property Tax

GENERAL FUND REVENUE OVERVIEW

revenue is anticipated to grow at a more moderate rate of 7.3 percent. This rate of growth is primarily due to the business component as a result of business expansion during calendar year 2000.

The FY 2003 estimate incorporates an increase of 1.1 percent in the average vehicle levy from \$370 to \$374. This modest rise is the result of slight growth in the price of new vehicles. Many automakers have kept the price of new model vehicles low in order to encourage sales. In addition, during the fall of 2001 many manufacturers were offering low or zero percent financing to new vehicle buyers. When the price of new vehicles remains low, used vehicles become less attractive and their value declines faster than the historical norm. Contributing to the decline in used vehicle prices is the large number of vehicles coming off leases and being added to the supply of used vehicles. The volume of vehicles in FY 2003 is anticipated to increase at a modest rate of 1.8 percent. This rate reflects a slowing in the number of new model vehicle purchased in calendar year 2002 as consumer demand was satisfied in late 2001. Incorporating changes in average levy and volume, the overall vehicle component of the Personal Property Tax base is expected to increase 1.2 percent in FY 2003. Changes in vehicle volume and levy since FY 1998 are shown in the following table.

Personal Property Vehicles

Fiscal Year	Growth in Vehicle Volume	Average Vehicle Levy	Growth in Average Levy
FY 1998	2.6%	\$315	1.6%
FY 1999	3.2%	\$320	1.7%
FY 2000	4.2%	\$336	4.9%
FY 2001	4.5%	\$359	6.9%
FY 2002 (est.)	2.3%	\$370	2.9%
FY 2003 (est.)	1.8%	\$374	1.1%

Business Personal Property is primarily comprised of assessments on furniture and fixtures and computer equipment. Growth in the business component is mainly associated with increased purchases from existing companies. The number of companies is expected to increase 0.3 percent in FY 2002 and rise slightly to 0.5 percent in FY 2003. Business levy is anticipated to experience growth of 13.4 percent in FY 2002 as a result of significant purchases of new equipment during calendar year 2001. This level of purchases is not expected to continue into calendar year 2002 due to slowing job growth and the sluggish economy. Levy from new purchases is expected to be offset by property depreciation, resulting in an overall drop in business levy of 0.9 percent in FY 2003.

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) annually reviews the depreciation rate schedule for computer hardware due to the speed with which computer values change. To reflect market trends, the computer depreciation schedule was changed in FY 1999. The schedule was adjusted further in FY 2000 to accelerate the depreciation of computer equipment in the first and second years. In FY 2001, the depreciation of computer equipment that was purchased 3 years prior was adjusted. The depreciation schedule was not changed in FY 2002; however, based on current trends, the computer depreciation schedule for equipment purchased one to three years prior will be adjusted in FY 2003. This change to the computer depreciation schedule is anticipated to reduce Personal Property revenue by approximately \$5.0 million. Previous and current computer depreciation schedules are shown in the following table. The percentages from the depreciation schedule are applied to the original purchase price of the computer equipment to determine its fair market value. Personal Property Taxes are then levied on this value. Fairfax County's FY 2003 computer depreciation schedule reduces the value upon which the tax is levied more rapidly than any other Northern Virginia locality.

GENERAL FUND REVENUE OVERVIEW

Computer Depreciation Schedules FY 1998 - FY 2003 Percent of Original Purchase Price Taxed

Year of Acquisition	FY 1998	FY 1999	FY 2000	FY 2001 and FY 2002	FY 2003
1	80%	65%	60%	60%	55%
2	55%	45%	40%	40%	35%
3	35%	30%	30%	25%	20%
4	10%	10%	10%	10%	10%
5 or more	10%	2%	2%	2%	2%

Personal Property Tax revenue estimates are based on a tax rate of \$4.57 per \$100 of valuation for vehicles and business property, and \$1.21 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.

FY 2003 Estimated Personal Property Assessments and Tax Levy

Category	FY 2003 Assessed Value	Tax Rate (per \$100)	FY 2003 Tax Levy	Percent of Total Levy
Vehicles				
Privately Owned	\$7,783,431,023	\$4.57	\$281,935,240	59.3%
Business Owned	440,133,636	4.57	16,519,555	3.5%
Leased	663,080,905	4.57	22,180,840	4.7%
Subtotal	\$8,886,645,564		\$320,635,635	67.4%
Business Personal Property				
Furniture and Fixtures	\$1,487,362,740	\$4.57	\$67,902,205	14.3%
Computer Equipment	1,080,297,077	4.57	49,366,843	10.4%
Machinery and Tools	161,538,990	4.57	7,382,332	1.6%
Research and Development	6,727,315	4.57	307,438	0.1%
Subtotal	\$2,735,926,122		\$124,958,818	26.3%
Public Service Corporations				
Equalized	\$2,178,259,756	\$1.21	\$26,356,943	5.5%
Vehicles	9,532,976	4.57	435,657	0.1%
Subtotal	\$2,187,792,732		\$26,792,600	5.6%
Other				
Mobile Homes	\$17,729,756	\$1.21	\$212,385	0.0%
Other (Trailers, Misc.)	8,407,248	4.57	310,044	0.1%
Subtotal	\$26,137,004		\$522,429	0.1%
Penalty for Late Filing			\$2,701,548	0.6%
TOTAL	\$13,836,501,422		\$475,611,030	100.0%

GENERAL FUND REVENUE OVERVIEW

A collection rate of 96.74 percent is applied to the total local tax levy for FY 2003, a rate that is consistent with the FY 2001 actual and the rate projected for FY 2002. The application of the projected collection rate to the local levy estimate for FY 2003 results in projected tax revenue of \$434,249,840. In addition, it is projected that a 100.0 percent collection rate will be achieved on the Public Service Corporations tax levy of \$26,792,600. The resulting collection rate for all categories of personal property is estimated to be 97.0 percent and is shown in the following table with historical collection rates.

Total Personal Property Tax Collection Rates

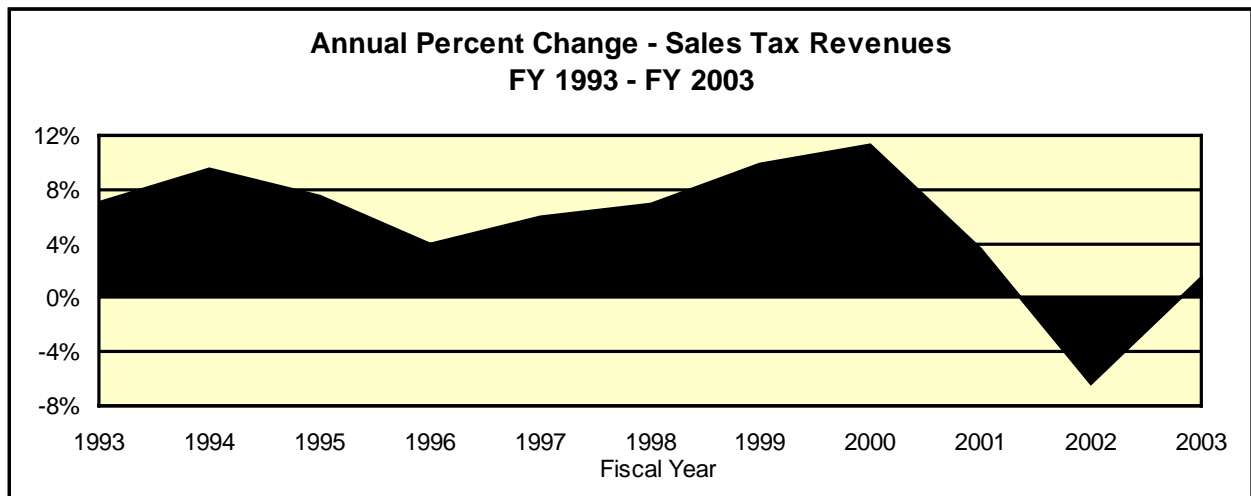
Fiscal Year	Collection Rate	Fiscal Year	Collection Rate
1988	95.5%	1996	97.2%
1989	96.3%	1997	97.3%
1990	96.2%	1998	97.3%
1991	95.5%	1999	97.3%
1992	94.4%	2000	97.3%
1993	96.0%	2001	97.1%
1994	95.6%	2002 (estimated)	97.0%
1995	96.8%	2003 (estimated) ¹	97.0%

¹ Each 0.1 percentage point change in the collection rate on the local tax levy will impact revenues by approximately \$0.5 million, and each penny on the tax rate yields a revenue change of \$0.9 million.

LOCAL SALES TAX

FY 2001 Actual	FY 2002 Revised	FY 2003 Advertised	FY 2003 Adopted	Increase/ (Decrease)	Percent Change
\$133,492,619	\$125,063,140	\$126,898,084	\$126,898,084	\$0	0.00%

The FY 2003 estimate of \$126,898,084 reflects no change from the FY 2003 Advertised Budget Plan estimate and represents an increase of \$1,834,944, or 1.5 percent, over the FY 2002 Revised Budget Plan estimate. This increase reflects the expectation that the local economy will slightly improve in FY 2003.



Even before the terrorist attack in September 2001, FY 2002 Sales Tax receipts were declining. During the fall 2001 review of revenue, the FY 2002 estimate for Sales Tax receipts was dropped from the 6.0 percent

GENERAL FUND REVENUE OVERVIEW

incorporated in the FY 2002 Adopted Budget Plan to negative 2.0 percent, a loss of \$14.6 million. Because Sales Tax receipts continued to decline during the first seven months of FY 2002, the estimate for FY 2002 receipts was reduced an additional \$5.8 million during the Third Quarter Review representing a loss of 6.3 percent from FY 2001 receipts. Since Third Quarter, FY 2002 Sales Tax collections have continued to decline. Sales Tax receipts through May, representing retail purchases from June through March are down 6.5 percent from the same period in FY 2001. Through May, Sales Tax receipts have declined in 14 out of the last 15 months. If Sales Tax receipts continue to fall at a 6.5 percent rate for the last two months of the fiscal year, an additional shortfall of \$0.4 million would occur in FY 2002.

RECORDATION/DEED OF CONVEYANCE TAXES

FY 2001 Actual	FY 2002 Revised	FY 2003 Advertised	FY 2003 Adopted	Increase/ (Decrease)	Percent Change
\$16,337,407	\$18,749,039	\$13,632,881	\$14,498,840	\$865,959	6.35%

The FY 2003 estimate of \$14,498,840 reflects an increase of \$865,959, or 6.4 percent, over the FY 2003 Advertised Budget Plan and a decrease of \$4,250,199, or 22.7 percent, from the *FY 2002 Revised Budget Plan*. The FY 2003 estimate is comprised of \$10,686,119 in Recordation Tax revenues and \$3,812,721 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 Tax revenues.

During the first ten months of FY 2002, Recordation revenues increased 27.0 percent and Deed of Conveyance revenues declined 3.3 percent from the same period in FY 2001. Overall receipts grew due to the strong demand relative to housing supply as well as rising median sales prices. Increased mortgage refinancing due to low mortgage rates boosted Recordation collections. During the first 10 months of FY 2002, the average rate on 30-year conventional mortgages was 6.9 percent, down from 7.8 percent during the same period of FY 2001.

In FY 2003, Recordation and Deed of Conveyance receipts are expected to fall from their FY 2002 level as interest rates are projected to increase by the second quarter of CY 2002 and mortgage refinancing is anticipated to drop.

VEHICLE LICENSE TAX

FY 2001 Actual	FY 2002 Revised	FY 2003 Advertised	FY 2003 Adopted	Increase/ (Decrease)	Percent Change
\$18,232,854	\$18,642,723	\$19,018,442	\$19,018,442	\$0	0.00%

The FY 2003 estimate for Vehicle License Tax of \$19,018,442 remains at the level projected in the FY 2003 Advertised Budget Plan and represents a 2.0 percent increase over the *FY 2002 Revised Budget Plan* estimate. This growth rate is consistent with historical trends.

Vehicle License Tax rates remain unchanged in FY 2003 at \$25 for passenger vehicles; \$18 for motorcycles; and \$23 for certain passenger vehicles used for compensation, e.g., taxis. The renewal date for vehicle licenses is October 5, which links the purchase of vehicle decals with the payment due date for Personal Property Taxes.

GENERAL FUND REVENUE OVERVIEW

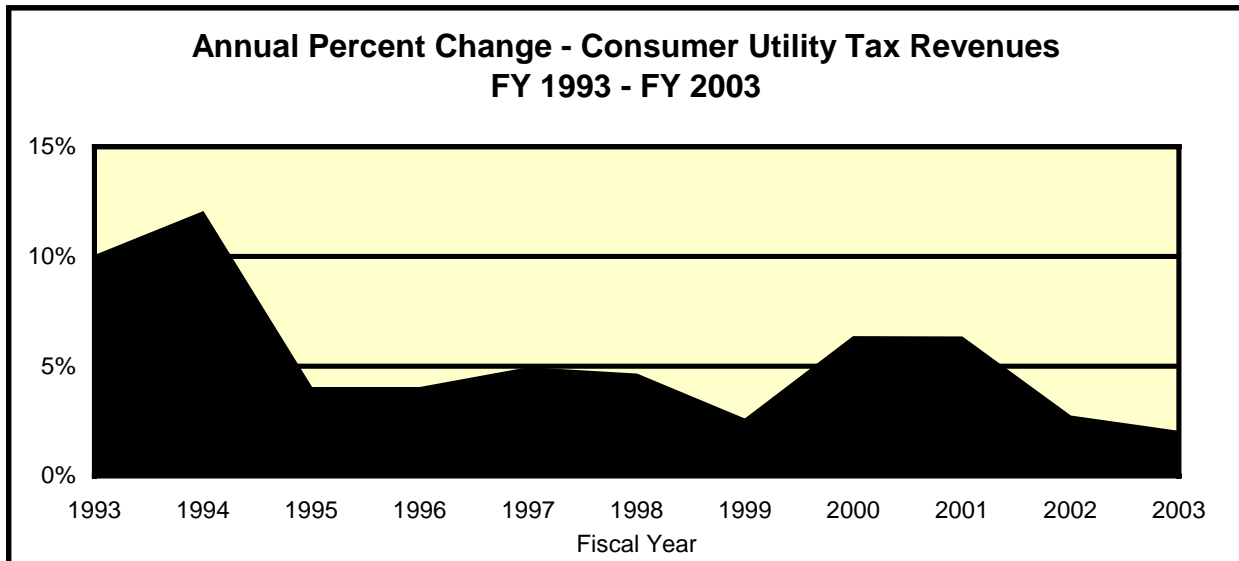
CONSUMER UTILITY TAX

FY 2001 Actual	FY 2002 Revised	FY 2003 Advertised	FY 2003 Adopted	Increase/ (Decrease)	Percent Change
\$85,388,447	\$87,663,680	\$89,428,108	\$89,428,108	\$0	0.00%

The FY 2003 estimate for Consumer Utility Taxes of \$89,428,108 reflects no change from the FY 2003 Advertised Budget Plan estimate and represents an increase of \$1,764,428, or 2.0 percent, over the FY 2002 Revised Budget Plan estimate. County residents and businesses are subject to Consumer Utility Taxes based on their consumption of electricity, gas, and telephone services. The FY 2003 estimate is comprised of \$33,787,323 in taxes on electric service, \$46,071,010 in taxes on telephone service, and \$9,569,775 in taxes on gas service. Historically taxes on telephone services grow at a faster rate than other consumer utilities.

Predicting Utility Tax revenues is difficult due to the variability of commercial usage and weather. Consumer Utility Tax revenues are monitored on a monthly basis. An annual econometric model, which examines the trend over time in Consumer Utility Tax revenues, and several monthly statistical models, which take into account seasonal fluctuations and historical trends in Consumer Utility Tax revenues, are used to track and forecast these revenues.

The Virginia General Assembly approved deregulation of the electric and gas utility industries beginning in 2001. Under competition, users may purchase electricity and gas from a vendor other than Virginia Power, Northern Virginia Electric Cooperative, Washington Gas, or Columbia Gas. However, these companies are still responsible for distributing the electricity and natural gas to consumers in Fairfax County. The legislation governing deregulation required the County to change the way it levies the Consumer Utility Tax from a method based on the dollar amount of the bill, to a new method based on usage (kilowatt-hours for electricity and per 100 cubic feet for gas). To comply with the legislation, the Board of Supervisors adopted new consumption-based rates in October 2000, which became effective January 1, 2001. These rates, which are shown in the Financial, Statistical, and Summary Tables Section, were designed to be revenue neutral with the previous method of tax calculation.



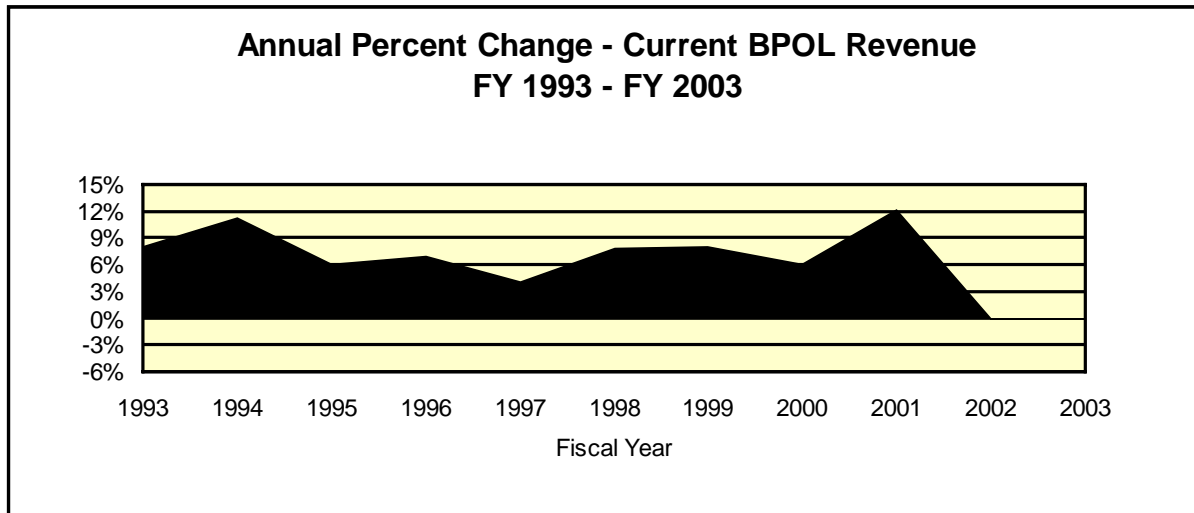
GENERAL FUND REVENUE OVERVIEW

BUSINESS, PROFESSIONAL AND OCCUPATIONAL LICENSE TAX-CURRENT

FY 2001 Actual	FY 2002 Revised	FY 2003 Advertised	FY 2003 Adopted	Increase/ (Decrease)	Percent Change
\$89,266,311	\$87,154,888	\$84,540,241	\$87,154,888	\$2,614,647	3.09%

The FY 2003 estimate for Business, Professional and Occupational License Taxes (BPOL) of \$87,154,888 reflects an increase of \$2,614,647, or 3.1 percent, over the FY 2003 Advertised Budget Plan. The FY 2003 estimate is consistent with FY 2001 actual revenues less BPOL receipts from the electric and gas industries.

In FY 2001, BPOL receipts experienced robust growth due to rapid job growth and increases in the housing and construction industries in calendar year 2000. Because businesses file and pay their BPOL Taxes simultaneously on March 1 each year based on their gross receipts during the previous calendar year, little actual data was available during Third Quarter in order to revise the FY 2002 estimate or to develop a FY 2003 estimate. The *FY 2002 Revised Budget Plan* estimate and the FY 2003 estimate represent no change from the level achieved in FY 2001, absent the elimination of the BPOL Tax on electric and gas suppliers. As a result of deregulation, the BPOL Tax for these industries was replaced in FY 2002 with a consumer consumption tax based on kilowatt-hour (kWh) usage for electricity and per 100 cubic feet for natural gas. Based on initial returns, FY 2002 BPOL receipts are expected to be somewhat higher than originally expected. However, since it is unclear that economic growth will be sustained throughout calendar year 2002, the FY 2003 estimate is held to the same level projected for FY 2002. Historical changes in BPOL receipts are presented in the following chart.



PERMITS, FEES AND REGULATORY LICENSES

FY 2001 Actual	FY 2002 Revised	FY 2003 Advertised	FY 2003 Adopted	Increase/ (Decrease)	Percent Change
\$31,908,008	\$28,990,840	\$29,354,826	\$29,354,826	\$0	0.00%

The FY 2003 estimate for Permits, Fees and Regulatory Licenses of \$29,354,826 reflects no change from the FY 2003 Advertised Budget Plan estimate and represents a net decrease of \$363,986, or 1.3 percent, from the *FY 2002 Revised Budget Plan* estimate. The FY 2003 reduction in this category is primarily due to a decrease of \$325,000 in Alarm System Registrations. In an effort to monitor and curb false alarms, as of January 1, 2002, homes and business owners are required to register their alarm systems with the County Police Department. The one-time fee of \$10 is expected to generate \$400,000 in FY 2002. In FY 2003, the revenue is anticipated to drop to \$75,000, as only new alarm systems will be registered.

GENERAL FUND REVENUE OVERVIEW

The major component of the Permit, Fees, and Regulatory Licenses category are fees charged by the Department of Public Works and Environmental Services (DPWES) for planning, building and site permits. These fees are anticipated to be \$23.3 million in FY 2002. The FY 2002 revenue estimate for this category was reduced \$4.3 million during the fall revenue review and an additional \$0.4 million during Third Quarter as a result of lower than anticipated year-to-date receipts. Through April 2002, DPWES revenue is trailing last year by a 12.4 percent margin.

Twenty-two individual fee categories comprise DPWES Fee revenue. Changes in DPWES revenue are a reflection of the housing market and construction industry, as well as the size and complexity of projects submitted to DPWES for review. Two of the most important indicators of workload, and consequently revenue, are the number of building permits issued, and the number of new site, subdivision and public improvement plans submitted to DPWES for review. The number of new single family residential building permits issued by the County through April 2002 is down 3.2 percent and new nonresidential permits are down 26.6 percent from the same period in FY 2001.

The reduction in commercial permits issued is a result of the slowing economy and the availability of office space for rent. The County's office vacancy rate rose from 3.5 percent at year-end 2000 to 6.4 percent at year-end 2001. Including sublet space, the vacancy rate is 12.5 percent. As office vacancy rates have risen, fewer permits for new construction have been issued. The level of construction activity in FY 2003 is projected to stabilize and revenue is expected to be \$23,716,118, a level similar to that of FY 2002.

INTEREST ON INVESTMENTS

FY 2001 Actual	FY 2002 Revised	FY 2003 Advertised	FY 2003 Adopted	Increase/ (Decrease)	Percent Change
\$56,321,542	\$25,120,000	\$23,386,994	\$29,975,797	\$6,588,803	28.17%

The FY 2003 estimate of \$29,975,797 for Interest on Investments represents an increase of \$6,588,803, or 28.2 percent, over the FY 2003 Advertised Budget Plan estimate due to an increase in the projected interest rate from 2.5 percent to 3.0 percent. 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 FY 2002 Investment Interest has been severely affected by Federal Reserve interest rate reductions. During calendar year 2001, the Federal Reserve, in an effort to boost economic activity, reduced interest rates 11 times for a total of 4.75 percentage points. Based on instruments purchased at the beginning of 2001, the average yield on investments from July through September was approximately 3.5 percent. Due to the Federal Reserve interest rate reductions, the yield anticipated for the remainder of FY 2002 has dropped to approximately 2.0 percent, resulting in an anticipated overall yield of 2.5 percent in FY 2002. Consequently, the FY 2002 General Fund estimate for Investment Interest is \$25,120,000, a reduction of \$31.2 million from level earned in FY 2001.

Through the first five months of CY 2002, the Federal Reserve has made no adjustments to interest rates, citing evidence that the economy is showing some signs of improvement. The FY 2003 estimate assumes that interest rates will stabilize and County investments are projected to earn an average yield of 3.0 percent.

An average portfolio size of \$1,611,602,006 is expected in FY 2003, an increase of 2.7 percent over FY 2002. The projected investment portfolio reflects its current level, growth in revenues and expenditures, and anticipated bond sales in FY 2002 and FY 2003.

All available resources are pooled for investment purposes and the 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 projected to be \$48,348,060 and the General Fund percentage is projected to be 62.0 percent in FY 2003.

GENERAL FUND REVENUE OVERVIEW

CHARGES FOR SERVICES

FY 2001 Actual	FY 2002 Revised	FY 2003 Advertised	FY 2003 Adopted	Increase/ (Decrease)	Percent Change
\$32,751,935	\$34,109,394	\$34,906,731	\$34,906,731	\$0	0.00%

The FY 2003 estimate of \$34,906,731 for Charges for Services reflects no change from the FY 2003 Advertised Budget Plan estimate and represents a net increase of \$797,337, or 2.3 percent, over the FY 2002 Revised Budget Plan. The increase over FY 2002 is primarily due to a \$1,460,532 increase in School Age Child Care (SACC) revenue. SACC revenues are projected to rise due to a 2.0 percent base fee adjustment to address salary increases, as well as the addition of five new rooms, one each at Camelot, Orange Hunt, Bren Mar, Hunters Woods and Dogwood elementary schools and the transition of five centers to year-round schedules at Timber Lane, Franconia, Glen Forest, Graham Road and Dogwood elementary schools. Other increases in this category in FY 2003 include \$71,110 in Recreation revenue associated with planned program offerings and \$112,574 in Health Department revenue due to anticipated growth in Elderly Day Care fee income. These increases are offset by a decrease of \$900,453 in County Clerk Fees in FY 2003 associated with a decline in recordation receipts as mortgage refinancing is expected to slow.

FINES AND FORFEITURES

FY 2001 Actual	FY 2002 Revised	FY 2003 Advertised	FY 2003 Adopted	Increase/ (Decrease)	Percent Change
\$9,116,533	\$10,024,451	\$10,243,510	\$10,997,380	\$753,870	7.36%

The FY 2003 estimate for Fines and Forfeitures of \$10,997,380 represents an increase of \$753,870, or 7.4 percent, over the FY 2003 Advertised Budget Plan estimate. This increase is due to legislation passed by the 2002 Virginia General Assembly and signed by the Governor.

Senate Bill 406 allows the Board of Supervisors to authorize a fee of up to \$25.00 for any individual admitted to the County jail following conviction. The \$25.00 fee is projected to generate \$61,475 annually and is meant to defray the costs of processing persons convicted of crimes into local jails.

Senate Bill 693 allows the Board to impose a fee of \$5.00 on each criminal or traffic case in which the defendant is convicted of a violation of any statute or ordinance in district or circuit courts. The \$5.00 fee is expected to generate \$692,395 annually and is intended to support the Office of Sheriff's costs associated with courthouse security personnel. The authority to assess this fee expires on July 1, 2004.

GENERAL FUND REVENUE OVERVIEW

REVENUE FROM THE COMMONWEALTH/FEDERAL GOVERNMENT¹

FY 2001 Actual	FY 2002 Revised	FY 2003 Advertised	FY 2003 Adopted	Increase/ (Decrease)	Percent Change
\$119,545,408	\$128,085,410	\$119,269,755	\$118,765,742	(\$504,013)	-0.42%

¹ 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 2003 estimate of \$118,765,742 represents a decrease of \$504,013, or 0.4 percent, from the FY 2003 Advertised Budget Plan. This decrease is due to a reduction of \$504,013 in contracted services for at-risk children and families supported by the Comprehensive Services Act (CSA).

The FY 2003 estimate represents a decrease of 7.3 percent from the *FY 2002 Revised Budget Plan* based primarily on anticipated reductions in State aid. In order to balance the Commonwealth's estimated budget deficit of \$3.5 billion over the FY 2002 to FY 2004 Biennium, Governor Warner approved various reductions in State revenue streams. Fairfax County revenues were adjusted to accommodate these reductions. As a result, the FY 2003 Adopted Budget Plan estimate is \$9.3 million below the *FY 2002 Revised Budget Plan* level. Of this reduction, \$3.1 million is a result of anticipated one-time construction reimbursement from the Commonwealth of Virginia for the Juvenile Detention Center and \$1.9 million is for an Illegal Alien Grant, both to be received in FY 2002. The State Budget also diverted 50 percent of State ABC profits that would have been distributed to localities to the State's General Fund. This reduction represents a loss of \$1.0 million to Fairfax County. In addition, Fairfax County agency revenues, including the Health Department and Compensation Board, were reduced \$1.7 million to reflect across the board reductions to State agency budgets. State aid for local law enforcement funding (HB 599) and Juvenile Detention Residential Services was also reduced by \$2.6 million.

General Fund Expenditure Overview

This section includes:

- ▶ *Summary of General Fund Direct Expenditures (Page 88)*
- ▶ *Summary of General Fund Transfers (Page 94)*
- ▶ *Summary of Contributory Agencies (Page 97)*

GENERAL FUND EXPENDITURE OVERVIEW

SUMMARY OF GENERAL FUND DIRECT EXPENDITURES

Category	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase (Decrease) Over/(From) Revised	Percent Increase/ (Decrease)
Positions/ Staff Years:	9,212/8,935.28	9,256/8,983.71	9,279/9,006.21	9,321/9,048.75	9,302/9,029.75	23/23.54	0.25/0.26
Personnel Services	\$450,909,274	\$483,005,920	\$479,024,870	\$518,471,671	\$513,704,866	\$34,679,996	7.24
Operating Expenses	273,465,600	306,935,045	316,835,763	319,624,512	309,005,021	(7,830,742)	(2.47)
Recovered Costs	(30,474,872)	(32,357,228)	(31,888,409)	(31,348,082)	(31,795,876)	92,533	(0.29)
Capital Equipment	7,073,181	3,946,353	6,819,736	4,094,769	3,782,456	(3,037,280)	(44.54)
Fringe Benefits	108,577,744	111,515,658	112,509,603	121,533,953	120,670,575	8,160,972	7.25
Total Direct Expenditures	\$809,550,927	\$873,045,748	\$883,301,563	\$932,376,823	\$915,367,042	\$32,065,479	3.63

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 that follows.

Additional information is provided in the *Financial, Statistical and Summary Tables* section of this Overview volume.

The FY 2003 Adopted Budget Plan direct expenditure level of \$915,367,042 represents an increase of \$32,065,479 or 3.63 percent over the *FY 2002 Revised Budget Plan* direct expenditure level of \$883,301,563.

Personnel Services

Personnel Services total \$513,704,866, an increase of \$34,679,996 or 7.24 percent over the *FY 2002 Revised Budget Plan* funding level of \$479,024,870. Major adjustments are as follows:

- ◆ **Pay for Performance** funding of \$8,052,639 for General Fund eligible staff for the system implemented in FY 2001 that links employee pay increases directly with performance. The total General Fund impact is \$9,915,278 including \$1,862,639 for transfers to General Fund Supported agencies.
- ◆ **Merit Increment** funding of \$1,572,689 for Public Safety uniformed positions not eligible for the Pay for Performance program. The total General Fund impact is \$1,642,308, including \$69,619 for transfers to General Fund Supported agencies.

GENERAL FUND EXPENDITURE OVERVIEW

Positions

The FY 2003 Adopted Budget Plan includes a net increase of 23/23.54 SYE General Fund positions. This includes the following:

- ◆ A decrease of \$2,412,253 and 47/47.0 SYE vacant General Fund positions as part of the \$28.8 million Reductions to County Agencies and Funds approved by the Board of Supervisors to allow for a two-cent real estate tax rate reduction and to provide additional funding for the Fairfax County Public School system. Details of program and staffing adjustments are provided in the individual agency narratives in Volume 1.
- ◆ An increase of 70/70.54 SYE in General Fund positions to support new facilities and public safety. Funding for these positions includes \$3,374,507 in Personnel Services (\$3,310,673 in Regular Salaries and \$63,834 in other Personnel Services categories), \$2,736,531 in Operating Expenses, \$2,051,635 in Capital Equipment, and \$1,048,302 in Fringe Benefits for a total of \$9,210,975. As a result of revenue generated by additional rooms in the School Age Child Care (SACC) Program of \$1,120,794, the net cost to the County is \$8,090,181.

Staffing for **New Facilities/Public Safety** totals 70/70.54 SYE positions including:

- 25/25.0 SYE positions in the Police Department to staff the new Sully District Police Station anticipated to open in January 2003 - \$1,403,137 in Personnel Services. The positions include 1/1.0 SYE Police Captain, 1/1.0 SYE Police Lieutenant, 8/8.0 SYE Police Second Lieutenants, 6/6.0 SYE Police Sergeants, 6/6.0 SYE Police Citizen Aides II, 1/1.0 SYE Crime Analyst, 1/1.0 SYE Administrative Assistant III, and 1/1.0 SYE Administrative Assistant II.
- 23/23.0 SYE positions in the Fire and Rescue Department to provide dedicated staffing for the County's Hazardous Materials Response Unit, enabling the elimination of cross-assigning staff to perform this function - \$1,042,734 in Personnel Services. The positions include 3/3.0 SYE Fire Sergeants, 18/18.0 SYE Fire Technicians, and 2/2.0 Instrumentation Technicians III.
- 22/22.54 SYE positions in the Department of Family Services include Day Care Center Supervisor and Day Care Center Teacher positions associated with adding five new rooms at existing School Age Child Care (SACC) Centers and transitioning five SACC Centers to a year-round schedule - \$928,636 in Personnel Services. Five new rooms available due to recent school renovations will be added to existing school-year centers at Camelot, Orange Hunt, Bren Mar, Hunters Woods, and Dogwood elementary schools. Five centers will transition to a year-round schedule at Timber Lane, Franconia, Glen Forest, Graham Road, and Dogwood elementary schools. The positions include 5/4.8 SYE Center Supervisors, 5/5.0 Teachers II, and 12/12.74 Teachers I.
- In addition, 19/19.0 SYE positions in the Animal Shelter are transferred to the Police Department with no net change in expenditures.

Other salary adjustments include the following:

- ◆ **Shift Differential** increases totaling \$609,099 primarily for implementation of the second year of a three-year plan to increase the shift differential rate to be competitive with the market for most agencies except Fire and Rescue, where the blended shift differential was adjusted by \$0.44 as of January 12, 2002. The phased increase in shift differential for the rest of the County results in shift hourly increases from \$0.55 to \$0.60 and \$0.75 to \$0.80 for public safety 2nd and 3rd shifts, and increases from \$0.40 to \$0.55 and \$0.55 to \$0.75 for non-public safety 2nd and 3rd shifts. By year three of the phased-in increase, the rates for all County employees will be equivalent to \$0.65 for the 2nd shift and \$0.90 for the 3rd shift, rates more consistent with the region.

GENERAL FUND EXPENDITURE OVERVIEW

- ◆ **Overtime Pay** increases totaling \$869,800. An increase of \$1,630,029 in the Police Department is included to meet extra pay requirements primarily due to the actual security and investigative requirements that have arisen after the events of September 11, 2001. These security and investigative requirements include participation in the Federal Bureau of Investigations Terrorism Task Force, increased focus on railway, metro stations, water treatment, and high-profile government buildings, additional surveillance activities, response to a 400 percent increase in bias crimes, and outreach to residents and neighborhood groups in target communities. A decrease of \$611,252 is reflected in the Fire and Rescue Department as a result of staffing the Hazardous Materials Response Unit through 23/23.0 SYE new positions rather than cross-assigning staff to perform this function using overtime pay as in FY 2002 following September 11th and subsequent anthrax incidents. In addition, a decrease of \$196,110 is reflected in the Office of the Sheriff as part of the \$28.8 million Reductions to County Agencies and Funds approved by the Board of Supervisors to allow for a two-cent real estate tax rate reduction and to provide additional funding for the Fairfax County Public School system.
- ◆ **Pay adjustments for Public Safety** of \$5,422,033 provide a 2.67 percent market rate adjustment for uniformed public safety positions consistent with the market index for FY 2003. Funding for employees on the public safety pay scales (C, F, O, and P), effective the first full pay period of FY 2003, is included in the Regular Salaries category for the Police Department (\$2,315,971), the Office of the Sheriff (\$849,028), and the Fire and Rescue Department (\$2,257,034).
- ◆ **Limited Term** position funding (temporary and part-time employees) decreases \$974,179 as part of the \$28.8 million Reductions to County Agencies and Funds approved by the Board of Supervisors to allow for a two-cent real estate tax rate reduction and to provide additional funding for the Fairfax County Public School system.
- ◆ **FY 2003 Impact of Increases in Fire and Rescue Salaries** includes \$2,471,450 for full-year funding of the adjustments that were included in the FY 2002 budget to enhance the competitiveness of Fire and Rescue position salaries. These adjustments included a 2 percent increase for the ranks of Lieutenant and above, effective July 2001, and a 4 percent increase for all uniformed employees effective April 2002.
- ◆ **Additional base pay increases** reflect the actual salary level of current County employees and are required to fund the full-year costs for the pay for performance increases earned in FY 2002.

Fringe Benefits

Fringe Benefits total \$120,670,575, an increase of \$8,160,972 or 7.25 percent over the *FY 2002 Revised Budget Plan* of \$112,509,603 primarily due to the following:

- ◆ **Health Insurance** increase of \$4,466,642 primarily due to projected premium increases of 20.0 percent for both the self-insured program and the Health Maintenance Organizations that will take effect January 1, 2003 (a six-month impact in FY 2003) based on nationwide health insurance cost growth trends.
- ◆ **Retirement** (Fairfax County Employees, Uniformed, Police) increase of \$1,120,546. The net increase is based on the estimated salary base for current staff, the impact of the changes in employer contribution rates as determined by the actuarial valuation, and the Board of Supervisors' decision to implement a corridor approach.
- ◆ **Social Security (FICA)** increase of \$1,881,634 primarily due to the change in the federally set maximum pay base from \$80,400 to \$84,900 and pay for performance/public safety merit increases for current staff, salary adjustments, and new positions.

GENERAL FUND EXPENDITURE OVERVIEW

Operating Expenses

Operating Expenses total \$309,005,021, a decrease of \$7,830,742 or 2.47 percent from the *FY 2002 Revised Budget Plan* funding level of \$316,835,763. Operating Expenses increase \$2,069,976 or 0.67 percent over the FY 2002 Adopted Budget Plan level of \$306,935,045. Major adjustments are as follows:

- ◆ An increase of \$4,242,925 in Welfare Expenses primarily attributable to decreases in the Child Care Assistance Program (CCAP) included in the FY 2002 funding level as part of the \$24.2 million Reductions to County Agencies and Funds approved by the Board of Supervisors to address the FY 2002 revenue shortfall and increased public safety requirements at the *FY 2002 Third Quarter Review*. The decreases in CCAP were based on actual and projected program participants.
- ◆ An increase of \$2,985,402 in Insurance and Surety Bonds primarily attributable to an increase in the General Fund worker's compensation premium. This increase reflects the one-time use of available balance in Fund 501 in the FY 2002 Adopted Budget Plan.
- ◆ An increase of \$724,685 in Rent of Real Estate primarily attributable to increased lease requirements for the West County Developmental Center and other County leased buildings and temporary lease costs for four non-profit organizations, partially offset by decreases associated with one-time expenditures included in the FY 2002 funding level.
- ◆ A decrease of \$5,383,698 in Contingencies attributable to a decrease of \$3,232,494 in required local cash match for Federal and State grants as a result of unexpended prior year awards included in the FY 2002 funding level as part of the *FY 2001 Carryover Review* and a decrease of \$2,151,204 in the Police Department primarily due to a decrease in required local cash match associated with the U.S. Department of Justice COPS UHP grants. It should be noted that sufficient local cash match funding has been included to cover the anticipated general fund obligation for these grants.
- ◆ A decrease of \$3,275,451 in general Operating Expenses of various agencies primarily associated with one-time FY 2002 expenditures.
- ◆ A decrease of \$3,072,442 in Telecommunications primarily attributable to the transfer of E-911 telecommunication charges of \$2,987,607 from DIT to Fund 120, E-911 in FY 2002. Previously, the E-911 telecommunications costs were funded in the General Fund and billed out monthly to Fund 120. This action isolates E-911 charges and provides support directly in Fund 120, creating a more efficient method of estimating, charging, and reconciling E-911 telecommunications costs, and reducing staff effort in tracking, monitoring, and administering the funds.
- ◆ A decrease of \$2,996,160 in Professional Consultant Contracts primarily associated with one-time expenditures included in the FY 2002 funding level of various agencies.
- ◆ A decrease of \$1,124,351 in Operating Supplies primarily associated with one-time expenditures of \$644,800 included in the FY 2002 funding level as part of the *FY 2002 Carryover Review* and \$597,767 included in the Office of the Sheriff for the increased cost of food and medications at the Adult Detention Center as part of the *FY 2002 Third Quarter Review*.

GENERAL FUND EXPENDITURE OVERVIEW

Capital Equipment

Capital Equipment totals \$3,782,456, a decrease of \$3,037,280 from the *FY 2002 Revised Budget Plan* funding level of \$6,819,736. It should be noted that the FY 2002 revised funding level includes \$2,982,466 carried over from FY 2001 in order to complete the purchase of previously approved equipment items, a decrease of \$514,073 as part of the *FY 2002 Third Quarter Review*, as well as increases of \$404,990 from other actions throughout FY 2002.

The FY 2003 funding level represents a decrease of \$163,897 or 4.15 percent from the *FY 2002 Adopted Budget Plan*. The total amount budgeted in FY 2003 for Capital Equipment includes \$751,145 for additional equipment, \$864,066 for replacement equipment, \$183,560 for lease/purchase of equipment, and \$1,983,685 in equipment for new facilities. Major lease/purchase items and other Capital Equipment purchases are summarized below.

- ◆ **Department of Information Technology** – funding of \$194,000 includes \$96,000 for memory upgrades, \$68,000 for new servers, and \$30,000 for replacement plotters for the Geographic Information System (GIS).
- ◆ **Police Department** - funding of \$2,136,587 includes \$262,902 for replacement items that have outlived their useful life-span and \$1,873,685 for the purchase of vehicles associated with the opening of the new Sully District Police Station. Of the funding for replacement items, \$68,600 for the replacement of the “Rollback” wrecker; \$16,365 for the replacement of a neighborhood speed/traffic count trailer which is seven years old; \$11,165 for the replacement of the trailer used by Animal Control to handle and transport large animals; \$9,000 for replacement of a non-functional polygraph unit; \$6,325 for replacement of an undercover radio monitoring unit; and \$151,447 for other replacement items.
- ◆ **Fire and Rescue Department** – funding of \$530,075 includes \$142,950 for specialized equipment and a decontamination unit for the funded Hazardous Materials Response Unit, \$110,000 for utility vehicles related to the startup of the new Newington Apparatus Shop, \$212,195 for new equipment, and \$64,930 for replacement equipment and lease purchases. New equipment includes equipment for the West Ox Apparatus Shop, a warehouse jack, and a backup generator for the Academy that is designated as a shelter in the County’s disaster management plan. Replacement equipment includes Hurst spreaders for vehicle extradition and a high-pressure air bag set for rescue missions.
- ◆ **Stormwater Management** – funding of \$241,397 is included for replacement equipment that is worn beyond its useful life. This equipment includes a track loader for the loading of heavy material and the grading of soil, a backhoe for maintenance and construction requirements such as the installation of underground pipes, and a chemical spreader and snow plow/push beam for snow removal efforts.
- ◆ **Health Department** – funding of \$60,000 to support the agency’s Capital Equipment replacement program.
- ◆ **Park Authority** – funding of \$397,000 includes \$197,000 for additional equipment needed to support athletic field maintenance, such as dump trucks, infield conditioners, and a skid steer loader. In addition, \$200,000 is included for the Park Authority’s Vehicle Replacement Fund to provide for the prioritized replacement of fleet vehicles and heavy equipment.
- ◆ **Department of Transportation** – funding of \$160,560 is included for the lease purchase costs associated with the Photo Red Light Monitoring Program cameras.

GENERAL FUND EXPENDITURE OVERVIEW

Recovered Costs

Recovered Costs total \$31,795,876, a decrease of \$92,533 or 0.29 percent from the *FY 2002 Revised Budget Plan* level of \$31,888,409 primarily due to the following:

- ◆ **Department of Information Technology** decrease of \$2,773,648 primarily due to the transfer of E-911 telecommunication charges to Fund 120, E-911, and the recoverable charges for new and renovated police facilities. Previously, the E-911 telecommunications costs were funded in the General Fund and billed out monthly to Fund 120. This action isolates E-911 charges and provides support directly in Fund 120, creating a more efficient method of estimating, charging, and reconciling E-911 telecommunications costs, and reducing staff effort in tracking, monitoring, and administering the funds.
- ◆ **Facilities Management Division** increase of \$1,077,617 primarily attributable to increases in lease costs that will be reimbursed by County agencies including the Community Services Board. Increased lease costs are primarily associated with new facilities such as the West County Developmental Center, a new Alcohol and Drug Services' youth outpatient and day treatment site in Chantilly, and a new Early Head Start site.
- ◆ **Department of Community and Recreation Services** increase of \$868,514 due to charges for FASTRAN services based on actual and projected usage and to accommodate the Community Services Board's 53 new special education graduates requiring transportation.
- ◆ **Capital Facilities** increase of \$711,197 due to the FY 2003 projected salaries of recoverable positions and recoverable operating expenses.

GENERAL FUND EXPENDITURE OVERVIEW

SUMMARY OF GENERAL FUND TRANSFERS

The FY 2003 Transfers Out from the General Fund total \$1,527,044,920, an increase of \$87,468,227 or 6.1 percent over the *FY 2002 Revised Budget Plan* Transfers Out of \$1,439,576,693. The major changes are summarized below.

	Increase/ (Decrease)
▪ Fund 090, School Operating Fund	\$87,949,761
▪ Fund 201, School Debt Service	8,076,373
▪ Fund 106, Fairfax-Falls Church Community Services Board	3,807,233
▪ Fund 200, County Debt Service	2,079,605
▪ Fund 309, Metro Operations and Construction	821,870
▪ Fund 100, County Transit Systems	675,870
▪ Fund 104, Information Technology	(6,866,552)
▪ Fund 002, Revenue Stabilization Fund	(2,511,050)
▪ Fund 110, Refuse Disposal	(2,060,709)
▪ Fund 303, County Construction	(1,644,872)
▪ Fund 504, Document Services Division	(855,000)
▪ Fund 308, Public Works Construction	(850,277)
▪ Fund 120, E-911	(625,082)

Fund 090, School Operating Fund

The FY 2003 Adopted Budget Plan transfer to support the Fairfax County Public Schools is \$1,167,861,517, an increase of \$87,949,761 or 8.14 percent over the *FY 2002 Revised Budget Plan* transfer of \$1,079,911,756. Included in this amount is \$1,621,364, which represents the seventh year of a ten-year program to eliminate the County's unfunded salary liability for teachers. In addition, the Board of Supervisors assumed \$5.7 million in school debt service payments that had previously been funded in Fund 090, School Operating Fund resulting in a total increase of \$93.6 million.



Fund 201, School Debt Service

The total General Fund transfer to Fund 201, School Debt Service, is \$113,604,781, an increase of \$8,076,373 or 7.7 percent over the *FY 2002 Revised Budget Plan* funding level of \$105,528,408. This increase is required to provide for principal and interest payments due on existing General Obligation and literary loan debts, as well as new debt issued in FY 2002 and FY 2003.

Fund 106, Fairfax-Falls Church Community Services Board

The FY 2003 General Fund transfer to Fund 106, Fairfax-Falls Church Community Services Board (CSB), is \$78,401,580, reflecting an increase of \$3,807,233 or 5.1 percent over the *FY 2002 Revised Budget Plan* funding level of \$74,594,347. The increase is necessary to fund the County's compensation program; provide vocational, transportation, and related services to 94 new special education graduates of the Fairfax County Public Schools; provide a 3.17 percent inflationary increase for contract vendors; support a crisis care facility for children and adolescents; continue support services at the women's shelter which were previously funded through a Temporary Assistance to Needy Families (TANF) grant; procure, customize, and administer the bi-annual *Communities That Care Youth Survey*; and provide other CSB services.

GENERAL FUND EXPENDITURE OVERVIEW

Fund 200, County Debt Service

The total General Fund transfer to Fund 200, County Debt Service, is \$100,089,491, an increase of \$2,079,605 or 2.1 percent over the *FY 2002 Revised Budget Plan* funding level of \$98,009,886. This increase is required to provide for principal and interest payments due on existing General Obligation debts and lease/purchase payments for the Government Center Properties, the South County Government Center and FCRHA Community Centers, as well as principal and interest payments on new debt issued in FY 2002 and FY 2003.

Fund 309, Metro Operations and Construction

The FY 2003 General Fund transfer to Fund 309, Metro Operations and Construction, is \$12,272,714, an increase of \$821,870 or 7.2 percent over the *FY 2002 Revised Budget Plan* level of \$11,450,844. This total is based on preliminary FY 2003 information obtained from Washington Metropolitan Area Transit Authority (WMATA) budget staff, as well as County Department of Transportation staff estimates. This funding level supports existing Metrorail and Metrobus service levels, as well as MetroAccess ridership, the continuation of Springfield Circulator Bus Service, ADA paratransit services, and several service enhancements. Final adjustments will be made at the FY 2002 Carryover Review, upon consideration and final approval of the WMATA budget, and contingent upon Board of Supervisors' review and approval.

Fund 100, County Transit Systems

The FY 2003 General Fund transfer to Fund 100, County Transit Systems, is \$16,738,953, an increase of \$675,870 or 4.2 percent over the *FY 2002 Revised Budget Plan* funding level of \$16,063,083. This fund provides funding for operating and capital expenses for the FAIRFAX CONNECTOR bus system, comprising the Huntington, Community Bus Service (CBS), and Reston-Herndon Divisions. This fund also includes the County's share of the subsidy for commuter rail services operated by the Virginia Railway Express (VRE). The increase is necessary to fund transit-related requirements such as required contractual adjustments in the FAIRFAX CONNECTOR Bus System, including a 6.1 percent increase for the Huntington Division to support the new contract with Yellow Bus Services approved Board of Supervisors at the December 3, 2001 Board meeting. The increase will also cover additional fuel costs associated with the introduction of low-sulfur diesel fuel.

Fund 104, Information Technology

The FY 2003 transfer to Fund 104, Information Technology, is \$5,921,626, a decrease of \$6,866,552 or 53.7 percent from the *FY 2002 Revised Budget Plan* amount of \$12,788,178. The FY 2003 Advertised Budget Plan included a transfer of \$9,031,626 which was reduced by \$2,070,423 as a result of the \$28.8 million Reductions to County Agencies and Funds approved by the Board of Supervisors to allow for a two-cent real estate tax rate reduction and to provide additional funding for the Fairfax County Public School system. In addition, funding of \$1,039,577 will be reallocated from existing projects at the *FY 2002 Carryover Review* to support FY 2003 projects. FY 2003 funding will address priority projects that provide convenient access to information and services, and projects that assist in the management of the County's human resource, information and technology assets, as well as projects that provide a high level of responsiveness to customer requirements.



Fund 002, Revenue Stabilization Fund

No FY 2003 transfer to Fund 002, Revenue Stabilization Fund, is included, reflecting a decrease of \$2,511,050 from the *FY 2002 Revised Budget Plan* transfer. FY 2002 funding was provided at the *FY 2001 Carryover Review* in accordance with Board of Supervisors' policy that a minimum of 40 percent of non-recurring balances identified at quarterly reviews are to be transferred to this fund.

GENERAL FUND EXPENDITURE OVERVIEW

Fund 110, Refuse Disposal

The FY 2003 transfer to Fund 110, Refuse Disposal, is \$3,439,291, a decrease of \$2,060,709 or 37.5 percent from the *FY 2002 Revised Budget Plan* amount of \$5,500,000. This amount is necessary to allow the County to maintain a stable disposal rate in order to remain competitive and retain refuse tonnage levels, while providing the current level of service to specific refuse disposal programs that do not fully recover costs, specifically the County's Recycling Program, the Household Hazardous Waste Program, and the Code Enforcement Program.

Fund 303, County Construction

The FY 2003 General Fund transfer to Fund 303, County Construction, is \$2,611,941, a decrease of \$1,644,872, or 38.6 percent, from the *FY 2002 Revised Budget Plan* amount of \$4,256,813. This decrease is partially due to funding for several one-time projects in FY 2002 for which FY 2003 funding is not required. In addition, the FY 2003 funding level reflects a reduction in maintenance projects due to budget constraints. Funding is included in FY 2003 for costs associated with critical general County and Park maintenance, upgrading and maintenance of athletic fields, and annual payments and obligations associated with the Mt. Gilead property, the Northern Virginia Community College, and the School Age Child Care (SACC) centers. Funding is also included for the first year of a five-year lease-purchase agreement for furnishings for the South County Government Center and costs related to the construction of the West County Recreation Center.

Fund 504, Document Services Division

The FY 2003 transfer to Fund 504, Document Services Division, is \$1,900,000, a decrease of \$855,000 or 31.0 percent from the *FY 2002 Revised Budget Plan* of \$2,755,000. This decrease is a result of utilizing available fund balance, which accumulated during recent years due to the phasing in of the revised Copier Program, to support FY 2003 activities within the fund.

Fund 308, Public Works Construction

No FY 2003 General Fund transfer to Fund 308, Public Works Construction, is necessary, reflecting a decrease of \$850,277 from the *FY 2002 Revised Budget Plan*. This is due to the application of HB599 State revenues to support expenditures in FY 2003. Projects funded in FY 2003 include Stormwater Control Master Planning, County dam repairs, perennial stream mapping, road maintenance, and the Developer Default Program.

Fund 120, E-911

This fund accounts for E-911 revenues and expenditures separately as stipulated by Virginia General Assembly legislation approved in 2000. Prior to FY 2001, E-911 fees were reflected in the General Fund and Fund 104, Information Technology. Fund 120, E-911, recognizes revenue from estimated E-911 fees and Commonwealth reimbursement associated with Wireless E-911. All expenditures allowable by law directly associated with the Public Safety Communications Center (PSCC) are billed directly to this fund. Information technology projects associated with the PSCC are also budgeted in this fund. A General Fund transfer supports any difference between revenues and expenditures. The FY 2003 General Fund transfer to Fund 120, E-911, is \$4,666,094, a decrease of \$625,082 or 11.8 percent from the *FY 2002 Revised Budget Plan* funding level of \$5,291,176. This decrease is primarily due to an increase in the FY 2002 General Fund transfer based on projected FY 2002 revenue and expenditure requirements. The FY 2003 funding level supports contractual obligations for telecommunications expenses, staff training requirements to continue the implementation of the Emergency Medical Dispatch program, and overtime requirements associated with increasing call volumes.

FUND 119

SUMMARY OF CONTRIBUTORY AGENCIES

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2003 Advertised Budget Plan, as approved by the Board of Supervisors on April 29, 2002:

- ◆ A net decrease of \$157,555 as part of the \$28.8 million Reductions to County Agencies and Funds approved by the Board of Supervisors to allow for a two-cent real estate tax rate reduction and to provide additional funding for the Fairfax County Public School system. These reductions include decreases of \$3,000 for the Dulles Area Transportation Association, \$94,555 for the Northern Virginia Healthcare Center/District Home, and \$60,000 for the Dulles Air and Space Museum.

The following funding adjustments reflect all approved changes to the FY 2002 Revised Budget Plan from January 1, 2002 through April 22, 2002. Included are all adjustments made as part of the FY 2002 Third Quarter Review:

- ◆ The Board of Supervisors made no adjustments to this fund.
-

County Executive Proposed FY 2003 Advertised Budget Plan

SUMMARY OF CONTRIBUTORY AGENCIES

Fund 119, Contributory Fund, was established in FY 2001 to reflect the General Fund support for agencies or organizations that will receive County contributions. Funding for these various organizations was previously included in the General Fund under Agency 88, Contributory Agencies. However, because the expenditures made to these organizations are not in support of direct County operations, the use of direct expenditures from the General Fund distorts the cost of County operations. Therefore, a separate fund was established in FY 2001 to show the General Fund support of these organizations in the form of a transfer, rather than as a direct expenditure. FY 2003 funding totals \$6,736,482 and reflects a decrease of \$109,104 or 1.6 percent from the *FY 2002 Revised Budget Plan* funding level of \$6,845,586. Individual contributions are described in detail in the narrative of Fund 119, Contributory Fund, in Volume 2 of the FY 2003 Advertised Budget Plan.

Contributory funding is in compliance with the policy of the Board of Supervisors 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 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 FY 2003 funding to the various organizations and projects.

FUND 119

SUMMARY OF CONTRIBUTORY AGENCIES

Fairfax County	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan
Legislative-Executive Functions/Central Service Agencies:					
Dulles Area Transportation Assoc.	\$9,000	\$9,000	\$9,000	\$12,000	\$9,000
Metropolitan Washington Council of Governments	648,640	683,633	683,633	699,546	699,546
National Association of Counties	15,231	2,033	2,033	0	0
Northern Virginia Regional Commission	334,640	341,719	350,645	372,728	372,728
Northern Virginia Transportation Commission	155,318	174,453	174,453	166,789	166,789
Public Technology Incorporated	26,500	27,500	27,500	27,500	27,500
Virginia Association of Counties	160,174	171,342	171,342	183,336	183,336
Virginia Innovation Group	5,000	5,000	5,000	5,000	5,000
Virginia Institute of Government	20,000	20,000	20,000	20,000	20,000
Virginia Municipal League	80,573	86,203	86,203	90,513	90,513
Washington Airports Task Force	40,500	40,500	40,500	40,500	40,500
Subtotal Legislative-Executive	\$1,495,576	\$1,561,383	\$1,570,309	\$1,617,912	\$1,614,912
Public Safety:					
NOVARIS	\$17,476	\$134,886	\$134,886	\$269,333	\$269,333
Partnership For Youth	50,000	50,000	50,000	50,000	50,000
YMCA - Looking Glass II	22,875	23,104	23,104	0	0
Subtotal Public Safety	\$90,351	\$207,990	\$207,990	\$319,333	\$319,333
Health and Welfare:					
Health Systems Agency of Northern Virginia	\$79,800	\$86,750	\$86,750	\$86,750	\$86,750
Northern Virginia Healthcare Center/District Home of Manassas	392,550	512,789	512,789	639,553	544,998
Small Business Employees Health Insurance Demonstration Project	0	0	114,022	0	0
Vanguard Services Unlimited	0	350,000	350,000	0	0
Volunteer Center	230,929	230,929	230,929	230,929	230,929
Subtotal Health and Welfare	\$703,279	\$1,180,468	\$1,294,490	\$957,232	\$862,677

FUND 119

SUMMARY OF CONTRIBUTORY AGENCIES

Fairfax County	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan
Parks, Recreation and Cultural:					
Arts Council of Fairfax County	\$200,737	\$201,400	\$201,400	\$204,362	\$204,362
Arts Council of Fairfax County - Arts Groups Grants	120,000	120,000	120,000	120,000	120,000
Dulles Air and Space Museum	300,000	300,000	300,000	300,000	240,000
Fairfax Symphony Orchestra	229,975	238,004	238,004	246,964	246,964
Northern Virginia Regional Park Authority	1,456,686	1,585,771	1,585,771	1,680,636	1,680,636
Reston Historic Trust	20,000	20,000	20,000	20,000	20,000
The Claude Moore Colonial Farm	31,500	31,500	31,500	31,500	31,500
Town of Vienna Teen Center	40,000	40,000	40,000	40,000	40,000
Virginia Opera Company	50,000	25,000	25,000	25,000	25,000
Wolf Trap Foundation for the Performing Arts	25,000	25,000	25,000	25,000	25,000
Fort Belvoir National Army Museum	0	0	25,000	0	0
Subtotal Parks, Recreation & Cultural	\$2,473,898	\$2,586,675	\$2,611,675	\$2,693,462	\$2,633,462
Community Development:					
Architectural Review Board	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
Commission for Women	7,116	6,916	6,916	6,916	6,916
Fairfax County History Commission	26,022	26,022	26,022	26,022	26,022
Celebrate Fairfax, Incorporated	21,017	22,597	22,597	23,758	23,758
Northern Virginia Community College	102,248	101,550	101,550	100,132	100,132
Northern Virginia Soil and Water Conservation District	410,957	361,874	361,874	351,112	351,112
Northern Virginia 4-H Education Center	25,000	25,000	25,000	25,000	25,000
Occoquan Watershed Monitoring Program	76,040	79,814	79,814	86,909	86,909
Southeast Fairfax Development Corporation	142,250	142,250	142,250	142,250	142,250
VPI/UVA Education Center	50,000	50,000	50,000	50,000	50,000
Women's Center of Northern Virginia	29,942	29,942	29,942	29,942	29,942
Washington Area Housing Partnership	4,000	4,000	4,000	4,000	4,000
Northern Virginia Conservation Trust Partnership	209,076	235,000	235,000	241,345	241,345
Subtotal Community Development	\$1,107,168	\$1,088,465	\$1,088,465	\$1,090,886	\$1,090,886
Nondepartmental:					
Fairfax Public Law Library	\$57,657	\$57,657	\$57,657	\$57,657	\$57,657
Culmore Day Laborer Project	0	0	15,000	0	0
Subtotal Nondepartmental:	\$57,657	\$57,657	\$72,657	\$57,657	\$57,657
Total County Contributions	\$5,927,929	\$6,682,638	\$6,845,586	\$6,736,482	\$6,578,927



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Other Funds Overview

This section includes:

- ▶ *Other Funds Overview (Page 102)*
- ▶ *Special Revenue Funds (Page 102)*
- ▶ *Debt Service Funds (Page 106)*
- ▶ *Enterprise Funds (Page 106)*
- ▶ *Internal Service Funds (Page 107)*
- ▶ *Trust and Agency Funds
(Page 108)*

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:

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

FY 2003 expenditures for Other Funds total \$3,181,395,908 (excluding General Fund direct expenditures), and reflect a decrease of \$737,193,291 or 18.8 percent from the *FY 2002 Revised Budget Plan* funding level of \$3,918,589,199. This decrease is primarily due to the effect of significant carryover for capital construction and sewer construction projects, and should not be perceived as a major change to programs or operations.

Excluding adjustments in FY 2002, expenditures increase \$192,809,590 or 6.5 percent over the FY 2002 Adopted Budget Plan of \$2,988,586,318. This change is attributable to increases of \$89.5 million in Special Revenue Funds, \$7.8 million in Debt Service Funds, an increase of \$23.1 million in Capital Project Funds, a decrease of \$10.6 million in Enterprise Funds, an increase of \$46.9 million in Internal Service Funds, and an increase of \$36.1 million in Trust and Agency Funds.

The following is a brief discussion of highlights and major issues associated with the various funds. Not included in these discussions are Capital Projects Funds, which are presented in the Capital Projects Overview, and Special Revenue funding for the Fairfax County Public Schools, which is discussed in the Fairfax County School Board's FY 2003 Adopted Budget. A complete discussion of funding and program adjustments in Other Funds is found in Volume 2, Capital Construction and Other Operating Funds in the FY 2003 Adopted Budget Plan. Summary information is provided in the *Financial, Statistical, and Summary Tables* section of this Overview volume.

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. The following are highlights for various Special Revenue Funds. Details for other funds not shown here are included in Volume 2, Capital Construction and Other Operating Funds in the FY 2003 Adopted Budget Plan.

In FY 2003, Special Revenue Fund expenditures total \$1,989,367,184 a decrease of \$132,434,435 or 6.2 percent from the *FY 2002 Revised Budget Plan* funding level of \$2,121,801,619. Excluding adjustments in FY 2002, expenditures increase \$89,523,023 or 4.7 percent over the FY 2002 Adopted Budget Plan level of \$1,899,844,161. Funds with significant adjustments are as follows:

OTHER FUNDS OVERVIEW

Fund 090, Public School Operating: The Board of Supervisors increased the General Fund Transfer to the School Operating Fund by \$11,600,000 over the transfer recommended by the County Executive. The FY 2003 General Fund Transfer for school operations totals \$1,167,861,517, an increase of \$87,949,761, or 8.1 percent over the *FY 2002 Revised Budget Plan* transfer of \$1,079,911,756. In addition, the Board of Supervisors assumed the FY 2003 School Debt Service payment of \$5.7 million, which had been funded from the FY 2003 School Operating Fund. In total, the Board of Supervisors provided \$93.6 million more in funding for school operations. Total County funding to the schools including School Operating and School Debt Service represents 52.5 percent of General Fund Disbursements.

Fund 100, County Transit Systems: In FY 2003, funding of \$22.3 million is included to support the FAIRFAX CONNECTOR system, which will provide service to an estimated 7.0 million passengers. The system includes 163 County-owned buses, providing service on 56 routes to eleven Metrorail stations throughout the region. The remaining \$2.5 million will support commuter rail services operated by the Virginia Railway Express (VRE). This fund provides funding for operating and capital expenses for the FAIRFAX CONNECTOR bus system, comprising the Huntington, Community Bus Service (CBS), and Reston-Herndon Divisions. This fund also includes the County's share of the subsidy for commuter rail services operated by the VRE.

Fund 102, Federal/State Grant Fund: This fund includes both grant awards already received as well as those anticipated to be received in FY 2003, for a total appropriation of approximately \$45.1 million including \$38.2 million held in reserve until the grant award is received and approved by the Board of Supervisors. The breakdown of grant funding by agency includes \$26.3 million for the Department of Family Services, \$4.1 million for the Fire and Rescue Department, \$1.9 million for the Department of Transportation, \$1.8 million for the Health Department, \$1.4 million for the Police Department, \$1.6 million for various other agencies, and \$1.1 million to address unanticipated grants. The remaining \$6.9 million is for grant awards that are appropriated directly to the Police Department for the Community-Oriented Policing (COPS) Universal Hiring Program and the COPS in Schools program and the Fire and Rescue Department for Urban Search and Rescue activities.

Fund 104, Information Technology: FY 2003 project funding of \$8.1 million, including \$1.0 million that will be reallocated from existing projects at the *FY 2002 Carryover Review*, will support initiatives that meet the priorities established by the IT Senior Steering Committee. These projects will complete prior year investments, enhance and expedite citizen access to County resources, and continue development and maintenance of the County's Internet and Intranet initiatives. Funded projects will support initiatives in the Human Services, Planning and Development, Public Safety, and Court Services program areas.

Fund 105, Cable Communications: This fund has a projected FY 2003 appropriation level of \$5.8 million which is a decrease of \$13.4 million or 69.9 percent from the *FY 2002 Revised Budget Plan*. This change is due to a decrease in Operating Expenses and Capital Equipment of \$10.1 million due to the carryover from FY 2001 for costs associated with implementing the I-Net. The I-Net is a fiber optic cable network that will link and provide video and data services to 400 County and Fairfax County Public Schools (FCPS) facilities. The construction of the I-Net is expected to be completed in FY 2004. There is also a decrease of \$4.2 million in contract expenses due to the final I-Net construction payment to Cox Communications scheduled for FY 2002 and not required for FY 2003. These decreases are partially offset by increases of \$1.0 million associated with salary adjustments necessary to support the County's compensation program, Capital Equipment to fund internal infrastructure, including the completion of the internal wiring of County buildings for the I-Net, and replacement of equipment in the Board Auditorium and Production Studio.

OTHER FUNDS OVERVIEW

Fund 106, Fairfax-Falls Church Community Services Board (CSB): FY 2003 expenditures for this fund total \$109.8 million, and are funded by a Fairfax County transfer of \$78.4 million, as well as funds from the State, the Federal government, the City of Fairfax, the City of Falls Church, and client fees. In addition to maintaining existing service levels throughout the CSB system, major highlights for FY 2003 include:

- \$1.2 million to provide vocational, transportation, and related services to 94 new special education graduates of the Fairfax County Public Schools. Included in this total is \$0.4 million to fund the full-year lease costs associated with the new West County Developmental Center,
- \$0.7 million to support anticipated inflationary increases for contract vendors,
- \$0.8 million to fund a crisis care facility for children and adolescents, and
- \$0.1 million to provide services at the Women's Shelter formerly supported by a Temporary Assistance to Needy Families (TANF) grant and to fund the procurement, customization, and administration of the *Communities That Care Youth Survey*.

Solid Waste Operations:

The County's Solid Waste Operations are under direct supervision of the Director of the Department of Public Works and Environmental Services (DPWES). The administration of waste disposal is achieved through the Division of Solid Waste Collection and Recycling and the Division of Solid Waste Disposal and Resource Recovery. The composition of operations includes a County-owned and operated refuse transfer station, an Energy/Resource Recovery Facility (E/RRF), a regional municipal landfill operated by the County, two citizens' disposal facilities, 8 drop-off sites for recyclable material, and equipment and facilities for refuse collection, disposal, and recycling operations. Program operations will continue to be accomplished through the two entities consisting of five funds established previously under the special revenue fund structure. The combined expenditures of \$101,777,394, which includes \$74,874 for Solid Waste General Fund Programs, and a staffing level of 319/319.0 SYE are required to meet financial and operational requirements for waste collection and disposal programs in FY 2003. The FY 2003 Adopted Budget Plan funding level represents a decrease of \$21,303,825 or 17.31 percent from the *FY 2002 Revised Budget Plan* estimate of \$123,081,219 primarily attributable to FY 2001 carryover of unexpended capital project balances of \$18,213,138. Highlights by fund are as follows:

- **Fund 108, Leaf Collection:** The expenditures for this fund are decreasing \$0.1 million or 7.7 percent from the *FY 2002 Revised Budget Plan* amount of \$1.3 million primarily due to a decrease in Capital Equipment expenditures based on favorable bid prices. This fund is responsible for the collection of leaves within Fairfax County's leaf collection districts. It is anticipated that in FY 2003, Fund 108 will provide collection service to approximately 19,296 household units within 26 approved leaf districts on three different occasions. Revenue is derived from a levy charged to homeowners within leaf collection districts. The levy charged is \$0.01 per \$100 of assessed real estate value.
- **Fund 109, Refuse Collection and Recycling Operations:** The expenditures for this fund are decreasing \$0.21 million or 1.4 percent from the *FY 2002 Revised Budget Plan* amount of \$14.6 million primarily due to a decrease in Capital Project expenditures based on project completion and reduced Capital Equipment requirements. Fund 109, Refuse Collection and Recycling Operations, is responsible for the collection of refuse within the County's approved sanitary districts and County agencies, and for the coordination of the County's recycling and waste reduction operations, as well as the oversight of the Solid Waste General Fund Programs on behalf of the County. A rate increase for the Solid Waste Reduction and Recycling Centers (SWRRC) from \$195 to \$225 is required primarily due to declining numbers of program participants. See the Solid Waste Overview for more details.

OTHER FUNDS OVERVIEW

- **Fund 110, Refuse Disposal:** The expenditures for this fund are increasing \$3.7 million or 8.7 percent over the *FY 2002 Revised Budget Plan* amount of \$42.9 million primarily due to increased disposal tonnage estimates and tipping fee increases. As a result of competitive pricing, continued migration of refuse from the County's waste stream, and the need to maintain the tonnage levels at the E/RRF, disposal rates have been set at levels that have not supported operational requirements since 1995. A General Fund transfer of \$3,439,291 in FY 2003 will cover the FY 2003 projected deficits and partial reserve requirements. See the Solid Waste Overview for more details.
- **Fund 112, Energy Resource and Recovery Facility (E/RRF):** Expenditures for this fund total \$33.9 million in FY 2003 which is primarily the same as the *FY 2002 Revised Budget Plan*. This fund is responsible for the incineration of refuse collected in Fairfax County; a portion collected in the District of Columbia (DC); refuse collected by Supplemental and Spot Market operations; and from Prince William County through a facility use agreement with the County. A disposal rate increase from \$28 per ton to \$30 per ton is included for FY 2003 in order to avoid revenue shortfalls in future years based on negotiated contract rates for the sale of energy at the E/RRF. See the Solid Waste Overview for more details.
- **Fund 114, I-95 Refuse Disposal:** The expenditures for this fund total \$5.7 million for FY 2003 which is a decrease of \$24.7 million or 81.3 percent from the *FY 2002 Revised Budget Plan* of \$30.4 million as a result of the carryover of capital project funding. This fund is responsible for the overall operation of the I-95 Landfill, which is a multi-jurisdictional refuse deposit site dedicated to the disposal of ash generated primarily by the County's Energy/Resource Recovery Facility (E/RRF) and the Arlington/Alexandria incinerator operations.

Fund 118, Consolidated Community Funding Pool: FY 2003 will be the first year of a new two-year funding cycle that uses a consolidated process to set priorities and award funds from both the Consolidated Community Funding Pool and the Community Development Block Grant. In FY 2003, there will be approximately \$8.1 million available for the Consolidated Community Funding Pool process, of which approximately \$6.3 million will be in Fund 118, Consolidated Community Funding Pool, and approximately \$1.8 million will be in Fund 142, Community Development Block Grant. This funding is approximately \$0.3 million more than the FY 2002 total of approximately \$7.8 million as a result of a six percent increase in the Fund 118 funding available for community-based agencies.

Fund 119, Contributory Fund: Funding for all Contributory Agencies is reviewed annually, and the organizations must provide quarterly and annual financial reports to document their financial status. The FY 2003 recommended funding level is \$6.6 million, with details of the organizations' funding in Volume 2, Capital Construction and Other Operating Funds of the FY 2003 Adopted Budget Plan.

Fund 120, E-911: In FY 2003, total expenditures are \$24.3 million, based on a General Fund Transfer of \$4.7 million, revenues of \$16.5 million, State reimbursement of \$2.7 million, and interest earnings of \$0.4 million. All expenditures directly associated with the Public Safety Communications Center (PSCC) will continue to be reflected in this fund. In addition, Information Technology projects associated with the PSCC will continue to be budgeted in this fund. A General Fund Transfer will support any difference between revenues and expenditures.

Complete details of all Special Revenue Funds are found in Volume 2, Capital Construction and Other Operating Funds of the FY 2003 Adopted Budget Plan. Summary information is provided in the *Financial, Statistical, and Summary Tables* section of this Overview volume.

OTHER FUNDS OVERVIEW

DEBT SERVICE FUNDS

There are two debt service funds - **Fund 200, County Debt Service** and **Fund 201, School Debt Service**. These funds account for the accumulation of resources for, and the payment of debt service on, general obligation bonds of the County and Schools, and for special revenue bond debt service.

FY 2003 Debt Service expenditures total \$214,310,359, an increase of \$6,638,211 or 3.2 percent over the *FY 2002 Revised Budget Plan* level of \$207,672,148. Funding includes transfers of \$213,694,272 from the General Fund, \$110,550 from the McLean Community Center, and \$100,000 from the Neighborhood Improvement Program. In addition revenues are anticipated including \$300,000 in bond premiums and \$20,000 in revenue from Fairfax City. Available fund balances of \$85,537 associated with savings in FY 2001 and FY 2002 are also utilized.

This funding level provides for the retirement of County and School general obligation bond and literary loan debt principal and interest due and payable in FY 2003 as well as lease/purchase payments for the Government Center Properties and Fairfax County Redevelopment and Housing Authority (FCRHA) lease revenue bonds issued for community centers and an adult day care center, Certificate of Participation payments for the new South County Government Center and fiscal agent fees.

Complete details of the Debt Service Funds are found in Volume 2, Capital Construction and Other Operating Funds of the FY 2003 Adopted Budget Plan. Summary information is provided in the *Financial, Statistical, and Summary Tables* section of this Overview volume.

ENTERPRISE FUNDS

Fairfax County's Enterprise Funds consist of seven funds within the Wastewater Management Program (WMP), 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 2003 Enterprise Funds expenditures for sewer operation and maintenance, and sewer debt service total \$141,303,183, a decrease of \$131,695,726 or 48.2 percent from the *FY 2002 Revised Budget Plan* of \$272,998,909 primarily due to the availability of current funds to complete the FY 2003 expansion requirements of the Noman M. Cole, Jr. Pollution Control Plant (NCPCP) from 54 million gallons per day (MGD) to 67 MGD.

The program includes the County-owned wastewater treatment plant (54 million gallons per day (MGD) capacity), approximately 3,100 miles of sewer lines, 60 pumping stations, 51 metering stations and covers approximately 234 square miles of the County's 399 square-mile land area. In FY 2003, WMP anticipates a total of 332,233 households in Fairfax County will be connected to public sewer in FY 2003.

Current Availability Fee Rates:

In FY 2003, Availability Fees will increase from \$5,069 to \$5,247 for single-family homes based on current projections of capital requirements. The Availability Fee rate for all types of units are adjusted based on continued increases in expenses associated with treatment plant upgrades and interjurisdictional payments that result from population growth, more stringent treatment requirements, and inflation. The following table displays the resulting increase by category.

Category	FY 2002 Availability Fee	FY 2003 Availability Fee
Single Family	\$5,069	\$5,247
Townhouses and Apartments	\$4,056	\$4,198
Hotels/Motels	\$1,267	\$1,312
Nonresidential	\$262/fixture unit	\$271/fixture unit

OTHER FUNDS OVERVIEW

Current Sewer Service Charge:

The Sewer Service Charge rate will increase from \$2.88 to \$2.95 per 1,000 gallons of water consumption in FY 2003. Based on this rate increase, the additional annual cost to the typical household is anticipated to be \$5.32. Sewer Service Charges are adjusted based on projected capital requirements associated with the renovation and rehabilitation of existing treatment facilities.

Category	FY 2002 Sewer Service Charge	FY 2003 Sewer Service Charge
Per 1,000 gallons water consumed	\$2.88	\$2.95

The FY 2003 Sewer Service Charge and Availability Fee are based on increased costs associated with capital project construction, system operation and maintenance, debt service, and upgrades to effectively reduce nitrogen discharge from wastewater treatment plants in order to meet new, more stringent nitrogen discharge limitations. The program will also utilize sewer fund balances to partially offset these higher costs. These rate increases are consistent with the recommendations of the Department of Public Works and Environmental Services and the analysis included in the Forecasted Financial Statement for July 1, 2001 through June 30, 2006.

Complete details of the Enterprise Funds, which comprise the Wastewater Management Program, are found in Volume 2, Capital Construction and Other Operating Funds of the FY 2003 Adopted Budget Plan. Summary information is provided in the *Financial, Statistical, and Summary Tables* section of this Overview volume.

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; document services; and central acquisition of commonly used supplies and equipment. 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 2003 Internal Service expenditures total \$305,868,584, an increase of \$22,981,764 or 8.1 percent over the *FY 2002 Revised Budget Plan* level of \$282,886,820. Excluding adjustments in FY 2002, expenditures increased \$46,946,768 or 18.1 percent over the FY 2002 Adopted Budget Plan of \$258,921,816. Funds with significant adjustments are as follows:

- ◆ **Fund 501, County Insurance:** A net increase of \$0.3 million primarily in Operating Expenses associated with an increase in commercial insurance premiums due to the events of September 11, 2001.
- ◆ **Fund 503, Department of Vehicle Services:** A net expenditure decrease of \$0.8 million due primarily to a net reduction of \$2.8 million in replacement costs, which are based on predetermined criteria and schedules, and an anticipated \$0.3 million decrease in fuel requirements. These decreases are offset by increases of \$0.8 necessary to support the County's compensation program and \$1.5 million in operating and capital requirements to account for anticipated fleet growth in FY 2003.
- ◆ **Fund 505, Technology Infrastructure Services:** This fund's expenditures are decreased \$1.1 million primarily due to a decrease of \$0.9 million in one time funding carried over from FY 2001 into FY 2002 and a decrease of \$0.5 million for re-cabling projects initiated in FY 2002 partially offset by an increase of \$0.3 million primarily for enhanced disaster recovery services.

OTHER FUNDS OVERVIEW

- ◆ **Fund 506, Health Benefits Trust Fund:** An increase of \$3.3 million primarily due to a 10 percent cost growth assumption and increased employee participation in the plan.
- ◆ **Fund 591, School Health Benefits Trust:** The increase of \$23.9 million is due primarily to premium rate increases and higher enrollment.

Complete details of the Internal Service funds are found in Volume 2, Capital Construction and Other Operating Funds of the FY 2003 Adopted Budget Plan and in the Fairfax County School Board's FY 2003 Adopted Budget. Summary information is provided in the *Financial, Statistical, and Summary Tables* section of this Overview volume.

TRUST AND AGENCY FUNDS

Trust and Agency 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. The Agency fund is Fund 700, Route 28 Taxing District, which is custodial in nature and is maintained to account for funds received and disbursed by the County for improvements to Route 28.

FY 2003 Trust and Agency funds combined expenditures total \$293,668,505 an increase of \$35,393,259 or 13.7 percent over the *FY 2002 Revised Budget Plan* funding level of \$258,275,246. Excluding adjustments in FY 2002, combined Trust Fund and Agency Funds expenditures increase \$36,124,392 or 14.0 percent over the FY 2002 Adopted Budget Plan level of \$257,544,113.

This increase is primarily due to increases in the four retirement funds as a result of growth in the number of retirees receiving payment.

Complete details of the Trust and Agency funds are found in Volume 2, Capital Construction and Other Operating Funds of the FY 2003 Adopted Budget Plan. In addition, details of the Educational Employees Retirement Fund may be found in the Fairfax County School Board's FY 2003 Adopted Budget. Summary information is provided in the *Financial, Statistical, and Summary Tables* section of this Overview volume.

Capital Projects Overview

This section includes:

- ▶ *Summary of Capital Construction Program (Page 110)*
- ▶ *Expenditure and Financing Summary Charts (Page 124)*
- ▶ *Capital Project Details (Page 129)*

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: School construction of both new and renovated school facilities, park facilities, primary and secondary roadways, libraries, trails/sidewalks, fire stations, government centers with police substations, storm drainage infrastructure, streetlight installations, and the renovation/maintenance of County facilities. In addition, the Capital Construction Program includes the construction of housing units to provide affordable housing opportunities to citizens, neighborhood improvements to older County neighborhoods, and commercial revitalization initiatives for specific commercial centers identified throughout the County.

Funding in the amount of \$488,288,375 is included in FY 2003 for the County's Capital Construction Program. Of this amount, \$214,310,359 is included for debt service and \$273,978,016 is included for capital expenditures. The source of funding for capital expenditures includes: \$7,836,941 in General Fund monies, \$183,023,848 in General Obligation Bonds, \$45,712,000 in sewer system revenues, \$1,333,370 in Federal Aid, \$8,362,776 in State revenues and \$27,709,081 in financing from various other sources. Other sources of financing include transfers from other funds, developer contributions and payments, pro rata share deposits, and miscellaneous revenues.

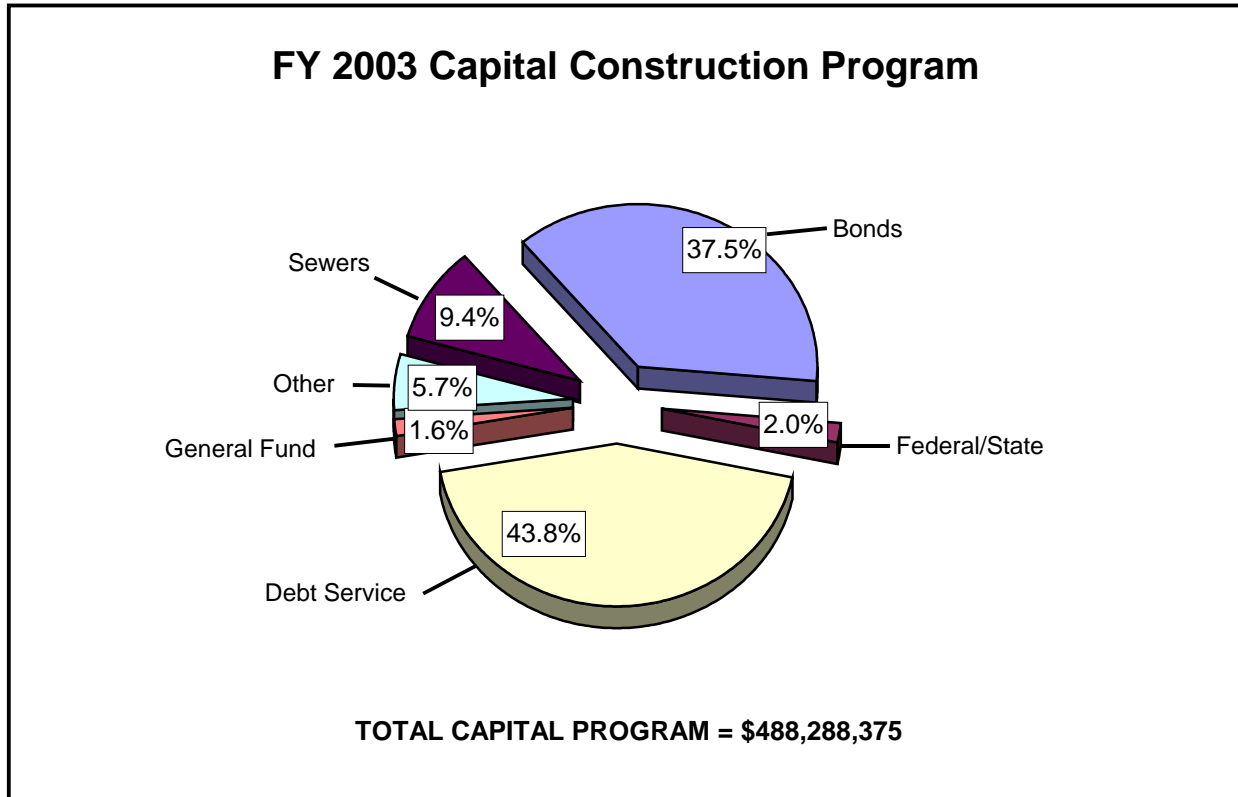
Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2003 Advertised Budget Plan, as approved by the Board of Supervisors on April 29, 2002:

- ◆ Fund 303, County Construction – A decrease of \$3,078,600 from \$14,183,317 to \$11,104,717 based on reductions of \$128,600 in Project 001039, General District Court Refurbishment, \$100,000 in Project 003099, Miscellaneous Building and Repair, \$300,000 in Project 005006, FCPS Athletic Fields – Matching Program, \$100,000 in Project 005007, Wakefield Softball Complex, \$250,000 in Project 009133, Carpet Replacement, \$1,000,000 in Project 009400, Land Acquisition Reserve, \$100,000 in Project 009417, Parks General Maintenance, \$100,000 in Project 009442, Parks Ground Maintenance, \$500,000 in Project 009444, Laurel Hill (Lorton) Development, and \$500,000 in Project 009453, West County Recreation Center.
- ◆ Fund 304, Primary and Secondary Road Bond Construction – A decrease of \$500,000 from \$1,000,000 to \$500,000 in Project 064212, TAC Spot Improvements.
- ◆ Fund 310, Storm Drainage Bond Construction – An increase of \$939,363 from \$0 to \$939,363 based on the appropriation of bond funds in Project X00094, Storm Drainage Structural Projects.
- ◆ Fund 313, Trail Construction – A decrease of \$125,000 from \$200,000 to \$75,000 in Project 002200, Upgrade and Emergency Maintenance of Existing Trails.
- ◆ Fund 340, Housing Assistance Program – A decrease of \$250,000 from \$1,850,000 to \$1,600,000 based on reductions of \$190,000 in Project 003923, Undesignated Projects, and \$60,000 in Project 014010, Commercial Revitalization.

CAPITAL PROJECTS OVERVIEW

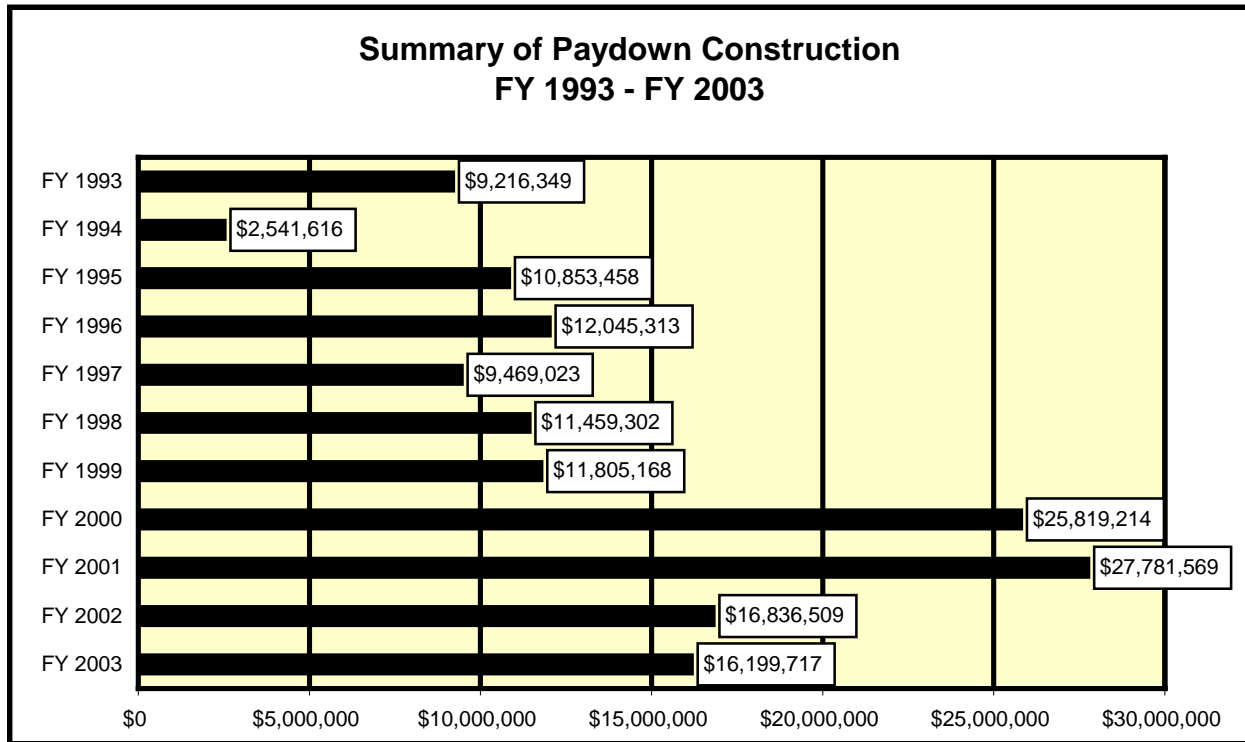
- ◆ Fund 390, Public School Construction – An increase of \$6,400,000 from \$147,076,261 to \$153,476,261 associated with additional funding for school bond sales.



Capital Paydown Program

In FY 2003, an amount of \$16,199,717 has been included for the Capital Paydown Program. This funding level is supported by the General Fund in the amount of \$7,836,941 (\$4,211,941 in General Fund transfers and \$3,625,000 in other revenue) and State Aid in the amount of \$8,362,776. The paydown construction program had been constrained in the past based on budget limitations. Between FY 1986 and FY 1990, the County paydown construction program averaged approximately \$46.0 million, or 4.6 percent, of the General Fund disbursements. The FY 2003 Adopted Budget Plan paydown program of \$16.2 million represents 0.7 percent of General Fund disbursements.

CAPITAL PROJECTS OVERVIEW



This graph depicts the level of paydown funding between FY 1993 and FY 2003. A significant decrease in paydown funding began in FY 1993, with an extremely low program in FY 1994. Beginning in FY 1995, annual paydown funding increased slightly, but only the most pressing requirements were addressed. Since FY 2000, the paydown program has been enhanced by the application of State revenue funds.

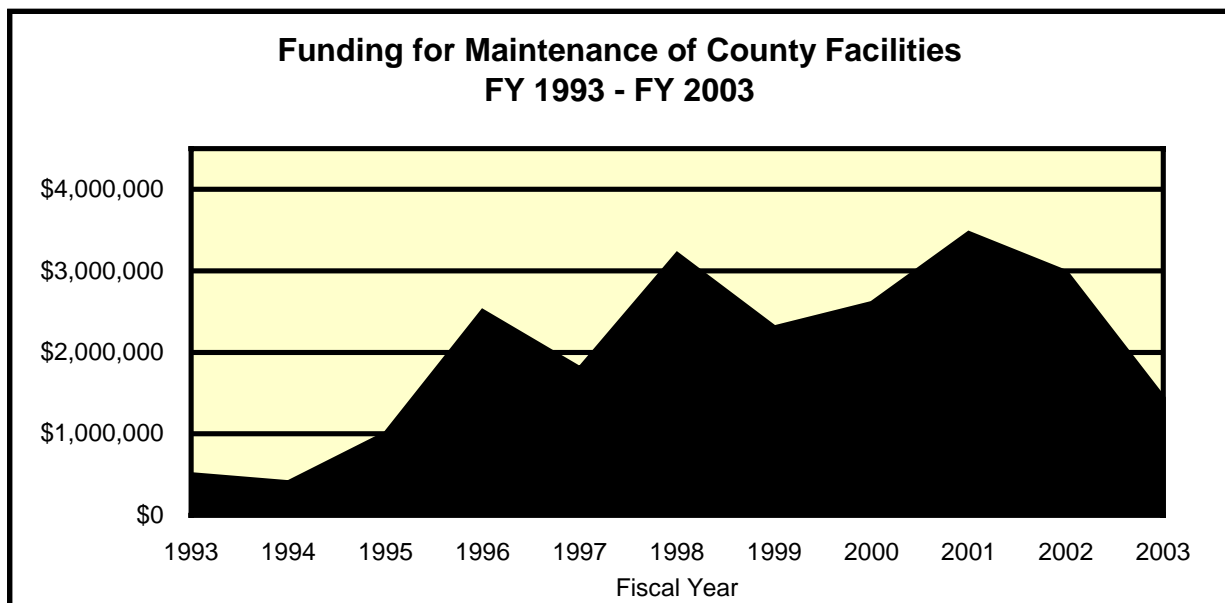
CAPITAL PROJECTS OVERVIEW

County Maintenance Projects

FY 2003 funding in the amount of \$1,436,000 has been included for County maintenance. As with any maintenance program, sufficient attention is required to avoid increased project costs in the future. As long-term maintenance and renovation costs are difficult to project, they are not included in the initial costs of capital projects; however, they are essential to the service life and level of service provided by a facility. Continued funding of maintenance requirements is included in the County's Paydown Program to protect and extend the life of County facilities. County requirements are generated through scheduled preventative maintenance or from user requests for facility alterations. It is currently estimated that the backlog of County maintenance, repair, and replacement requirements exclusive of the FY 2003 funding provided totals approximately \$8.68 million; however, the County is conducting a comprehensive facilities assessment to identify all infrastructure maintenance requirements. Specific funding levels in FY 2003 include:

- ◆ An amount of \$1,400,000 will continue to provide general maintenance funds to address priority projects at County facilities. Funded general maintenance projects include: HVAC/electrical replacement (\$350,000), roof repair and waterproofing (\$200,000), parking lot resurfacing (\$200,000), and fire alarm replacement (\$200,000). In addition, the County maintenance budget includes funding for miscellaneous building repairs or ongoing requirements throughout the fiscal year (\$450,000). These miscellaneous requirements include but are not limited to vandalism removal, plumbing repairs, painting, and other emergency repairs.
- ◆ The annual generator replacement program has been funded in FY 2003 in the amount of \$36,000. This program provides a funding mechanism to replace generators in the fiscal years in which the generator reaches its useful life of 25 years. FY 2003 funding provides for the replacement of the automation transfer switches for emergency generator #1 at the original Adult Detention Center.

The following chart depicts County maintenance funding between FY 1993 and FY 2003, including roof repairs, HVAC replacement, carpet replacement, parking lot resurfacing, fire alarm system replacements, generator replacement, and miscellaneous building repairs.



CAPITAL PROJECTS OVERVIEW

Park Maintenance Projects

FY 2003 funding in the amount of \$1,829,000 has been included for Park maintenance. The Park facilities maintained with General Fund monies include but are not limited to field houses, boat houses, pump houses, 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. Specific funding levels in FY 2003 include:

- ◆ An amount of \$505,000 is included for general park maintenance at non-revenue supported Park facilities. These maintenance requirements include major non-recurring repairs/replacements and improvements to roofs, electrical and lighting systems, security and fire alarms, sprinklers, and HVAC equipment. Of this amount, \$40,000 is included for critical emergency repairs identified throughout the fiscal year, and \$465,000 is dedicated for specific major facility maintenance repairs.
- ◆ An amount of \$700,000 is included to fund prioritized annual requirements for Parks grounds maintenance at non-revenue supported parks. Grounds maintenance includes the upkeep of sidewalks, parking lots, bridges, recreation and irrigation equipment, picnic equipment, tennis courts, and trails at County parks.
- ◆ Funding is also included in the amount of \$470,000 for minor routine preventive maintenance of non-revenue supported Park Authority structures. These repairs include the replacement of broken windows and doors, equipment repairs, and the scheduled inspection of HVAC, security, and fire alarm systems.
- ◆ An amount of \$154,000 to continue the implementation of ADA compliance at Park facilities has been included in FY 2003. Park facilities continue to be modified on a priority basis.

Athletic Field Maintenance Projects

FY 2003 funding in the amount of \$1,500,000 has been included for athletic field maintenance. In recent years, athletic field maintenance has been identified as a critical need. An effort has been made to provide continuous maintenance to retain quality athletic fields at acceptable standards and improve safety for users. Maintenance of athletic fields includes field lighting, fencing, irrigation, dugout covers, infield dirt, aerification, and seeding. These maintenance efforts will improve safety standards, improve playing conditions, and increase user satisfaction. Specific funding levels in FY 2003 include:

- ◆ An amount of \$100,000 has been included to continue the replacement and upgrading of Fairfax County Public Schools boys' baseball field lighting systems used by many County organizations. FY 2003 funding provides for lighting improvements for varsity baseball fields at prioritized high schools in the County. FY 2003 funding provides for baseball field lighting improvements at West Springfield High School. This effort is being coordinated by the Department of Community and Recreation Services.

CAPITAL PROJECTS OVERVIEW

- ◆ Funding in the amount of \$100,000 has been included to continue adding lights on Fairfax County Public Schools athletic fields used for girls' softball. Staff from the Department of Community and Recreation Services continue to work with representatives from Fairfax Athletic Inequities Reform (FAIR) and coordinate with the Fairfax County Public Schools and the Fairfax County Park Authority to identify, prioritize, and develop proposed plans for addressing girls' softball field lighting requirements. FY 2003 funding provides for softball field lighting improvements at Whitman Middle School. This effort is being coordinated by the Department of Community and Recreation Services.
- ◆ Funding in the amount of \$200,000 associated with the Girls' Fast Pitch Softball Action Plan has been included in FY 2003. This Plan establishes a separate annual fund in the amount of \$200,000 a year for five years in an effort to spread the costs for small project maintenance and improvements to various girls' fast pitch softball fields throughout the County as requested by Fairfax Athletic Inequities Reform (FAIR). These fields include both Fairfax County Public Schools and County/Parks fields. FY 2003 represents the fifth and final year of the five-year program. This effort is being coordinated by the Department of Community and Recreation Services.
- ◆ Funding of \$800,000 is included to support general maintenance at designated Fairfax County Public Schools athletic fields. This maintenance effort includes consistent mowing at designated school sites and provides for aerification and over-seeding to improve turf coverage and reduce the chance of injury. This program was established in an effort to maintain consistent standards among all athletic fields, improve playing conditions and safety standards, and increase user satisfaction. This effort is being managed by the Park Authority; however, all field maintenance will be coordinated between the Park Authority and the Department of Community and Recreation Services.
- ◆ Funding of \$300,000 is included for the Field Maintenance Matching Program. This program was established on July 1, 1999 for the Fairfax County Public Schools. These funds will be used to improve school fields currently underutilized or not utilized for community game play. The program will provide funding to improve field conditions (grading, topsoil, seeding/sodding, goalmouth repair, and irrigation) to game quality. Organizations will be required to provide a 50 percent match of funds for requested playing field improvements. Project funds will be restricted to only those improvements that upgrade fields from practice to game designated fields, that develop new game fields, or that are necessary to ensure the safety of players. Amenities such as bleachers, batting cages, perimeter fencing, benches, and dugouts will not be considered for matching funds.

Trails and Sidewalks

Funding in the amount of \$375,000 is included in FY 2003 for trail and sidewalk repair and maintenance.

- ◆ Funding of \$75,000 is included for safety upgrades and emergency maintenance of existing trails to public standards. Several older trails do not meet current standards which have been designed to alleviate safety problems, including incorrect grades, steep slopes, or obstructions (i.e., power poles or trees that are located too close to the trail). The County is currently responsible for maintaining approximately 500 miles of walkways.
- ◆ Funding of \$300,000 has been included for the Virginia Department of Transportation (VDOT) participation project for sidewalk repair and replacement. VDOT conducts repair and replacement of County maintained sidewalks and is reimbursed by the County, subject to an agreement approved by the Board of Supervisors. County costs are minimized based on the ability to implement multiple VDOT sidewalk construction contracts.

CAPITAL PROJECTS OVERVIEW

Storm Drainage

Funding in the amount of \$2,420,000 is included for the storm drainage maintenance and emergency repairs throughout the County. Specific funding levels in FY 2003 include:

- ◆ Funding of \$95,000 has been included to address emergency drainage problems throughout the County. Engineering studies and construction will alleviate flooding problems of a recurring or emergency nature, which, due to their urgent nature, cannot be identified in advance.
- ◆ Funding of \$150,000 is provided to support the Kingstowne Environmental Monitoring program, which was established by the Board of Supervisors in June 1985 and is intended to continue until completion of the Kingstowne Development. During FY 2002 the program was expanded to include the water quality monitoring requirements required by the U.S. Army Corps of Engineers for the development of the South Van Dorn Street extension.
- ◆ Funding of \$500,000 is included for conducting inspections, monitoring, and repairing dams and emergency spillways. This level of funding provides for required inspections at five County-owned dams, internal monitoring of drainage problems with dam embankments, and initiation of subsurface investigations.
- ◆ Funding in the amount of \$1,600,000 is included for the Virginia Pollutant Discharge Elimination System (VPDES) Municipal Separate Storm Sewer System (MS4) discharge permit. This permit is required as part of the Clean Water Act amendments of 1987. The MS4 discharge permit is considered a renewal of the National Pollutant Discharge Elimination System (NPDES) permit, and will be valid for five years. In accordance with the permit renewal submission approved by the Board of Supervisors on July 23, 2001, activities will include water quality testing, watershed master planning, improvement programs, and development of the GIS-based storm sewer system inventory. The Virginia Department of Environmental Quality (DEQ) is expected to make a decision regarding final permit requirements during FY 2002. Permit renewal is also impacted by other State and Federal mandates, including Total Maximum Daily Loads, the Chesapeake 2000 Agreement, and the Virginia Tributary Strategies.
- ◆ Funding of \$75,000 is included for the Perennial Stream Mapping Program, an effort to develop a base map of all stream channels in Fairfax County. The result of will be a reliable map source depicting the stream network that distinguishes between perennial and intermittent streams, which will then be included in the County's Geographic Information System.

New and Renovated County Facilities

Funding in the amount of \$2,500,000 is included in FY 2003 for new or renovated facilities throughout the County. Specific funding levels in FY 2003 are as follows:

- ◆ Funding of \$500,000 is included to help offset increased construction costs associated with the West County Recreation Center. This 65,824-square-foot facility will include a 25 meter by 25 yard competitive swimming pool, leisure pool, whirlpool, weight training and fitness areas, multi-purpose rooms, and administrative and support service areas. The current cost estimates have increased by \$3,527,000. An amount of \$2,527,000 has been identified in Park Authority bonds to partially offset this cost increase. FY 2003 funding of \$500,000 has been included; however, future year funding will be required to complete the project.

CAPITAL PROJECTS OVERVIEW

- ◆ Funding of \$2,000,000 is included to continue to address property and liability management at the Laurel Hill (Lorton Prison) property, as well as the master planning required for redevelopment and public use. Laurel Hill is intended to be transferred to the County by the Federal Government during FY 2002. The property includes approximately 2,340 acres of land and 1.48 million square feet of building space. FY 2003 funding will begin to address the needs at this site, including the implementation of a security/maintenance contract, grounds and fence maintenance, essential infrastructure maintenance to identified buildings, and demolition of several identified buildings that are no longer serviceable. Additionally, funding will provide for asbestos abatement, utility requirements, master planning, engineering studies related to future building uses and design issues, as well as the coordination of right-of-way issues with the Virginia Department of Transportation.

Roads/Developer Defaults

FY 2003 funding of \$700,000 is included to support County road programs and developer defaults.

- ◆ Funding in the amount of \$100,000 in General Fund monies is included for construction of outstanding developer default projects identified throughout the fiscal year. In addition, \$300,000 is funded by anticipated developer default revenues. This program is necessitated by economic conditions surrounding the construction industry which result in some developers not completing required public facilities, including acceptance of roads by the State, walkways, and storm drainage improvements. General Fund support of the program is necessary due to the time required between the construction of the improvements and the recovery of the bonds through legal action or when the developer default revenue is not sufficient to fund the entire cost of the project.
- ◆ Funding has been included to support the Road Viewer (\$50,000) and Road Maintenance (\$50,000) projects. The Road Viewer Program provides for the upgrading of County roads for acceptance into the State Secondary System. Once the roads are accepted into the State system, ongoing maintenance costs are provided by the State, and County funds are no longer required. For those roads which are not currently included in the State Secondary System, annual funding is provided for maintenance to ensure the safe operation of vehicles on these travelways.
- ◆ Funding in the amount of \$500,000 is included for high priority Transportation Advisory Commission (TAC) spot improvement projects approved by the Board of Supervisors on January 10, 2000. FY 2003 funding will move previously approved projects from the design phase to the construction phase.

CAPITAL PROJECTS OVERVIEW

Payments and Obligations

FY 2003 funding in the amount of \$3,664,717 has been included for costs related to annual contributions and contractual obligations.

- ◆ Funding of \$1,021,702 is included to provide for the first year of a five-year lease-purchase agreement associated with systems furniture for the South County Center. The lease will provide office furniture for work stations, conference rooms, waiting areas, and offices. On February 11, 2000, the Board of Supervisors entered into a Master Sales and Development Agreement with Madison Development Partners to construct an office building for lease to Fairfax County. This 159,000-square-foot facility will include a senior center, an expanded teen center, an employment center, office space for County staff, community meeting rooms, and an e-government center.
- ◆ Funding of \$1,358,691 provides for final reimbursement to the Fairfax County Public Schools for renovations necessary to construct a School Aged Child Care (SACC) facility at Lemon Road Elementary School. The new Center will replace leased space at Chesterbrook Presbyterian Church and will provide SACC and day care services to children.
- ◆ Funding of \$105,500 provides for the sixth and final payment to purchase the Mt. Gilead property in Centreville.
- ◆ Funding of \$500,000 is included for the County's annual contribution to offset school operating and overhead costs associated with new SACC Centers.
- ◆ Funding of \$678,824 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 funding formula for determining the annual contribution level has been revised based on the capital requirements of NVCC over the next six years. The FY 2003 funding level reflects \$0.70 per capita based on 2000 census data. A phased approach has been recommended to increase funding by \$0.10 per capita per year until FY 2006 when the County's contribution equals \$1.00 per capita.

Revitalization Initiatives

- ◆ Funding of \$1,600,000 is included for revitalization efforts in identified areas throughout the County. This initiative includes Commercial Revitalization projects (\$608,000) to be approved by the Board of Supervisors in the context of the Capital Improvement Program (CIP) and/or other planning discussions of priorities. In addition, funding of \$992,000 has been provided for specific commercial revitalization efforts, including: Baileys Crossroads/Seven Corners, Annandale, Richmond Highway, Lake Anne, Merrifield, Springfield, and McLean, as well as Commercial Revitalization program costs.

Other Paydown Program Projects

- ◆ Funding of \$175,000 is included for assessment studies associated with two County facilities: the Public Safety Communications Center (PSCC) (\$100,000) and the West Ox Road Complex (\$75,000).

CAPITAL PROJECTS OVERVIEW

FY 2003 PAYDOWN PROJECTS

Project	FY 2003 Adopted
County Maintenance Projects	
(003099) Miscellaneous Building Repair	\$450,000
(003100) Fire Alarm System Replacements	200,000
(009132) Roof Repairs and Waterproofing	200,000
(009136) Parking Lot Resurfacing	200,000
(009151) HVAC/Electrical Systems	350,000
(009431) Emergency Generator Replacement	36,000
Subtotal	\$1,436,000
Park Authority Maintenance Projects	
(009416) ADA Compliance - Park Authority	\$154,000
(009417) Park Authority - General Maintenance	505,000
(009442) Park Authority - Ground Maintenance	700,000
(009443) Park Authority - Facility Maintenance	470,000
Subtotal	\$1,829,000
Athletic Field Maintenance Projects	
(004999) Athletic Field Lighting	\$100,000
(005000) Softball Field Lighting	100,000
(005001) Fast Pitch Softball Field Maintenance	200,000
(005004) FCPS Athletic Field Maintenance Matching Program	300,000
(005006) Parks Maintenance at FCPS Athletic Fields	800,000
Subtotal	\$1,500,000
Trails and Sidewalks	
(002200) Upgrading of Existing Trails	\$75,000
(X00407) VDOT Sidewalk Repair/Replacement	300,000
Subtotal	\$375,000
Storm Drainage	
(A00002) Emergency Watershed Improvements	\$95,000
(L00034) Kingstowne Environmental Monitoring	150,000
(N00096) Dam Repairs	500,000
(Z00021) Perennial Stream Mapping	75,000
(Z00022) Municipal Separate Storm Sewer System	1,600,000
Subtotal	\$2,420,000

CAPITAL PROJECTS OVERVIEW

FY 2003 PAYDOWN PROJECTS

Project	FY 2003 Adopted
New Facilities	
(009444) Laurel Hill Development	2,000,000
(009453) West County Recreation Center	500,000
Subtotal	\$2,500,000
Developer Defaults/Roads	
(U00006) Developer Default	\$100,000
(V00000) Road Viewer Program	50,000
(V00001) Road Maintenance Program	50,000
(064212) TAC Spot Improvements	500,000
Subtotal	\$700,000
Obligations and Payments	
(009450) Falls Church - McLean Children's Center	\$1,358,691
(007012) School-Aged Child Care (SACC)	500,000
(008043) Northern Virginia Community College	678,824
(009420) Mt. Gilead	105,500
(009425) South County Center	1,021,702
Subtotal	\$3,664,717
Revitalization Initiatives	
(003923) Undesignated	\$608,000
(014010) Commercial Revitalization	247,000
(014104) Revitalization Program Costs	745,000
Subtotal	\$1,600,000
Other	
(009454) Feasibility Study PSCC	100,000
(009455) Feasibility Study West Ox Complex	75,000
Subtotal	\$175,000
TOTAL PAYDOWN PROGRAM	\$16,199,717

CAPITAL PROJECTS OVERVIEW

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 if necessary. 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 utility 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 8.60 percent, and net debt as a percentage of market value at 1.43 percent as of June 30, 2001. It should be noted that an update to the *Ten Principles* was approved by the Board of Supervisors on April 29, 2002. However, no revisions were made to the 3 and 10 percent limits discussed here. The annual bond sale limit was increased from \$150 million to \$200 million.

Continual monitoring and adjustments to the County's Capital Improvement Program have been necessary, as economic conditions have changed. The FY 2003 - 2007 Capital Improvement Program (With Future Years to 2012) was approved by the Board of Supervisors on April 29, 2002. For FY 2003, the Board of Supervisors authorized an increase in bond sales for School Construction, from \$130 million to \$136.4 million.

In FY 2003, an amount of \$183,023,848 is included in General Obligation bond funding. Of this amount, \$136,400,000 is budgeted in Fund 390, Public School Construction, and \$12,154,147 has been included in Fund 309, Metro Operations and Construction, to support the completion of the 103-mile Metrorail System, as well as maintain and/or acquire facilities, equipment, railcars and buses. In addition, FY 2003 bond funding in the amount of \$34,469,701 has been included for the Northern Virginia Regional Park Authority (\$2,250,000), storm drainage house flooding projects (\$939,363), the West Ox Maintenance Facility expansion (\$2,085,000), construction of the Fairfax Center and Crosspointe fire stations (\$9,305,338), and several projects within the Park Authority bond program (\$19,890,000). Funding for these bond projects is consistent with the FY 2003 - 2007 Capital Improvement Program (With Future Years to 2012) as approved by the Board of Supervisors on April 29, 2002.

Wastewater Management System

The Fairfax County Wastewater Management Program is managed by the Wastewater Administration Division within the Department of Public Works and Environmental Services, and includes one County-owned wastewater treatment plant with a total treatment capacity of 54 million gallons per day (MGD), approximately 3,100 miles of sewer lines, 60 pumping stations, and 50 metering stations, covering approximately 234 square miles of the County's 399-square-mile land area. In addition to the County-owned treatment plant the system owns, by agreement, purchase capacity in the Alexandria Sanitation Authority Plant, the Upper Occoquan Sewage Authority Plant, the District of Columbia Blue Plains Plant, and the Arlington County Plant, for a total treatment capacity of 133.6 MGD.

An amount of \$45,712,000 is funded in FY 2003 to provide for the County's share of design and construction costs for several pump station renovations, the upgrading of existing sewer meters throughout the County, ASA treatment plant improvements to comply with Virginia Water Control Board

CAPITAL PROJECTS OVERVIEW

regulations, recurring repair and replacement of County sewer lines, expansion and upgrade of the Rocky Run Pump Station, and the upgrade and replacement of the SCADA network system to optimize wastewater processes and support ongoing expansion efforts.

Other Financing

Capital projects supported by other financing include \$1,333,370 in Federal Aid and \$27,709,081 in other sources. Federal Aid represents funding to support the HOME Investment Partnership Grant Program. Capital projects financed by other funding mechanisms include: developer contributions for road improvements throughout the County, developer default revenues, housing trust fund revenues, refuse collection revenues, school Parent Teachers Association contributions and pro rata share storm drainage collections.

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 FY 2003 operating cost estimates associated with the completion of capital projects have been included in the County's operating budget.

In the FY 2003 / FY 2004 time frame, the expansion and renovation of several facilities will be completed which will directly impact the County's operating budget. The following list represents major new facilities which will open during FY 2003 and FY 2004. Operating expenditures are estimated based on projected opening dates. Additional information regarding the expenditures necessary to support these expanded facilities can be found in specific agency budget narratives.

New or Renovated County Facilities

Facility	Fiscal Year Completion	Additional Positions	Estimated Net Operating Costs
FY 2003 New/Expanded Facilities			
Sully District Police Station	FY 2003	25/25.0	\$5,942,418
West Springfield District Police Station	FY 2003	0/0.0	\$200,745
Mount Vernon District Police Station	FY 2003	0/0.0	\$142,445
SACC Centers	FY 2003	22/22.54	\$321,864
Total FY 2003 Costs		47/47.54	\$6,607,472
FY 2004 New/Expanded Facilities			
Herndon Harbor House Senior Center	FY 2004	TBD	TBD
Little River Glen Adult Day Care Center (10-month funding salary costs, start-up costs)	FY 2004	9/9.0	\$374,095
Public Safety Parking Structure	FY 2004	TBD	TBD
Total FY 2004 Costs		9/9.0	\$374,095

CAPITAL PROJECTS OVERVIEW

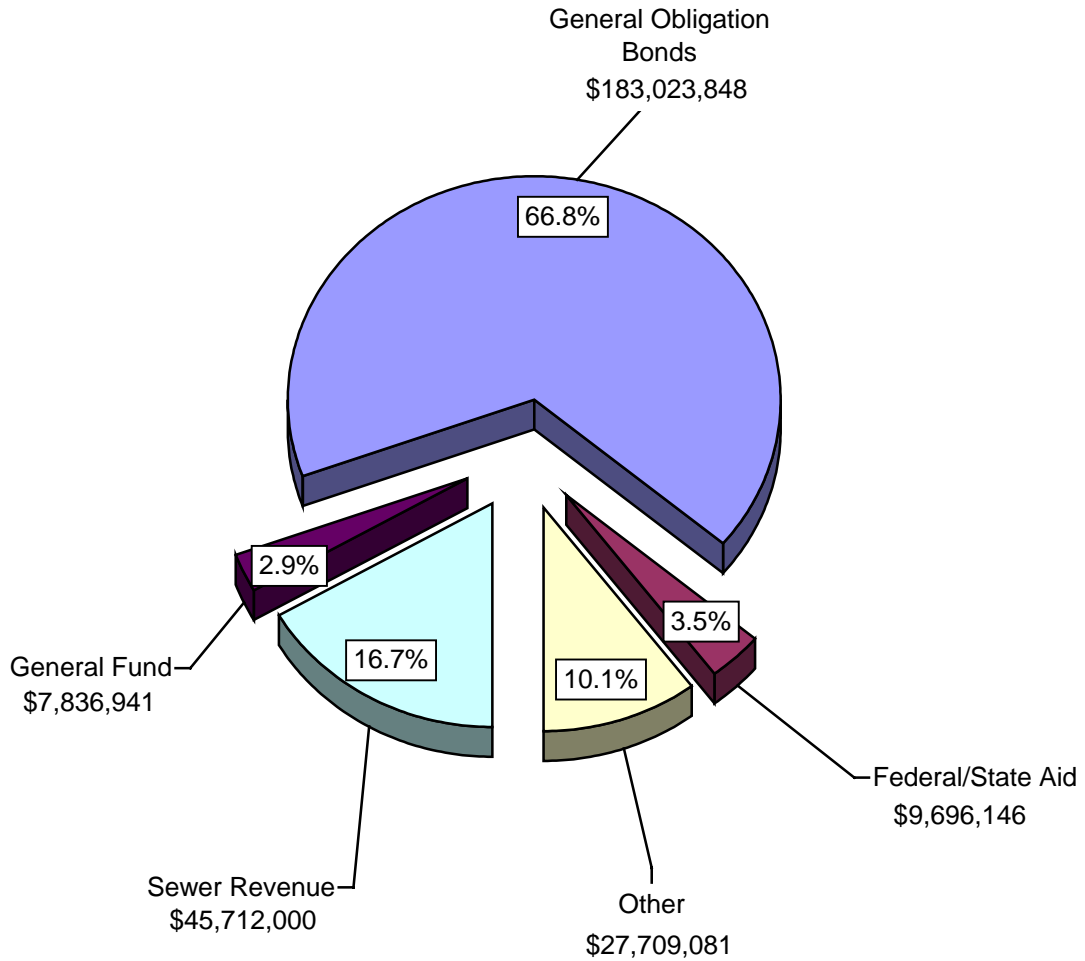
Personnel services, operating costs, and capital equipment costs incurred by a County agency while performing work on a capital project are charged as Recovered Costs to the project where applicable. The majority of capital projects in the County are administered by various agencies within the Department of Public Works and Environmental Services. These agencies include the Project Engineering Division, Office of Capital Facilities, Planning and Design Division, Stormwater Management Division, the Land Acquisition Division, the Office of Waste Management, and the Facilities Management Division. Other County operating agencies which administer capital projects include the Fairfax County Park Authority and the Department of Housing and Community Development.

Summary of FY 2003 Capital Construction Program

Major segments of the County's FY 2003 Capital Construction Program are presented in the charts that follow. Several pie charts have been included to visually demonstrate the FY 2003 funding sources for capital expenditures. Capital construction expenditures by fund are shown in the Summary Schedule of FY 2003 Funded Capital Projects. In addition, details of all projects funded in FY 2003 have been included in this section. For an individual detailed description of each capital construction fund, see the Capital Project Funds section of the Capital Construction and Other Operating Funds Volume. Detailed information concerning capital projects in Fund 390, Public School Construction, can be found in the FY 2003 School Board's Adopted Budget.

CAPITAL PROJECTS OVERVIEW

CAPITAL CONSTRUCTION PROJECTS FY 2003 SOURCE OF FUNDS

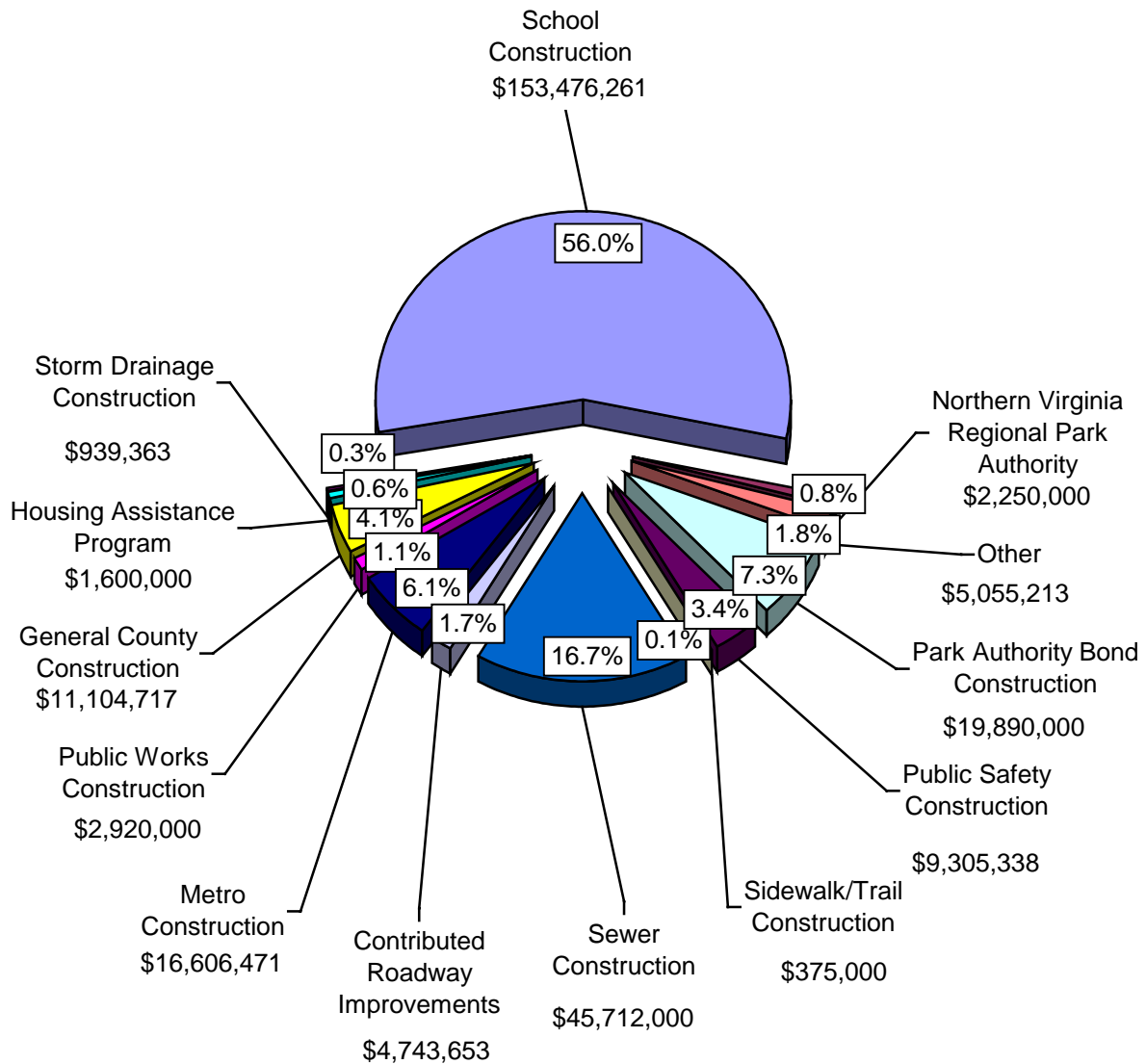


TOTAL = \$273,978,016

NOTE: This chart does not include debt service funding.

CAPITAL PROJECTS OVERVIEW

CAPITAL CONSTRUCTION PROJECTS FY 2003 EXPENDITURES

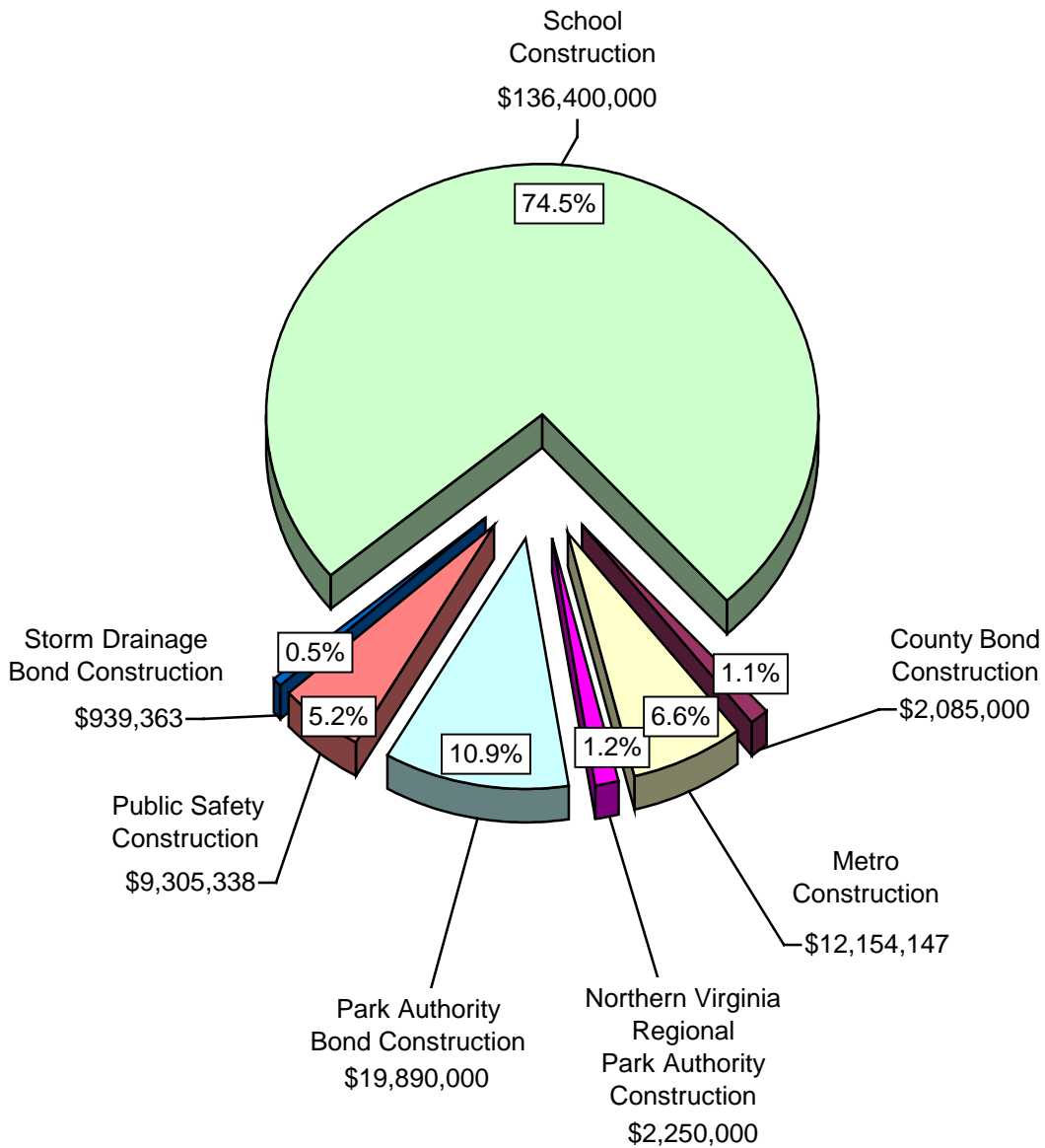


TOTAL = \$273,978,016

NOTE: This chart does not include debt service funding.

CAPITAL PROJECTS OVERVIEW

GENERAL OBLIGATION BOND FINANCED CAPITAL PROJECTS FY 2003 EXPENDITURES



TOTAL = \$183,023,848

**SUMMARY SCHEDULE OF FY 2003
FUNDED CAPITAL PROJECTS**

Fund/Title	EXPENDITURES					FY 2003 FINANCING			
	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	General Obligation Bonds ¹	General Fund	Federal/ State Aid	Other ²
SPECIAL REVENUE FUNDS³									
109 Refuse Collection	\$2,498	\$0	\$365,502	\$0	\$0	\$0	\$0	\$0	\$0
110 Refuse Disposal	66,813	0	1,516,006	0	0	0	0	0	0
111 Reston Community Center	25,097	0	0	0	0	0	0	0	0
113 McLean Community Center	17,242	250,000	394,341	35,000	35,000	0	0	0	35,000
114 I-95 Refuse Disposal	6,842,938	8,287,580	24,619,210	0	0	0	0	0	0
144 Housing Trust Fund	716,231	1,200,000	11,246,576	966,843	966,843	0	0	0	966,843
145 HOME Investment Partnership Grant	819,669	1,344,383	3,913,990	1,333,370	1,333,370	0	0	1,333,370	0
Subtotal	\$8,490,488	\$11,081,963	\$42,055,625	\$2,335,213	\$2,335,213	\$0	\$0	\$1,333,370	\$1,001,843
DEBT SERVICE FUNDS									
200 County Debt Service	\$95,542,624	\$99,116,671	\$99,631,721	\$100,462,441	\$100,462,441	\$0	\$100,089,491	\$0	\$372,950
201 School Debt Service	97,668,718	107,426,034	108,040,427	116,288,185	113,847,918	0	113,604,781	0	243,137
Subtotal	\$193,211,342	\$206,542,705	\$207,672,148	\$216,750,626	\$214,310,359	\$0	\$213,694,272	\$0	\$616,087
CAPITAL PROJECTS FUNDS									
300 Countywide Roadway Improvement Fund	\$119,954	\$0	\$2,415,877	\$0	\$0	\$0	\$0	\$0	\$0
301 Contributed Roadway Improvements	1,675,523	6,281,840	41,689,525	4,743,653	4,743,653	0	0	0	4,743,653
302 Library Construction	523,958	0	5,763,239	0	0	0	0	0	0
303 County Construction	12,177,439	12,292,509	33,797,111	14,183,317	11,104,717	0	6,236,941	4,867,776	0
304 Primary and Secondary Road Bond Construction	6,661,504	150,000	37,989,698	1,000,000	500,000	0	0	500,000	0
306 Northern Virginia Regional Park Authority	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	0	0	0
307 Sidewalk Construction	1,789,661	300,000	7,800,416	300,000	300,000	0	0	300,000	0
308 Public Works Construction	3,159,460	1,966,000	13,091,695	2,920,000	2,920,000	0	0	2,620,000	300,000
309 Metro Operations and Construction ⁴	5,243,353	4,918,523	9,450,925	16,606,471	16,606,471	12,154,147	0	0	4,452,324
310 Storm Drainage Bond Construction	128,324	0	3,720,637	0	939,363	939,363	0	0	0
311 County Bond Construction	4,849,952	0	30,504,252	2,085,000	2,085,000	2,085,000	0	0	0
312 Public Safety Construction	10,493,820	1,948,000	60,390,402	9,305,338	9,305,338	9,305,338	0	0	0

**SUMMARY SCHEDULE OF FY 2003
FUNDED CAPITAL PROJECTS**

Fund/Title	EXPENDITURES					FY 2003 FINANCING			
	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	General Obligation Bonds ¹	General Fund	Federal/ State Aid	Other ²
313 Trail Construction	129,352	200,000	1,074,604	200,000	75,000	0	0	75,000	0
314 Neighborhood Improvement Program	2,662,181	0	3,085,655	0	0	0	0	0	0
315 Commercial Revitalization Program	689,264	0	14,980,487	0	0	0	0	0	0
316 Pro Rata Share Drainage Construction	2,167,094	3,483,000	22,565,209	135,000	135,000	0	0	0	135,000
340 Housing Assistance Program	692,466	1,850,000	14,185,815	1,850,000	1,600,000	0	1,600,000	0	0
341 Housing General Obligation Bond Construction	14,040	0	410,881	0	0	0	0	0	0
370 Park Authority Bond Construction	8,438,504	21,520,000	36,091,474	19,890,000	19,890,000	19,890,000	0	0	0
390 Public School Construction	122,577,047	146,631,077	423,587,521	147,076,261	153,476,261	136,400,000	0	0	17,076,261
Subtotal	\$186,442,896	\$203,790,949	\$764,845,423	\$222,545,040	\$225,930,803	\$183,023,848	\$7,836,941	\$8,362,776	\$26,707,238
ENTERPRISE FUNDS									
402 Sewer Bond Extension and Improvements	\$72,429,188	\$53,902,809	\$113,229,901	\$45,712,000	\$45,712,000	\$0	\$0	\$0	\$45,712,000
408 Sewer Bond Construction	22,668,749	5,128,945	61,625,968	0	0	0	0	0	0
Subtotal	\$95,097,937	\$59,031,754	\$174,855,869	\$45,712,000	\$45,712,000	\$0	\$0	\$0	\$45,712,000
TOTAL	\$483,242,663	\$480,447,371	\$1,189,429,065	\$487,342,879	\$488,288,375	\$183,023,848	\$221,531,213	\$9,696,146	\$74,037,168

¹ The sale of bonds is presented here for planning purposes. Actual bond sales are based on cash needs in accordance with Board policy.

² Other financing includes developer contributions and payments, sewer system revenues, transfers from other funds, pro rata deposits, and miscellaneous revenues.

³ Reflects the capital construction portion of total expenditures.

⁴ Reflects capital construction portion of Metro expenditures net of State Aid.

CAPITAL PROJECTS OVERVIEW

<i>DETAILS: PAYDOWN PROGRAM (GENERAL FUND)</i>			
Project Number	Project Name (District)	Total Project Estimate	FY 2003 Adopted
Fund 303, County Construction			
005001	Girls' Fast Pitch Softball Field Maintenance (Countywide)	Continuing	\$200,000
<p>FY 2003 funding in the amount of \$200,000 is included to continue implementation of the Girls' Fast Pitch Softball Action Plan. The Plan establishes a separate annual recurring fund in the amount of approximately \$200,000 a year for five years in an effort to spread costs for small project maintenance and improvements to various girls' softball fields. Most projects are under \$20,000 each and cover such items as fencing, limited infield irrigation, dugout covers, and infield dirt. FY 2003 represents the fifth and final year of the five-year program.</p>			
005006	FCPA Field Maintenance (Countywide)	Continuing	197,224
<p>During their deliberations on the <u>FY 2003 Advertised Budget Plan</u>, the Board of Supervisors reduced funding in the amount of \$300,000 for this project. FY 2003 funding in the amount of \$197,224 is supported by the General Fund, and an amount of \$602,776 has been included to fund FCPA field maintenance financed by State revenues, for a total FY 2003 funding level of \$800,000. This level of funding will help to maintain consistent standards at all school site athletic fields, improve playing conditions, reach safety standards, and increase user satisfaction. Maintenance includes mowing each of the 160 sites 28 times per year and aerating and over-seeding each site annually.</p>			
005007	Wakefield Softball Complex (Braddock)	1,700,000	0
<p>During their deliberations on the <u>FY 2003 Advertised Budget Plan</u>, the Board of Supervisors eliminated funding in the amount of \$100,000 for this project. It is anticipated that funding to complete this project will be approved as part of the Fall 2002 Park Bond Referendum. FY 2003 funding would have provided for Phase I of the Wakefield Complex, which includes project design, development permit, and construction of two additional parking areas, including associated drainage systems and lighting.</p>			
007012	School-Aged Child Care (SACC) (Countywide)	Continuing	500,000
<p>FY 2003 funding in the amount of \$500,000 is included for the annual County contribution to offset school operating and overhead costs associated with SACC centers. The construction and renovation costs for SACC centers are funded by the Fairfax County Public Schools through General Obligation bonds for which debt service costs are provided by the County General Fund.</p>			
008043	Northern Virginia Community College (Countywide)	Continuing	678,824
<p>FY 2003 funding in the amount of \$678,824 is included for Fairfax County's annual 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 funding formula for determining the annual contribution level has been revised based on the capital requirements of NVCC over the next six years. The FY 2003 funding level reflects \$0.70 per capita based on 2000 census data. A phased approach has been recommended to increase funding by \$0.10 per capita per year until FY 2006 when the County's contribution equals \$1.00 per capita.</p>			

CAPITAL PROJECTS OVERVIEW

DETAILS: PAYDOWN PROGRAM (GENERAL FUND)			
Project Number	Project Name (District)	Total Project Estimate	FY 2003 Adopted
009133	Carpet Replacement (Countywide)	Continuing	\$0
During their deliberations on the FY 2003 Advertised Budget Plan, the Board of Supervisors eliminated funding in the amount of \$250,000 for this project. FY 2003 funding would have provided for the replacement of carpet on two floors of the Herrity Building.			
009400	Land Acquisition Reserve (Countywide)	Continuing	0
During their deliberations on the FY 2003 Advertised Budget Plan, the Board of Supervisors eliminated funding in the amount of \$1,000,000 for this project. FY 2003 funding would have provided a funding source for the acquisition of land or open space preservation for future County facilities and capital projects.			
009417	Park Authority – General Maintenance (Countywide)	Continuing	505,000
During their deliberations on the FY 2003 Advertised Budget Plan, the Board of Supervisors reduced funding in the amount of \$100,000 for this project. FY 2003 funding in the amount of \$505,000 remains to perform stabilization procedures on Park Authority structures and major repairs. FY 2003 funding will provide for critical maintenance at the Area 3 Management Shop storage facility at Huntley Meadows (\$75,000), the storage unit for Turf Maintenance at Wakefield Park (\$75,000), replacement of the heating and air conditioning units at Ellmore Farm (\$175,000), and critical maintenance to outlying buildings on Ellmore Farm to bring them to code (\$140,000). In addition, \$40,000 has been included to address critical/emergency maintenance items throughout the fiscal year which may be identified by the Board of Supervisors. This project addresses major repairs to over 240 General Fund supported structures and their systems and equipment such as roofs, electrical and lighting systems, sprinklers, and HVAC.			
009420	Mt. Gilead (Sully)	1,096,620	105,500
FY 2003 funding in the amount of \$105,500 is included for the final year of a six-year payment plan associated with the purchase of the Mt. Gilead property in Centreville. The aggregate purchase price of the property is \$996,620. Initial funding of \$100,000 was provided in this project to support the removal of debris and other hazards from the property.			
009425	South County Center (Lee)	6,727,010	1,021,702
FY 2003 funding in the amount of \$1,021,072 is included for the first year of a five-year lease-purchase agreement associated with systems furniture for the South County Government Center. The lease will provide office furniture for approximately 350 workstations in the 160,000-square-foot facility, including seating, file cabinets, conference room furnishings, waiting area seating, and office furnishings.			
009442	Park Authority – Ground Maintenance (Countywide)	Continuing	700,000
During their deliberations on the FY 2003 Advertised Budget Plan, the Board of Supervisors reduced funding in the amount of \$100,000 for this project. FY 2003 funding in the amount of \$700,000 remains for annual requirements for Parks grounds maintenance at non-revenue supported facilities. Maintenance includes the upkeep of sidewalks, parking lots, recreation and irrigation equipment, bridges, tennis courts, picnic equipment, and trails.			

CAPITAL PROJECTS OVERVIEW

<i>DETAILS: PAYDOWN PROGRAM (GENERAL FUND)</i>			
Project Number	Project Name (District)	Total Project Estimate	FY 2003 Adopted
009443	Park Authority – Facilities Maintenance (Countywide)	Continuing	\$470,000
<p>FY 2003 funding in the amount of \$470,000 is included for routine repairs of non-revenue supported Park Authority structures and equipment. The equipment includes mowers and tractors; building maintenance includes broken window and door replacement, security, and fire alarm systems. FY 2003 funding will support continued equipment maintenance (\$110,000), continued routine repairs at Park Authority facilities (\$347,000), and repairs to heating and air conditioning units (\$13,000).</p>			
009450	Falls Church – McLean Children's Center (Dranesville)	1,958,691	1,358,691
<p>FY 2003 funding in the amount of \$1,358,691 is included for final reimbursement associated with the construction of an approximately 8,900-square-foot child care center at the Lemon Road Elementary School. This facility will replace leased space at the Chesterbrook Presbyterian Church and will provide SACC and day care services to County children.</p>			
009453	West County Recreation Center (Sully)	500,000	500,000
<p>During their deliberations on the <u>FY 2003 Advertised Budget Plan</u>, the Board of Supervisors reduced funding in the amount of \$500,000 for this project. FY 2003 funding in the amount of \$500,000 remains for construction of the West County Recreation Center. This 65,824-square-foot facility will include a 25-meter by 25-yard competitive pool, a leisure pool, whirlpool/spa, weight training and fitness areas, multi-purpose rooms, and administrative and support service areas. As part of the 1998 Bond Referendum, funding in the amount of \$15,000,000 was identified for construction of this facility. The current cost estimate for this project has increased by \$3,527,000. An amount of \$2,527,000 has been identified in Park Authority bonds to partially cover the increase. FY 2003 funding of \$500,000 has been included; however, future year funding will be required to complete the project.</p>			
Total		\$11,982,321	\$6,236,941
Fund 340, Housing Assistance Program			
003923	Undesignated Projects (Countywide)	Continuing	\$608,000
<p>During their deliberations on the <u>FY 2003 Advertised Budget Plan</u>, the Board of Supervisors reduced funding in the amount of \$190,000 for this project. FY 2003 funding in the amount of \$608,000 remains for Commercial Revitalization projects to be approved by the Board of Supervisors in the context of the Capital Improvement Program (CIP) and/or other planning discussions of priorities. Projects include: the Annandale Revitalization Area, Bailey's Crossroads Revitalization Area, and a consultant study for the Southeast Quadrant community. Other projects identified include the Springfield Revitalization Area and a fund for Revitalization Area Field Representatives to facilitate services on behalf of the local business community.</p>			

CAPITAL PROJECTS OVERVIEW

DETAILS: PAYDOWN PROGRAM (GENERAL FUND)			
Project Number	Project Name (District)	Total Project Estimate	FY 2003 Adopted
014010	Commercial Revitalization Studies Program (Countywide)	Continuing	\$247,000
<p>During their deliberations on the <u>FY 2003 Advertised Budget Plan</u>, the Board of Supervisors reduced funding in the amount of \$60,000 for this project. FY 2003 funding in the amount of \$247,000 remains for the continuation of activities initiated in FY 2001, including contracted and/or part-time staffing to provide support as the Department of Housing and Community Development transitions from a primary emphasis on developing projects to revitalization activities, marketing materials for Countywide revitalization activities, consultant services, and training. Prior funding provided for commercial revitalization and blight abatement efforts to address program needs in conformance with area Comprehensive Plans for seven revitalization areas: Baileys Crossroads/Seven Corners, Annandale, Richmond Highway, Lake Anne, Merrifield, Springfield, and McLean.</p>			
014104	Revitalization Program Costs (Countywide)	Continuing	745,000
<p>FY 2003 funding in the amount of \$745,000 is provided for staff and administrative costs associated with the continuation of previously approved revitalization projects as well as 3/3.0 SYE Merit Regular positions responsible for marketing and business activities associated with revitalization activities. The projects include Commerce Street Redevelopment, a public/private effort to revitalize the Commerce Street area between Old Keene Mill Road and I-95 in Central Springfield; Kings Crossing Development, a public/private project to redevelop the Penn Daw area between the intersection of North Kings Highway and Richmond Highway; Springfield Town Center, a public/private redevelopment project in Central Springfield including an Arts Center, parking, a marketplace, and housing; Annandale Town Center, a public/private development of residential properties; Bailey's Entrepreneurship Center, a location in Bailey's Crossroads area where multi-ethnic merchants from the area can display goods and merchandise; Merrifield Streetscape, improvements to Gallows Road between Dunn Loring Metro and Route 29; and Mount Vernon Market Place, a location in the Mount Vernon area where merchants from the area can display goods and merchandise.</p>			
Total		Continuing	\$1,600,000

TOTAL PAYDOWN (GENERAL FUND)

\$7,836,941

CAPITAL PROJECTS OVERVIEW

<i>DETAILS: PAYDOWN PROGRAM (OTHER FINANCING: HB599 REVENUES)</i>			
Project Number	Project Name (District)	Total Project Estimate	FY 2003 Adopted
Fund 303, County Construction			
001039	Refurbishment of Courtroom Furniture (City of Fairfax)	\$128,600	\$0
<p>During their deliberations on the <u>FY 2003 Advertised Budget Plan</u>, the Board of Supervisors eliminated funding in the amount of \$128,600 for this project. FY 2003 funding would have provided for refurbishment of nine courtrooms in the General District Court to include furniture refurbishment (\$50,200), an architectural study regarding additional lights (\$10,000), and the replacement of fabric sound panels (\$68,400).</p>			
003099	Miscellaneous Building Repair (Countywide)	Continuing	450,000
<p>During their deliberations on the <u>FY 2003 Advertised Budget Plan</u>, the Board of Supervisors reduced funding in the amount of \$100,000 for this project. FY 2003 funding in the amount of \$450,000 remains for annual requirements including miscellaneous maintenance at County facilities such as replacement of fire station doors, systems furniture, ceiling tiles, floor tiles, or sprinkler systems.</p>			
003100	Fire Alarm Systems Replacement (Countywide)	Continuing	200,000
<p>FY 2003 funding in the amount of \$200,000 is included for annual replacement of fire alarm systems at County facilities. The FY 2003 funding level includes replacement of the fire alarm system at the Herrity Building.</p>			
004999	Boys' Baseball Field Lighting (Countywide)	Continuing	100,000
<p>FY 2003 funding in the amount of \$100,000 is included for boys' baseball field lighting systems at prioritized County public schools. FY 2003 funding will provide for lighting at West Springfield High School.</p>			
005000	Girls' Softball Field Lighting (Countywide)	Continuing	100,000
<p>FY 2003 funding in the amount of \$100,000 is included for girls' softball field lighting systems at prioritized County public schools. FY 2003 funding will provide lighting for the softball field at Whitman Middle School.</p>			
005004	FCPS Field Improvements and Maintenance (Countywide)	Continuing	300,000
<p>FY 2003 funding in the amount of \$300,000 is included for the continuation of the matching field improvement program at FCPS middle and elementary school fields which are predominately available for community use. Organizations with requests will be required to provide a 50 percent match in funds, and project funds will be restricted to only those improvements that upgrade fields, develop new game fields, or improve player safety. Requests for amenities such as bleachers, bleacher pads, batting cages, fencing, and dugouts will not be considered.</p>			

CAPITAL PROJECTS OVERVIEW

DETAILS: PAYDOWN PROGRAM (OTHER FINANCING: HB599 REVENUES)			
Project Number	Project Name (District)	Total Project Estimate	FY 2003 Adopted
005006	FCPA Field Maintenance (Countywide)	Continuing	\$602,776
<p>During their deliberations on the <u>FY 2003 Advertised Budget Plan</u>, the Board of Supervisors reduced funding in the amount of \$300,000 for this project. FY 2003 funding in the amount of \$800,000 remains to maintain consistent standards at all school site athletic fields, improve playing conditions, reach safety standards, and increase user satisfaction. Funding of \$602,776 is provided by State Aid and \$197,224 is provided by the General Fund. Maintenance includes mowing each of the 160 sites 28 times per year and aerating and over-seeding each site annually.</p>			
009132	Roof Repairs and Waterproofing (Countywide)	Continuing	200,000
<p>FY 2003 funding in the amount of \$200,000 is included for roof repairs at County facilities, including Fairfax City Library (\$100,000) and John Marshall Library (\$100,000). The roofs of these facilities experience leaking during rainfall.</p>			
009136	Parking Lot Resurfacing (Countywide)	Continuing	200,000
<p>FY 2003 funding in the amount of \$200,000 is included for parking lot resurfacing and pothole repairs at prioritized County facilities. FY 2003 funding will provide for miscellaneous pothole repairs (\$75,000), repairs at Sherwood Library (\$50,000), Thomas Jefferson Library (\$50,000), and Richard Byrd Library (\$25,000).</p>			
009151	HVAC/Electrical Systems (Countywide)	Continuing	350,000
<p>FY 2003 funding in the amount of \$350,000 is included for HVAC system replacement at the Reston Human Services Center. The existing system has exceeded its useful life and is experiencing numerous operating difficulties.</p>			
009416	Park Authority ADA Compliance (Countywide)	Continuing	154,000
<p>FY 2003 funding in the amount of \$154,000 is included to continue to retrofit Park facilities to be in compliance with the Americans with Disabilities Act of 1990. Funding will provide for continued modifications to provide access to picnic facilities, playgrounds, campgrounds, shower facilities, and ball fields at Lake Fairfax Park.</p>			
009431	Emergency Generator Replacement (Countywide)	Continuing	36,000
<p>FY 2003 funding in the amount of \$36,000 is included for the emergency generator replacement program. This program was established in FY 1999 to address the replacement of generators that have outlived their useful life. FY 2003 funding is included to replace the automation transfer switches for emergency generator #1 in the old Adult Detention Center.</p>			

CAPITAL PROJECTS OVERVIEW

<i>DETAILS: PAYDOWN PROGRAM (OTHER FINANCING: HB599 REVENUES)</i>			
Project Number	Project Name (District)	Total Project Estimate	FY 2003 Adopted
009444	Laurel Hill (Lorton) Development (Mt. Vernon)	Continuing	\$2,000,000
<p>During their deliberations on the <u>FY 2003 Advertised Budget Plan</u>, the Board of Supervisors reduced funding in the amount of \$500,000 for this project. FY 2003 funding in the amount of \$2,000,000 remains in Fund 303 to continue to address security and liability management at the Laurel Hill (Lorton Prison) property, as well as the master planning required for redevelopment and public use. Laurel Hill is intended to be transferred to the County by the Federal Government during FY 2002. The property includes approximately 2,340 acres of land and 1.48 million square feet of building space. FY 2003 funding will begin to address the needs at this site, including the implementation of a security/maintenance contract, grounds and fence maintenance, essential infrastructure maintenance to identified buildings, and demolition of several identified buildings that are no longer serviceable. Additionally, funding will provide for asbestos abatement, utility requirements, master planning, engineering studies related to future building uses and design issues, as well as the coordination of right-of-way issues with the Virginia Department of Transportation.</p>			
009454	PSCC Feasibility Study (Countywide)	Continuing	100,000
<p>FY 2003 funding in the amount of \$100,000 is included to conduct a site selection and feasibility study to identify a site for a new Public Safety Communications Center, as well as to evaluate current program requirements. The study will provide cost information for use as part of a future Public Safety Bond Referendum.</p>			
009455	West Ox Road Complex Feasibility Study (Sully)	Continuing	75,000
<p>FY 2003 funding in the amount of \$75,000 is included for a feasibility study at the West Ox Road Complex. The study is intended to evaluate the renovation and expansion of the existing West Ox Road Complex. The facilities located within the West Ox Road Complex include the landfill and transfer station, County Animal Shelter, heliport center, Fire and Rescue training facility, the Department of Vehicle Services Maintenance Facility, and a school bus parking area. The study is intended to encompass both the West Ox Road Complex and adjacent properties and will provide cost information for use as part of a future Public Safety Bond Referendum.</p>			
Total		\$128,600	\$4,867,776

CAPITAL PROJECTS OVERVIEW

<i>DETAILS: PAYDOWN PROGRAM (OTHER FINANCING: HB599 REVENUES)</i>			
Project Number	Project Name (District)	Total Project Estimate	FY 2003 Adopted
Fund 304, Primary and Secondary Road Bond Construction			
064212	TAC Spot Improvements (Countywide)	Continuing	\$500,000
<p>During their deliberations on the <u>FY 2003 Advertised Budget Plan</u>, the Board of Supervisors reduced funding in the amount of \$500,000 for this project. FY 2003 funding in the amount of \$500,000 remains for projects associated with the TAC Spot Improvement Program. Funding will provide for construction costs of projects approved by the Board of Supervisors on January 10, 2000.</p>			
Total		Continuing	\$500,000
Fund 307, Sidewalk Construction			
X00407	Sidewalk Replacement/VDOT Participation (Countywide)	Continuing	\$300,000
<p>FY 2003 funding in the amount of \$300,000 has been included to continue the Sidewalk Replacement/VDOT Participation program. This program allows for the repair and replacement of County sidewalks to be conducted by VDOT in concert with existing VDOT construction. The County then reimburses the State for the costs when repairs are complete. County costs are minimized based on VDOT's ability to implement multiple sidewalk construction contracts simultaneously.</p>			
Total		Continuing	\$300,000
Fund 308, Public Works Construction			
A00002	Emergency Watershed Improvements (Countywide)	Continuing	\$95,000
<p>FY 2003 funding in the amount of \$95,000 is included to alleviate small-scale emergency drainage problems during the fiscal year. Due to the nature of these projects, the scope and individual funding requirements cannot be identified in advance. Previous emergencies have included house flooding and the erosion of County maintained roads.</p>			
L00034	Kingstowne Environmental Monitoring (Lee)	Continuing	150,000
<p>FY 2003 funding of \$150,000 is included to continue the Kingstowne Environmental Monitoring program and the Monitoring and Maintenance Plan for South Van Dorn Street Phase III. The Kingstowne Environmental Monitoring Program was established by the Board of Supervisors in June 1985 and is intended to continue until completion of the Kingstowne Development (estimated to occur in 2005). The program was expanded during FY 2002 to include the water quality monitoring requirements required by the U.S. Army Corps of Engineers for the development of the South Van Dorn Street extension. This requirement includes water quality monitoring for four years and inspection and maintenance for up to ten years.</p>			
N00096	Dam Repairs (Countywide)	Continuing	500,000
<p>FY 2003 funding of \$500,000 is included for conducting inspections, monitoring, and repairing dams and emergency spillways. The Maintenance and Stormwater Management Division continues to identify failed dam embankments. There are currently 23 facilities which are experiencing some form of failure. This project also funds repair of failed detention pond enhancements. FY 2003 funding provides for required inspections at County-owned dams, subsurface investigation monitoring, design, easement acquisition, and required repairs at prioritized facilities.</p>			

CAPITAL PROJECTS OVERVIEW

<i>DETAILS: PAYDOWN PROGRAM (OTHER FINANCING: HB599 REVENUES)</i>			
Project Number	Project Name (District)	Total Project Estimate	FY 2003 Adopted
U00006	Developer Defaults (Countywide)	Continuing	\$100,000
<p>FY 2003 funding in the amount of \$100,000 is included for developer default projects that require General Fund monies throughout the fiscal year. The developer default program requires developers to provide a security deposit, either in the form of a bond or a letter of credit, to the County to ensure that public improvements in their developments are properly constructed. In the event that the developer fails to provide the improvements as required, the security is defaulted and the County takes over responsibility of making the improvement. Additional financial support of this program is necessary due to the time required between the construction of the improvements and the recovery of the bond through legal action or when the developer default revenue is not sufficient to fund the entire costs of the improvement. In addition to support of the program through State revenues, an amount of \$300,000 has been included to fund developer default projects financed by revenue from developer default bonds.</p>			
V00000	Road Viewer Program (Countywide)	Continuing	50,000
<p>FY 2003 funding in the amount of \$50,000 is included to continue upgrading roads for acceptance into the State Secondary Road System. This includes survey, engineering, and construction of projects in the Board of Road Viewers Program. Once improvements are funded and completed, the need for ongoing County maintenance work on the roadway is eliminated.</p>			
V00001	Road Maintenance Program (Countywide)	Continuing	50,000
<p>FY 2003 funding in the amount of \$50,000 is included to provide maintenance on the roads in Fairfax County not currently in the Virginia Department of Transportation (VDOT) Secondary System. The goal of this program is to ensure the safe operation of motor vehicles by upgrading and maintaining existing County travel ways. The County will continue to provide maintenance on these roads until they are upgraded and accepted into the VDOT Secondary Road System. In some cases, however, the roadway can never qualify for VDOT acceptance due to physical constraints such as close proximity to a house. Therefore, a certain level of funding will always be necessary in this project.</p>			
Z00021	Perennial Stream Mapping (Countywide)	175,000	75,000
<p>FY 2003 funding in the amount of \$75,000 is included to develop a base map of all stream channels in Fairfax County. The result of will be a reliable map source depicting the stream network that distinguishes between perennial and intermittent streams, which will then be included in the County's Geographic Information System.</p>			

CAPITAL PROJECTS OVERVIEW

DETAILS: PAYDOWN PROGRAM (OTHER FINANCING: HB599 REVENUES)			
Project Number	Project Name (District)	Total Project Estimate	FY 2003 Adopted
Z00022	Municipal Separate Storm Sewer System (Countywide)	Continuing	\$1,600,000
<p>FY 2003 funding in the amount of \$1,600,000 is included for activities associated with the Virginia Pollutant Discharge Elimination System (VPDES) Municipal Separate Storm Sewer System (MS4) discharge permit. This permit is required as part of the Clean Water Act amendments of 1987. The MS4 discharge permit is considered a renewal of the National Pollutant Discharge Elimination System (NPDES) permit, and will be valid for five years. In accordance with the permit renewal submission approved by the Board of Supervisors on July 23, 2001, activities will include water quality testing, watershed master planning, improvement programs, and development of the GIS-based storm sewer system inventory. The Virginia Department of Environmental Quality (DEQ) is expected to make a decision regarding final permit requirements during FY 2002. Permit renewal is also impacted by other State and Federal mandates, including Total Maximum Daily Loads, the Chesapeake 2000 Agreement, and the Virginia Tributary Strategies.</p>			
Total		\$175,000	\$2,620,000
Fund 313, Trail Construction			
002200	Upgrade/Emergency Maintenance of Existing Trails (Countywide)	Continuing	\$75,000
<p>During their deliberations on the <u>FY 2003 Advertised Budget Plan</u>, the Board of Supervisors reduced funding in the amount of \$125,000 for this project. FY 2003 funding in the amount of \$75,000 remains for upgrading and emergency maintenance of existing trails to public standards. Several older trails do not meet current standards which have been designed to alleviate safety problems, including incorrect grades, steep slopes, or obstructions (i.e., power poles/trees that are located too close to the trail). Although a comprehensive inspection program has not been initiated to identify all deficiencies Countywide, the number of substandard trail segments is expected to exceed 100. The County is currently responsible for maintaining approximately 500 miles of walkways.</p>			
Total		Continuing	\$75,000

TOTAL PAYDOWN (OTHER FINANCING: HB599) \$8,362,776

TOTAL PAYDOWN PROGRAM \$16,199,717

CAPITAL PROJECTS OVERVIEW

DETAILS: GENERAL OBLIGATION BONDS			
Project Number	Project Name (District)	Total Project Estimate	FY 2003 Adopted
Fund 306, Northern Virginia Regional Park Authority			
Various	County Contribution (Countywide)	Continuing	\$2,250,000
<p>FY 2003 funding is included for Fairfax County's capital contribution to the Northern Virginia Regional Park Authority (NVRPA). Funding provides for the costs associated with construction, park development, and capital equipment requirements according to plans adopted by the NVRPA Board and its Capital Improvement Program. The FY 2003 funding level is consistent with the approved <u>FY 2003 – 2007 Capital Improvement Program (With Future Years to 2012)</u>. The CIP includes \$12.0 million to sustain a County contribution to the NVRPA for six years at a rate of \$1.5 million per year for two years and \$2.25 million per year for four years. FY 2003 represents the fifth year of the County's six-year funding agreement associated with the 1998 referendum.</p>			
Total		Continuing	\$2,250,000
Fund 309, Metro Operations and Construction			
N/A	N/A	Continuing	\$12,154,147
<p>FY 2003 funding in the amount of \$12,154,147 is included for General Obligation bond capital support of the completion of the 103-mile Metrorail system as well as to maintain and/or acquire facilities, equipment, railcars, and buses.</p>			
Total		Continuing	\$12,154,147
Fund 310, Storm Drainage Bond Construction			
X00094	Storm Drainage Structural Protection Contingency (Springfield)	Continuing	\$939,363
<p>During their deliberations on the <u>FY 2003 Advertised Budget Plan</u>, the Board of Supervisors approved increased funding for this project to \$939,363. This amount reflects the appropriation of the remaining bond funds from the 1988 Storm Drainage Bond Referendum and will provide for storm drainage house flooding projects identified in March 2002. As these projects are scoped and their viability assessed, implementation will begin.</p>			
Total		Continuing	\$939,363
Fund 311, County Bond Construction			
88A015	West Ox Maintenance Facility (Springfield)	\$5,719,000	\$2,085,000
<p>FY 2003 funding in the amount of \$2,085,000 is included for the renovation of the West Ox Road DVS facility. Renovations include parking enhancements, drive-through capability at maintenance bays, the renovation of three bays to accommodate Park Authority vehicles, three in-ground lifts to accommodate DVS specialized vehicles, apparatus bays for reserve Fire and Rescue vehicles, and the construction of an apparatus maintenance and reserve storage building and body shop.</p>			
Total		\$5,719,000	\$2,085,000

CAPITAL PROJECTS OVERVIEW

DETAILS: GENERAL OBLIGATION BONDS			
Project Number	Project Name (District)	Total Project Estimate	FY 2003 Adopted
Fund 312, Public Safety Construction			
009079	Fairfax Center Fire Station (Springfield)	\$7,310,000	\$5,410,338
FY 2003 funding in the amount of \$5,410,338 is included for completion of the design phase and construction of the Fairfax Center Fire Station. This 14,000-square-foot facility will include four bays to accommodate necessary equipment and vehicles. Total funding is consistent with the approved <u>FY 2003 – FY 2007 Capital Improvement Program (With Future Years to 2012)</u> .			
009210	Crosspointe Fire Station (Springfield)	5,880,000	3,895,000
FY 2003 funding in the amount of \$3,895,000 is included for completion of the design phase and construction of the Crosspointe Fire Station. This 14,000-square-foot facility will include four bays to accommodate necessary equipment and vehicles. Total funding is consistent with the approved <u>FY 2003 – FY 2007 Capital Improvement Program (With Future Years to 2012)</u> .			
Total		\$13,190,000	\$9,305,338
Fund 370, Park Authority Bond Construction			
474198	Athletic Fields (Countywide)	\$7,400,000	\$2,946,000
FY 2003 funding in the amount of \$2,946,000 is included for new field development, renovation, lighting, and irrigation of existing fields throughout the County. Irrigation projects include athletic fields at Ossian Hall, Cunningham, Lake Fairfax, George Washington, and Franklin Farm parks. Additionally, improvements to athletic field lighting will occur at Beulah, Cunningham, and Braddock athletic fields. Other field improvements include Clermont, Walnut Hills, Hutchison School Site, and Hooes Road Park. FY 2003 funding is consistent with the approved <u>FY 2003 – FY 2007 Capital Improvement Program (With Future Years to 2012)</u> .			
474498	Infrastructure Renovation (Countywide)	4,900,000	1,700,000
FY 2003 funding in the amount of \$1,700,000 is included for repairs and improvements to roads and parking lots, a new maintenance facility, and matching funds for volunteer programs and for improvements to park sites. Funds will provide for renovations at Green Spring Garden, including repaving the entry road, improving the pond, and renovating the bridge and garden. Additional improvements include roadway improvements at Lee District Park, parking at Greenbriar, pond and trail improvements at Mason District Park and parking lot improvements at Providence Recreation Center. FY 2003 funding is consistent with the approved <u>FY 2003 – FY 2007 Capital Improvement Program (With Future Years to 2012)</u> .			
474698	Trails and Stream Crossings (Countywide)	4,200,000	1,831,000
FY 2003 funding in the amount of \$1,831,000 is included for improvements to existing trails and bridges as well as additional trails and stream crossings, with emphasis on connecting existing trail systems. Project sites include, but are not limited to, Accotink Stream Valley, Holmes Run, Hidden Pond Trail, Long Branch, Poe Terrace Trail, and South Run Stream Valley. FY 2003 funding is consistent with the approved <u>FY 2003 – FY 2007 Capital Improvement Program (With Future Years to 2012)</u> .			

CAPITAL PROJECTS OVERVIEW

<i>DETAILS: GENERAL OBLIGATION BONDS</i>			
Project Number	Project Name (District)	Total Project Estimate	FY 2003 Adopted
475098	Natural and Cultural Resource Facility (Countywide)	\$10,000,000	\$7,275,000
<p>FY 2003 funding in the amount of \$7,275,000 is included for preservation and stabilization of several existing historic sites and buildings, including Ash Grove, Union Mills, and Historic Huntley. Funding also supports Lake Accotink dam improvements, stabilization of stream bank erosion, improvements to Huntley Meadows wetlands, and the development of horticultural facilities. FY 2003 funding is consistent with the approved <u>FY 2003 – FY 2007 Capital Improvement Program (With Future Years to 2012)</u>.</p>			
475598	Community Park Development (Countywide)	6,000,000	3,020,000
<p>FY 2003 funding in the amount of \$3,020,000 is included for phased development of several new and existing community parks throughout the County with both passive and active types of recreational facilities. FY 2003 funding will provide for park development in the form of landscaping at Idylwood, Jefferson Village, and Tyler Park as well as for park development at Great Falls Nike, Stratton Woods, Turner Farm, Grist Mill, Muddy Hole and Towers Park. FY 2003 funding is consistent with the approved <u>FY 2003 – FY 2007 Capital Improvement Program (With Future Years to 2012)</u>.</p>			
475898	Building Renovations (Countywide)	5,000,000	2,315,000
<p>FY 2003 funding in the amount of \$2,315,000 is included for repairs and renovation to park facilities including roof replacement, mechanical equipment replacement, and remodeling of facilities for better space utilization. Sites include Lake Fairfax, Oak Marr, Spring Hill, Wakefield, and South Run District Park. FY 2003 funding is consistent with the approved <u>FY 2003 – FY 2007 Capital Improvement Program (With Future Years to 2012)</u>.</p>			
475998	Playgrounds, Picnic Areas, Tennis and Multi-Use Courts (Countywide)	2,500,000	803,000
<p>FY 2003 funding in the amount of \$803,000 is included for replacement of old and unsafe play equipment, additional new playgrounds, and renovation of picnic areas, new picnic shelters, and repair and renovation of tennis and multi-use courts. Projects include Burke Lake and Great Falls Grange as well as numerous sites Countywide. FY 2003 funding is consistent with the approved <u>FY 2003 – FY 2007 Capital Improvement Program (With Future Years to 2012)</u>.</p>			
Total		\$40,000,000	\$19,890,000
Fund 390, School Bond Construction			
NA	NA	Continuing	\$136,400,000
<p>During their deliberations on the <u>FY 2003 Advertised Budget Plan</u>, the Board of Supervisors approved an increase in the school bond sales to \$136,400,000. This amount will provide for school design and construction. For details, see the <u>FY 2003 School Board's Adopted Budget Plan</u>.</p>			
Total		Continuing	\$136,400,000

TOTAL GENERAL OBLIGATION BONDS

\$183,023,848

CAPITAL PROJECTS OVERVIEW

DETAILS: WASTEWATER MANAGEMENT SYSTEM			
Project Number	Project Name (District)	Total Project Estimate	FY 2003 Adopted
Fund 402, Sewer Construction Improvements			
G00901	DC Treatment Blue Plains (District of Columbia)	\$61,891,342	\$10,500,000
FY 2003 funding in the amount of \$10,500,000 is included for Fairfax County's share of the projected costs associated with the upgrade to the DC Blue Plains Wastewater Treatment Plant. The County pays for approximately 8.4 percent of the total costs for the design and construction of the upgrade for nitrification and sludge handling facilities.			
G00903	Arlington Wastewater Treatment (Countywide)	11,457,392	1,000,000
FY 2003 funding in the amount of \$1,000,000 is included for the County's share of the nitrogen removal costs at the Arlington treatment plant, based on current construction estimates from the treatment plant.			
I00351	Pump Station Renovations (Countywide)	Continuing	2,800,000
FY 2003 funding in the amount of \$2,800,000 includes \$1,300,000 for the continued rehabilitation of the thirty-year old Clifton Pump and Haul System and \$1,500,000 for the rehabilitation of five sewage pumping stations throughout the County due to the failure rate, and increased maintenance costs of the stations.			
I00904	ASA Wastewater Treatment Plant (City of Alexandria)	178,466,723	23,568,000
FY 2003 funding in the amount of \$23,568,000 is included for Fairfax County's share of the construction costs associated with the improvements for the Alexandria Wastewater Treatment Plant. The County pays for approximately sixty percent of the total costs for the upgrade of the ammonia removal.			
T00124	Rocky Run Pump Station (UOSA Sewer Shed)	4,335,926	1,800,000
FY 2003 funding in the amount of \$1,800,000 provides for the expansion and upgrade of the Rocky Run Pump Station, based on revised estimates from the current Upper Occoquan Sewage Authority (UOSA) construction schedule.			
X00445	Integrated Sewer Metering (Countywide)	Continuing	50,000
FY 2003 funding of \$50,000 is included to continue the annual metering program, which upgrades the existing sewer meters throughout the County to comply with Virginia Water Control Board Regulations.			
X00905	Replacement and Transmission (Countywide)	Continuing	5,300,000
FY 2003 funding in the amount of \$5,300,000 is included for the recurring repair, replacement and renovation of approximately 20 sewer lines using predominantly "no dig" technologies. This is an aggressive program designed to avoid more costly and reactionary maintenance and repairs.			

CAPITAL PROJECTS OVERVIEW

<i>DETAILS: WASTEWATER MANAGEMENT SYSTEM</i>			
Project Number	Project Name (District)	Total Project Estimate	FY 2003 Adopted
X00910	Replacement and Renewal (Countywide)	Continuing	\$694,000
FY 2003 funding of \$694,000 will upgrade and replace the Supervisory Control and Data Acquisition (SCADA) system to support the ongoing Noman M. Cole, Jr. Pollution Control Plant (NCPCP) expansion efforts and optimize the wastewater processes.			
Total		\$256,151,383	\$45,712,000

TOTAL WASTEWATER MANAGEMENT

\$45,712,000

CAPITAL PROJECTS OVERVIEW

DETAILS: OTHER FINANCING			
Project Number	Project Name (District)	Total Project Estimate	FY 2003 Adopted
Fund 113, McLean Community Center			
003601	McLean Community Center Improvements (Dranesville)	\$729,985	\$35,000
FY 2003 funding of \$35,000 provides for renovations to the theater box office, improvements to interior lighting at various locations in the Center, and a feasibility study on the expansion of the Center.			
Total		\$729,985	\$35,000
Fund 144, Housing Trust Fund			
013906	Undesignated (Countywide)	Continuing	\$966,843
FY 2003 funding in the amount of \$966,843 is included as a planning factor for the Undesignated Project, based on anticipated proffer and interest income in FY 2003 in the Housing Trust Fund. Funding will be retained in the Undesignated Project until designated to specific projects by the FCRHA and the Board of Supervisors.			
Total		Continuing	\$966,843
Fund 145, HOME Investment Partnership			
013974	HOME Development Costs (Countywide)	Continuing	\$1,133,370
During their deliberations on the <u>FY 2003 Advertised Budget Plan</u> , the Board of Supervisors reduced funding in the amount of \$200,000 for this project. FY 2003 funding in the amount of \$1,133,370 remains and will be allocated to specific projects as recommended by the Board of Supervisors. Allocation to specific projects is anticipated in the Spring of 2002.			
014144	Transitional Emergency Housing (Countywide)	Continuing	200,000
During their deliberations on the <u>FY 2003 Advertised Budget Plan</u> , the Board of Supervisors approved increased funding for this project to \$200,000. This amount will provide for a study to determine any preliminary costs associated with the development of a facility that provides stable housing for families moving from emergency to permanent housing.			
Total		Continuing	\$1,333,370
Fund 301, Contributed Roadway Improvement Fund			
007700	Fairfax Center Reserve (Providence)	Continuing	\$504,875
Funding is based on anticipated contributions and pooled interest income for roadway construction in the Fairfax Center area.			
008800	Centreville Reserve (Sully)	Continuing	352,244
Funding is based on anticipated contributions and pooled interest income for roadway construction in the Centreville area.			
009900	Miscellaneous (Countywide)	Continuing	1,961,527
Funding is based on anticipated contributions and pooled interest income for miscellaneous roadway improvements.			

CAPITAL PROJECTS OVERVIEW

<i>DETAILS: OTHER FINANCING</i>			
Project Number	Project Name (District)	Total Project Estimate	FY 2003 Adopted
009911	Tysons Corner Reserve (Providence)	Continuing	\$1,925,007
Funding is based on anticipated contributions and pooled interest income for roadway construction in the Tysons Corner area.			
Total		Continuing	\$4,743,653
Fund 308, Public Works Construction			
U00006	Developer Default (Countywide)	Continuing	\$300,000
FY 2003 funding in the amount of \$300,000 is included to complete projects for which developers have defaulted. Funding is received by the County as revenue associated with developer default bonds. It should be noted that an additional \$100,000 in General Fund monies is included in this project for a total of \$400,000.			
Total		Continuing	\$300,000
Fund 309, Metro Operations and Construction			
N/A	N/A	Continuing	\$4,452,324
FY 2003 funding in the amount of \$4,452,324 is included to support the completion of the 103-mile Metrorail system as well as to maintain and/or acquire facilities, equipment, railcars, and buses.			
Total		Continuing	\$4,452,324
Fund 316, Pro Rata Share Drainage Construction			
NI9999	Nichol Run Watershed Study (Dranesville)	\$75,000	\$75,000
FY 2003 funding in the amount of \$75,000 is included for initiation of a Pro Rata Share study of the Nichol Run watershed to achieve the water quality improvement goals of the municipal Virginia Pollutant Discharge Elimination system permit requirements.			
PN9999	Pond Branch Watershed Study (Dranesville)	60,000	60,000
FY 2003 funding in the amount of \$60,000 is included for initiation of a Pro Rata Share study of the Pond Branch watershed to achieve the water quality improvement goals of the municipal Virginia Pollutant Discharge Elimination System permit requirements.			
Total		\$135,000	\$135,000
Fund 390, Public School Construction			
NA	NA	Continuing	\$17,076,261
FY 2003 funding in the amount of \$17,076,261 is included for various school construction projects financed from Parent Teachers Association/Parent Teachers Organization receipts, miscellaneous revenues, and transfers from Fund 090, School Operating Fund. For details, see the FY 2003 School Board's Adopted Budget Plan .			
Total		Continuing	\$17,076,261

TOTAL OTHER FINANCING

\$29,042,451



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Trends

This section includes:

- ▶ *Household Tax Analyses*
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- ▶ *Demographic Trends*
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TRENDS

HOUSEHOLD TAX ANALYSES

The following analyses illustrate the impact of selected County taxes on the "typical" household from FY 1997 to FY 2003. This period provides five years of actual data, estimates for FY 2002 based on year-to-date experience, and projections for FY 2003. Historical dollar amounts are converted to FY 2003 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 2.3 percent from FY 1997 to FY 2001. Projections for inflation in FY 2002 and FY 2003 are based on the consensus forecast of 2.2 percent in the Blue Chip Economic Indicators, which is consistent with recent experience in the area.

HOUSEHOLD TAXATION TRENDS: SELECTED CATEGORIES FY 1997 - FY 2003

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. 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 \$4,030.22 in selected County taxes in FY 2003, \$334.22 more than FY 2002 after adjusting for inflation. From FY 1997 to FY 2003, the inflation adjusted increase in selected County taxes for the "typical" household is \$194.23, or an average annual increase of 0.8 percent. Please note that taxes paid in FY 1999 through FY 2003 reflect the Personal Property Tax Relief Act of 1998 (PPTRA), which reduced an individual's Personal Property Tax liability by 12.5 percent in FY 1999, 27.5 percent in FY 2000, 47.5 percent in FY 2001, and 70.0 percent in FY 2002 and FY 2003. The PPTRA applies to vehicles valued up to \$20,000 owned by individuals.

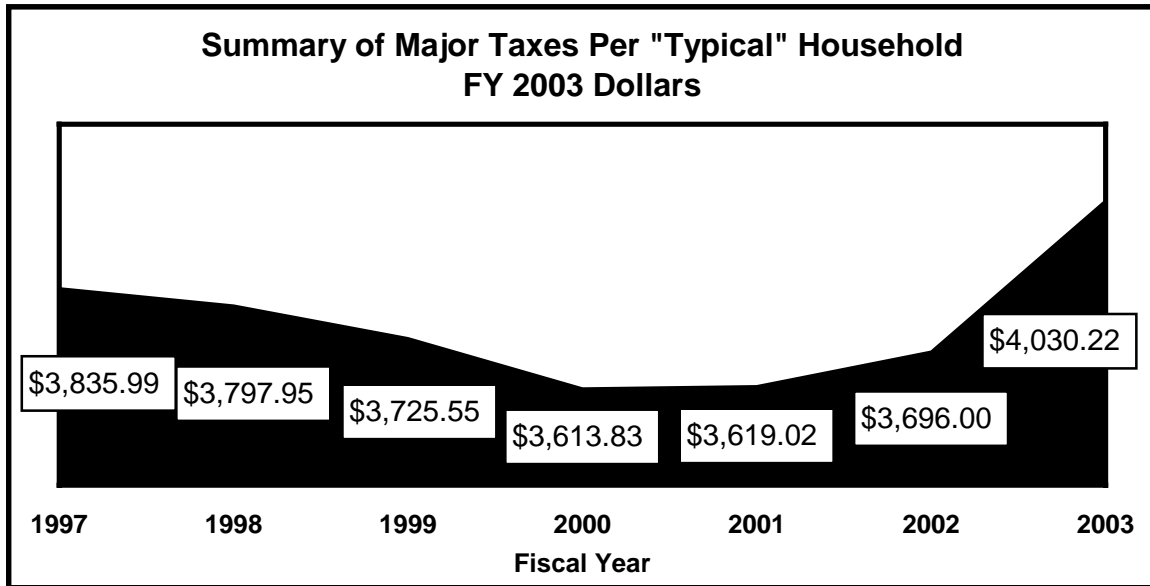
Summary of Major Taxes Per "Typical" Household

	Number of Households	Real Estate Tax in FY 2003 Dollars	Personal Property Tax in FY 2003 Dollars ¹	Sales Tax in FY 2003 Dollars	Consumer Utility Tax in FY 2003 Dollars	Total Taxes in FY 2003 Dollars ¹
FY 1997	328,131	\$2,690.56	\$641.17	\$343.61	\$160.65	\$3,835.99
FY 1998	338,045	\$2,646.83	\$638.61	\$350.80	\$161.71	\$3,797.95
FY 1999	344,563	\$2,621.94	\$569.92	\$371.60	\$162.09	\$3,725.55
FY 2000	353,136	\$2,570.02	\$492.57	\$389.35	\$161.89	\$3,613.83
FY 2001	358,549	\$2,673.83	\$389.73	\$388.88	\$166.58	\$3,619.02
FY 2002²	364,082	\$2,950.94	\$228.52	\$351.06	\$165.48	\$3,696.00
FY 2003²	369,701	\$3,302.61	\$221.49	\$343.25	\$162.87	\$4,030.22

¹ FY 1999 reflects a refund of 12.5 percent paid to citizens by the Commonwealth, FY 2000 incorporates a 27.5 percent reduction, FY 2001 incorporates a 47.5 percent reduction, and FY 2002-2003 incorporates a 70.0 percent reduction in Personal Property Tax bills sent to citizens. The difference in revenue will be paid to the County by the Commonwealth.

² Estimated.

TRENDS



Real Estate Tax Per "Typical" Household

	Mean Assessed Value of Residential Property	Tax Rate per \$100	Tax per Household	Tax per Household in FY 2003 Dollars
FY 1991	\$196,514	\$1.11	\$2,181.31	\$2,886.80
FY 1997	\$191,094	\$1.23	\$2,350.46	\$2,690.56
FY 1998	\$191,149	\$1.23	\$2,351.13	\$2,646.83
FY 1999	\$192,667	\$1.23	\$2,369.80	\$2,621.94
FY 2000	\$195,713	\$1.23	\$2,407.27	\$2,570.02
FY 2001	\$208,126	\$1.23	\$2,559.95	\$2,673.83
FY 2002	\$234,749	\$1.23	\$2,887.41	\$2,950.94
FY 2003¹	\$272,943	\$1.21	\$3,302.61	\$3,302.61

¹ Estimated

As shown in the preceding table, Real Estate Taxes per "typical" household are expected to increase \$415.20 between FY 2002 and FY 2003 to \$3,302.61, not adjusting for inflation. This increase is primarily due to higher residential property assessments, which result from a strong demand for homes coupled with a short supply in Fairfax County. Since FY 1997, Real Estate Taxes have increased \$952.15, or an average of 5.8 percent per year, not adjusting for inflation. Adjusted for inflation, however, Real Estate Taxes per "typical" household are \$612.05 higher than FY 1997—an average increase of 3.5 percent per year. Since FY 1991, Real Estate Taxes have increased an average of 1.1 percent per year after adjusting for inflation. The Real Estate Tax rate of \$1.23 per \$100 of assessed value was decreased to \$1.21 per \$100 of assessed value in FY 2003.

TRENDS

Personal Property Tax Per "Typical" Household

	Total Personal Property Taxes Attributed to Individuals	Number of Households	Tax per Household	After PPTRA		
				Tax per Household in FY 2003 Dollars	Tax per Household ¹	Tax per Household in FY 2003 Dollars ¹
FY 1997	\$183,794,285	328,131	\$560.12	\$641.17	\$560.12	\$641.17
FY 1998	\$191,762,598	338,045	\$567.27	\$638.61	\$567.27	\$638.61
FY 1999	\$202,845,636	344,563	\$588.70	\$651.34	\$515.12	\$569.92
FY 2000	\$224,727,900	353,136	\$636.38	\$679.40	\$461.37	\$492.57
FY 2001	\$254,831,615	358,549	\$710.73	\$742.35	\$373.13	\$389.73
FY 2002²	\$271,363,640	364,082	\$745.34	\$761.73	\$223.60	\$228.52
FY 2003²	\$272,949,612	369,701	\$738.30	\$738.30	\$221.49	\$221.49

¹ FY 1999 reflects a refund of 12.5 percent paid to citizens by the Commonwealth, FY 2000 incorporates a 27.5 percent reduction, FY 2001 incorporates a 47.5 percent reduction, and FY 2002 and FY 2003 incorporate a 70.0 percent reduction in Personal Property Tax bills sent to citizens. The difference in revenue will be paid to the County by the Commonwealth.

² Estimated.

Personal Property Taxes paid by the "typical" household are shown in the preceding chart. Taxes paid in FY 1999 through FY 2003 reflect the Commonwealth of Virginia's Personal Property Tax Relief Act (PPTRA), which reduced an individual's Personal Property Tax payment by 12.5 percent in FY 1999, 27.5 percent in FY 2000, 47.5 percent in FY 2001, and 70.0 percent in FY 2002 and FY 2003. This analysis 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. In FY 2003, the "typical" household is estimated to pay \$221.49 in Personal Property Taxes, or \$338.63 less than was paid in FY 1997, not adjusting for inflation. If adjustments are made for inflation, the "typical" household is projected to pay \$419.68 less in FY 2003 than FY 1997. There have been no changes to the Personal Property Tax rate of \$4.57 per \$100 of assessed value during the FY 1997 to FY 2003 period.

TRENDS

Sales Tax Per "Typical" Household

	Total Sales Tax	Number of Households	Tax per Household	Tax per Household in FY 2003 Dollars
FY 1997	\$98,497,233	328,131	\$300.18	\$343.61
FY 1998	\$105,338,868	338,045	\$311.61	\$350.80
FY 1999	\$115,728,083	344,563	\$335.87	\$371.60
FY 2000	\$128,787,605	353,136	\$364.70	\$389.35
FY 2001	\$133,492,619	358,549	\$372.31	\$388.88
FY 2002¹	\$125,063,140	364,082	\$343.50	\$351.06
FY 2003¹	\$126,898,084	369,701	\$343.25	\$343.25

¹ Estimated

As shown in the table above, FY 2003 Sales Tax per household is estimated to be \$343.25, or \$43.07 more than FY 1997, not adjusting for inflation. Taking inflation into account, Sales Tax per household has remained relatively flat, falling \$0.36 over the same period. This revenue category had grown significantly in recent years due to the strength of the local economy and solid consumer confidence. However, due to the downturn in the economy in CY 2001, Sales Tax receipts are expected to fall in FY 2002 and 2003.

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 portion 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 center in the region, the contribution of non-residents to the County's Sales Tax revenues will grow in significance.

TRENDS

Consumer Utility Taxes Per "Typical" Household

	Total Consumer Utility Taxes Paid by Residential Consumers	Number of Households	Tax per Household	Tax per Household in FY 2003 Dollars
FY 1997	\$46,049,973	328,131	\$140.34	\$160.65
FY 1998	\$48,559,574	338,045	\$143.65	\$161.71
FY 1999	\$50,478,700	344,563	\$146.50	\$162.09
FY 2000	\$53,549,107	353,136	\$151.64	\$161.89
FY 2001	\$57,182,210	358,549	\$159.48	\$166.58
FY 2002¹	\$58,952,291	364,082	\$161.92	\$165.48
FY 2003¹	\$60,214,133	369,701	\$162.87	\$162.87

¹ Estimated

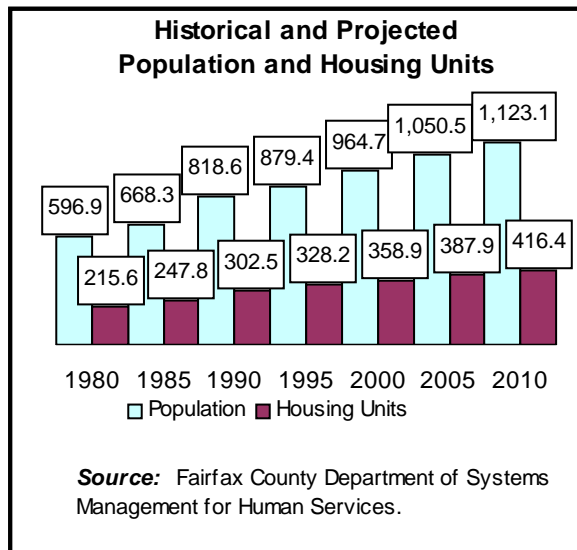
Based on data from the utility companies, it is estimated that residential consumers pay approximately 43.0 percent of the Electric Taxes, 73.0 percent of the Gas Taxes, and 84.0 percent of the Telephone Taxes received by the County. In FY 2003, the "typical" household will pay an estimated \$162.87 in Consumer Utility Taxes, \$22.53 more than in FY 1997 without adjusting for inflation. From FY 1997 to FY 2003, the "typical" household has experienced average annual increases of 0.2 percent, or \$2.22 over the period, adjusted for inflation.

TRENDS

DEMOGRAPHIC TRENDS

Demographic trends strongly influence Fairfax County's budget. Changing demographics or population characteristics affect both the costs 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. Calendar years 2000 and 2001 have been updated to include the 2000 Census where data are available.

Population and Housing



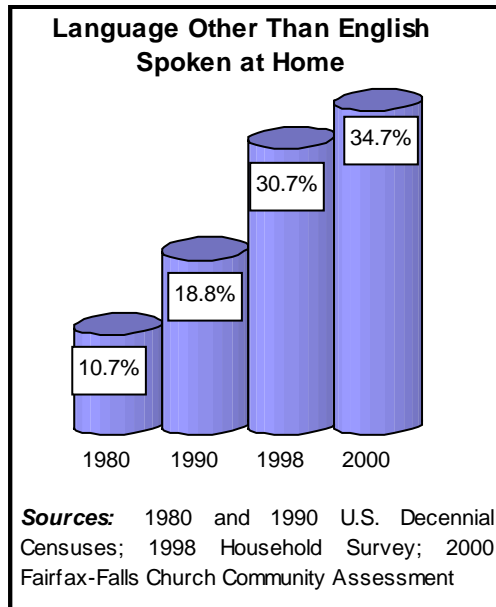
Some of the strongest demographic influences on Fairfax County expenditures and revenues are those associated with the growth in total population and housing units. Fairfax County experienced dramatic population growth during the 1980s, adding an average of more than 22,000 residents per year. This growth has moderated to the addition of an average of just over 14,000 residents per year during the 1990s. Although population growth in the 1990s was slower than that of 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.

In 2001, Fairfax County is projected to have 981,290 residents. The population is expected to grow to 998,153 in 2002 and exceed one million persons by

2003. From 1980 to 1999, the number of housing units in Fairfax County increased more rapidly (64 percent) than population (59 percent). This phenomenon was due to a shrinking average household size from 2.91 persons in 1980 to 2.74 persons in 1999. Between 1999 and 2010, the average household size is expected to stay flat at approximately 2.74 persons and the population is expected to grow at the same rate as the number of housing units. For some program areas such as fire prevention, transportation, water and sewer, and real estate assessments, the growth in the number of housing units has a larger impact on workloads and expenditures than population growth. For other program areas such as libraries, recreation, and schools, the growth in population is a more important determining factor.

TRENDS

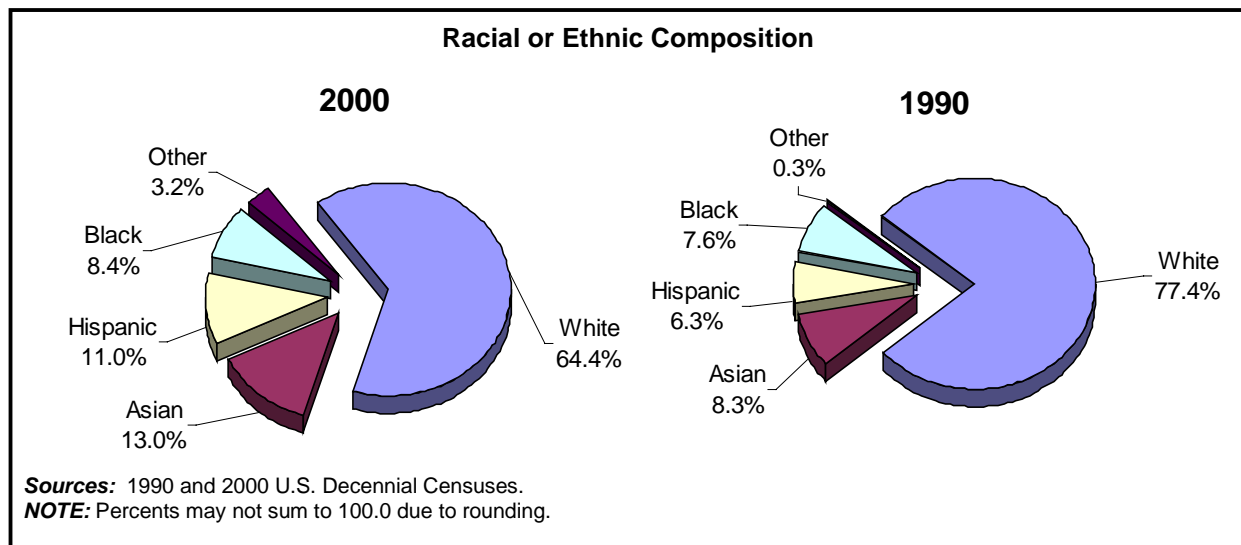
Cultural Diversity



Fairfax County is a very diverse jurisdiction. The number of persons, age 5 years and older, speaking a language other than English at home has increased dramatically since 1980 to over 250,000 residents in 2000. In 1980, only 10.7 percent of residents age 5 years or older spoke a language other than English at home. By 1990, this percentage had risen to 18.8 percent. In 2000, over a third of the County's residents, age 5 years or older, spoke a language other than English at home. The most frequently spoken languages other than English include Spanish, Korean, Vietnamese, and Chinese.

These language trends affect many County programs. The Fairfax County Public Schools have experienced rapid growth in English for Speakers of Other Languages (ESOL) programs. Between FY 1990 and FY 2000 total public school membership increased 20 percent while ESOL enrollment increased 122 percent. Many general government programs also are affected by the County's cultural and language diversity. As with the public schools,

the courts, police, fire, and emergency medical services, programs dealing with taxes and licenses, and human service programs must devise ways to effectively communicate with these citizens for whom English is a second language.



In 1990, racial and ethnic minorities comprised less than a quarter of Fairfax County's population. In 2000, these groups comprised over one-third of the County's residents. Hispanics have been the most rapidly growing group, followed by Asians and Pacific Islanders. These two minority groups are expected to be the County's fastest growing racial or ethnic groups during the next five years. Among Asian and Hispanic residents almost 90 percent speak a language other than English at home. Therefore, the percentage of persons speaking a language other than English at home will continue to increase over the next five years.

TRENDS

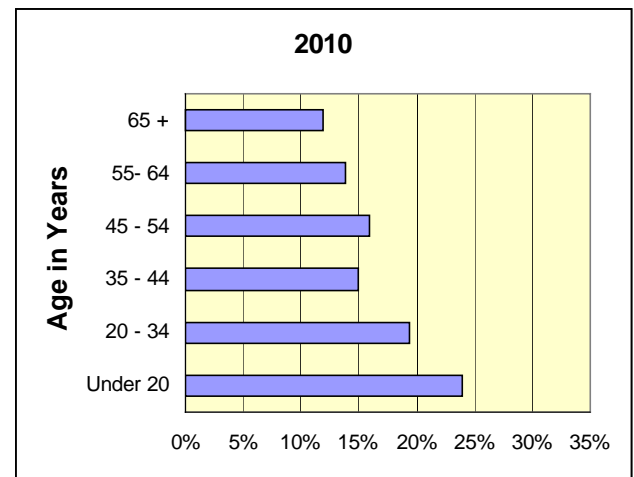
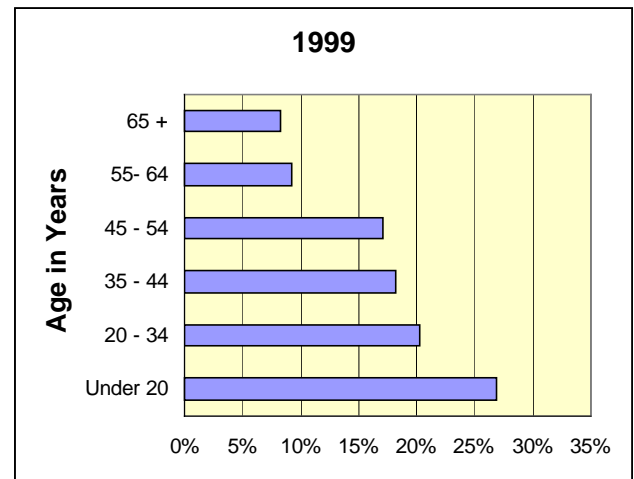
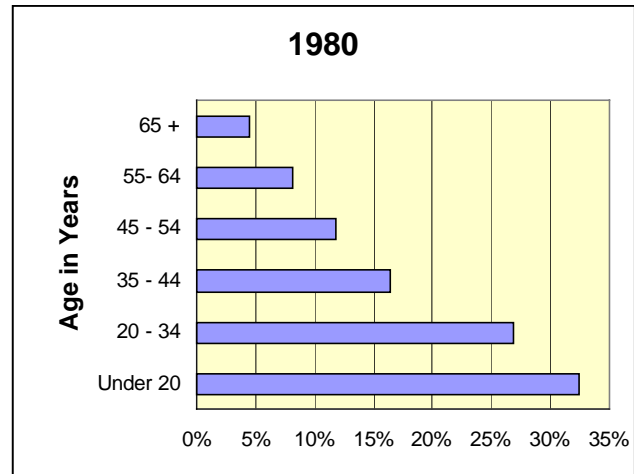
Population Age Distribution

Fairfax County's population has grown steadily older since 1980. This trend is projected to continue through 2010. Although children age 19 years and younger grew in number between 1980 and 1999, they became a smaller proportion of total population. This trend is also expected to continue through 2010. The "baby boomlet" (children of baby boomers) will expand the number of persons age 20 to 34 years by 2010, but adults age 35 to 44 years will shrink in number by 2010.

Adults age 45 to 54 years expanded rapidly in number between 1980 and 1999 as the first "baby boomers" reached their fifties. However between 1999 and 2010, persons age 45 to 54 will not grow as rapidly in number as the last of the "baby boom" generation enters this age group and the oldest "baby boomers" leave the group. Persons age 55 to 64 years increased in number but remained a fairly constant percentage of total population between 1980 and 1999. By 2010 the older "baby boomers" will significantly increase the size of this age group. The most rapidly growing group between 1980 and 1999 was seniors age 65 years and older. Seniors are expected to continue to be one of the most rapidly expanding groups through 2010.

The age distribution of Fairfax County's population strongly influences 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 number and percentage of persons age 65 years and older will affect expenditures for programs for seniors such as health care. Public safety programs also are affected 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 probabilities of being involved in traffic accidents.

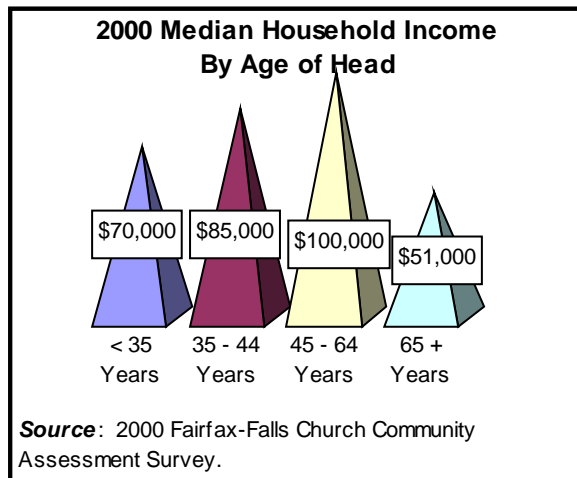
Population Age Distribution



Sources: 1980 U.S. Decennial Census; 1999 and 2010 Fairfax County Department of Systems Management for Human Services.

TRENDS

Household Income

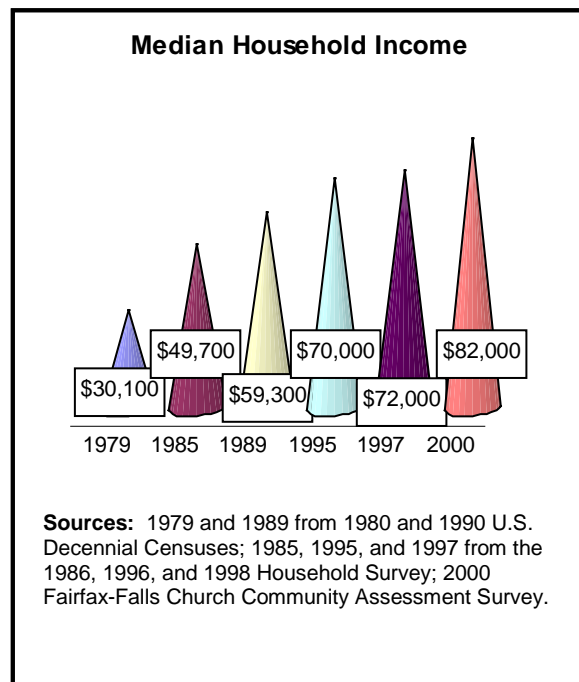


Fairfax County tax revenues also are affected by population age distributions. Income peaks among householders age 45 to 64 years, who are in their prime earning years. As the number of households headed by this age group expands during the next 15 to 20 years, some tax revenues will be stimulated. These householders, who are part of the “baby boom” generation, will fuel demand for trade-up housing. With their higher incomes, they also have greater discretionary income for spending on goods and services, thereby increasing revenue from sales taxes.

However, the median household income of households headed by a person age 65 or older is much less than that of a household headed by a person age 45 to 64 years. Therefore, a population containing a larger number of seniors, age 65 and older, will put downward pressure on tax revenues. These senior households have less discretionary income to spend (taxable sales); on average, own fewer motor vehicles; and are more likely to qualify for tax relief or discounted fees.

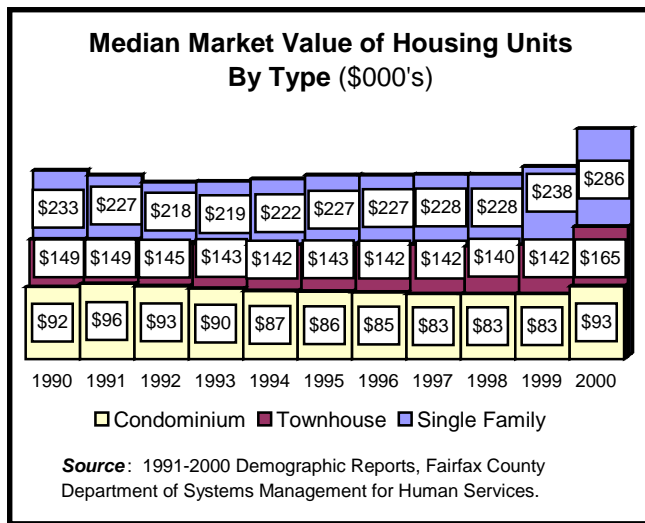
From 1979 through 1989, the growth in Fairfax County’s median household income exceeded inflation, increasing 13.9 percent, adjusted for inflation. As a result, households in Fairfax County had more discretionary income to spend or save. Since 1989, however, the growth in Fairfax County’s median income has just kept pace with inflation, as measured by the Washington Area Consumer Price Index. Inflation adjusted median household income increased only 1.2 percent between 1989 and 2000.

Income growth affects Fairfax County tax revenues indirectly in that it impacts the County’s economic health. Tax categories affected by income include Sales Tax, Residential Real Estate Taxes, and Personal Property Taxes. In addition, income levels directly affect the County’s expenditures for labor.



TRENDS

Median Market Value of Housing

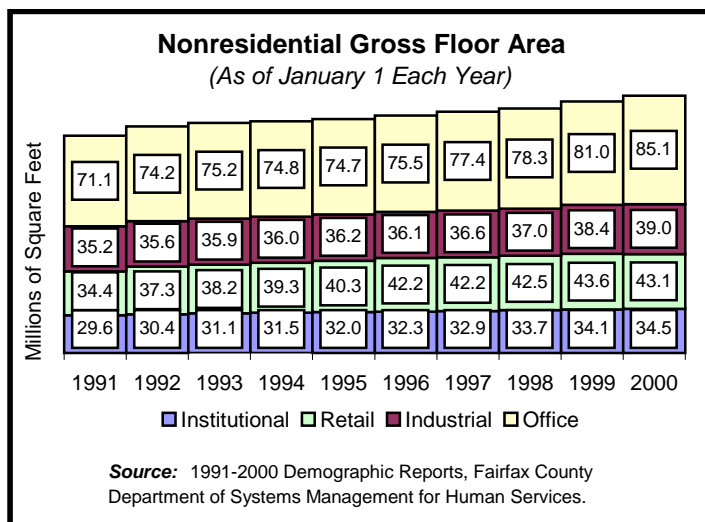


The median market values of single family, townhouse, and apartment condominium housing increased dramatically through the 1980s. In 1990, median housing values peaked at \$232,700 for single family homes and \$149,000 for townhouses. The condominium median market value peaked one year later in 1991 at \$95,500. The market value of housing units waned throughout the 1990s, but prices started to rebound in 1999. By 2000, the median market value of single family homes, which comprise more than half of the County's housing stock, rose dramatically to \$285,577, an increase of \$47,000 in one year. The median market value of townhouses also increased considerably to \$164,972 and apartment style condominium values increased to \$92,723.

Real Estate Tax revenues provide more than half of all General Fund Revenues and residential properties comprise the majority of the value of the Real Estate Tax base. Thus, the market values of homes exert a very strong influence on Fairfax County's revenues. In 1979, the median market value of housing was 2.5 times greater than median household income. During the 1980s the median market value of housing grew much more rapidly than median household income. By 1990, the median market value of housing was more than three times the median household income. This trend has continued into 2000, as median market values have increased significantly over the past year.

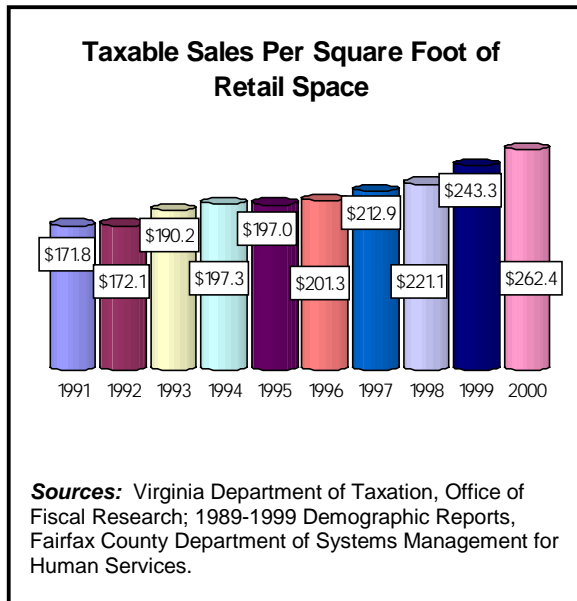
Nonresidential Space

The amount and value of nonresidential space in Fairfax County has a major impact on revenues and expenditures. Business activity affects Real Estate Tax revenues; business Personal Property Tax revenues; Business, Professional and Occupational License Tax revenues; Sales Tax revenues; and Consumer Utility Tax revenues. Business expansion also affects expenditures for water and sewer services, transportation improvements and services, police and fire services, and refuse disposal. Since 1991, the total nonresidential gross floor area in Fairfax County has increased by 31 million square feet. Retail and office space have comprised most of this growth. Retail space increased by almost 9 million square feet and office space increased by 14 million square feet. Typically, increases in the amount of nonresidential space in the County would indicate increases in the County's business base and, thus, increases in Real Estate Tax revenues. However, the growth in nonresidential space does not necessarily translate directly into Real Estate Tax revenue increases because the income generating ability of nonresidential space also is a factor.



TRENDS

Taxable Sales Per Square Foot of Retail Space

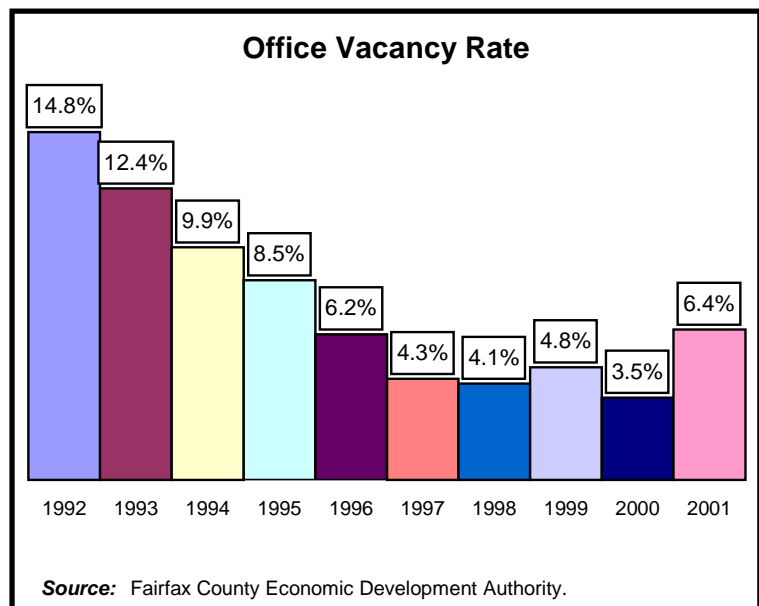


Taxable sales per square foot of retail space are an indicator of the health of the retail sales market in Fairfax County and a gauge of the income generating potential of retail space. Although retail square footage grew each year during the 1990s, taxable sales per square foot of retail space decreased dramatically in calendar year 1991, falling 9.1 percent. This decrease in taxable sales per square foot of retail space was due to the increase in retail space, which out-paced the increase in taxable sales during the 1991-1992 recession. In calendar year 1994, taxable sales per square foot of retail space rebounded and returned to levels experienced in the late 1980s. In calendar year 1995, total taxable sales increased 2.2 percent but taxable sales per square foot of retail space exhibited no growth, remaining at \$197 per square foot. Thus, the amount of available retail space in Fairfax County grew faster than taxable sales.

Between 1995 and 2000, taxable sales per square foot of retail space increased to \$262.40, or 33.2 percent. When adjusted for inflation, taxable sales per square foot of retail space has increased faster than inflation since 1997. Real growth in taxable sales per square foot of retail space generally indicates a profitable retail sales market and encourages retail expansion. A healthy retail sales market generates increasing tax revenues for the County.

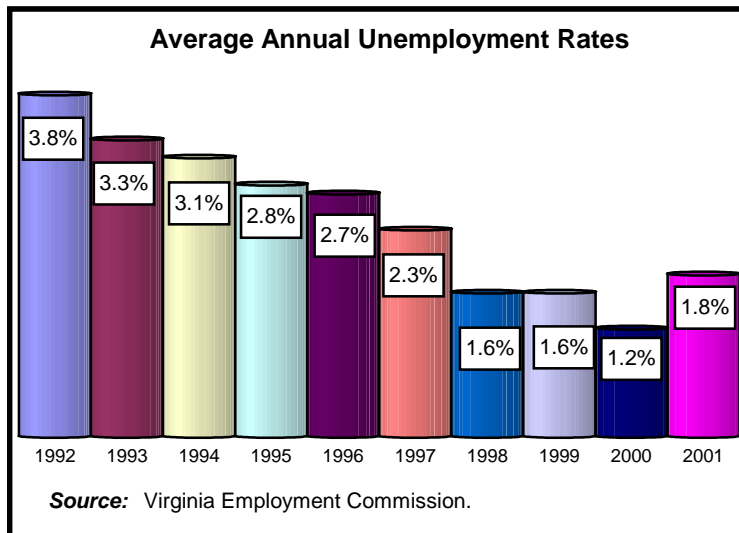
Office Vacancy Rates

During the late 1980s and early 1990s, Fairfax County experienced a glut of office space. According to the Fairfax County Economic Development Authority, office vacancy rates peaked at 18.3 percent in 1990 and steadily declined through 2000 when the rate fell to 3.5 percent—the lowest office vacancy rate in more than 15 years. The vacancy rate dropped despite an increase in office inventory of more than 5.2 million square feet over the year. In 2001, however, the overall vacancy rate increased to 6.4 percent due to the slowing economy. Various sub-markets in the County may have higher or lower vacancy rates. The amount of sublet space on the market increased dramatically as firms that had anticipated growth downsized in 2001. Including sublet space, the office vacancy rate for 2001 increases to 12.5 percent. These trends impact tax revenues from office properties, which comprise over 44 percent of all nonresidential properties in FY 2003.



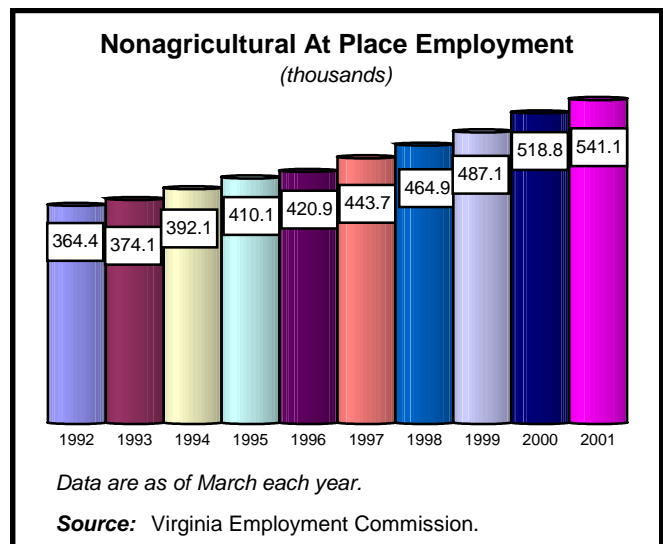
TRENDS

Employment



Unemployment rates and at place employment (the number of persons employed in Fairfax County) are indicators of the health of the Fairfax County economy. Unemployment rates provide an indication of how many Fairfax County residents who desire to work cannot find employment. Residents of Fairfax County have experienced very low unemployment rates even during the business cycle recession that occurred during 1991 and 1992. The annual unemployment rate for 2000 was 1.2 percent—the lowest rate in over a decade. Unemployment increased in FY 2001, however, to the highest levels since 1997 as a result of layoffs in the information technology sector and the events of September 11, 2001.

At place employment provides an indication of the number of jobs generated by businesses in Fairfax County. As discussed above, business and employment growth generate additional tax revenues and additional expenditures for Fairfax County. According to data from the Virginia Employment Commission, the number of jobs in Fairfax County has expanded by more than 176,000 positions since 1992 and unemployment rates have fallen dramatically. From FY 2000 to mid-year FY 2001, the Fairfax County economy created 22,311 new jobs.





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Financial Forecast

This section includes:

- ▶ *Financial Forecast for FY 2004*
(Page 162)
- ▶ *Revenue Assumptions*
(Page 164)
- ▶ *Disbursement Assumptions*
(Page 166)

FINANCIAL FORECAST

FINANCIAL FORECAST

The Financial Forecast for FY 2004 has been developed in accordance with Budget Guidelines adopted by the Board of Supervisors on April 29, 2002. These guidelines serve as an important tool in the process of budget development. As resolved by the Board, the guidelines:

1. Limit the increases in County expenditures and the County's Transfer to the Fairfax County Public Schools to the projected rate of increase in revenues.
2. Direct the County Executive to develop a budget for FY 2004 that includes a reduction in the Real Estate tax rate if Real Estate assessments continue to increase significantly.
3. Require that available County balances, not necessary to support expenditures of a critical nature or to address the Board's policy on the Revenue Stabilization fund, be utilized as follows:
 - One-half will be allocated to the Schools to support non-recurring requirements.
 - The remaining one-half will be allocated based on a review of paydown construction requirements or other non-recurring requirements.
4. Direct that non-recurring funds be allocated for non-recurring uses only.

The current Financial Forecast reflects these guidelines. County revenue growth is projected at 6.68 percent in FY 2004. This is similar to the rate estimated for FY 2002 and FY 2003. The Real Estate tax base is estimated to increase 9.50 percent, a slower rate of growth than the 15.14 percent rate achieved in FY 2003 due to anticipated moderation in the real estate market. Growth in other revenue categories that had been restrained by the current economic slowdown is projected to increase moderately in FY 2004.

Pressures faced by the County such as population growth and State mandates cannot easily be accommodated within the current level of revenue growth. Additional resources will also be required in order to keep our communities safe and secure in the aftermath of the events on September 11th. The County will continue to be challenged in order to balance these increasing service requirements and infrastructure needs within the constraints of projected revenue growth. The forecast for FY 2004 limits increases in County expenditures and the transfer to the Schools to the revenue growth rate anticipated in FY 2004 in accordance with the Board's guidelines. However, the forecast for FY 2004 shows a deficit of \$23.6 million. Revenue estimates will be reviewed and revised as necessary to adjust to changes in the local economy. The FY 2004 budget will be developed using these revised projections and County spending will be adjusted to eliminate any deficit.

FINANCIAL FORECAST

FY 2004 FINANCIAL FORECAST					
(millions)					
	FY 2001	FY 2002	FY 2002	FY 2003	FY 2004
	ACTUAL	ADOPTED	REVISED	ADVERTISED	FORECAST
Available Beginning Balance	\$88.48	\$45.06	\$34.91	\$0.00	\$0.00
Reserves Balance	0.00	0.00	43.66	46.46	48.85
REVENUE:					
Real Estate Taxes	\$1,086.00	\$1,226.14	\$1,229.73	\$1,384.76	\$1,515.66
Personal Property Taxes ¹	437.32	446.18	467.94	469.24	483.07
Other Local Taxes	360.37	372.20	353.86	355.20	364.46
Permits, Fees, and Licenses	31.91	33.89	28.99	29.35	29.47
Fines and Forfeitures	9.12	11.60	10.02	11.00	11.55
Revenue from Use of Money/Property	58.94	44.67	27.84	32.74	37.27
Charges for Services	32.75	33.00	34.11	34.91	36.58
Revenue from the Commonwealth ¹	82.66	93.43	90.67	79.95	81.22
Revenue from the Federal Govt.	36.89	38.77	37.42	38.82	39.60
Recovered Costs/Other Revenue	5.43	5.78	5.58	5.68	5.90
TOTAL REVENUE	\$2,141.37	\$2,305.66	\$2,286.16	\$2,441.64	\$2,604.77
TRANSFERS IN	1.68	2.91	4.61	3.17	3.24
TOTAL RECEIPTS	\$2,143.06	\$2,308.58	\$2,290.77	\$2,444.80	\$2,608.02
TOTAL AVAILABLE	\$2,231.54	\$2,353.64	\$2,369.34	\$2,491.26	\$2,656.87
EXPENDITURES:					
Personnel Services	\$450.91	\$483.01	\$479.02	\$513.70	\$548.03
Fringe Benefits	108.58	111.52	112.51	120.67	128.73
Operating Expenses	273.47	306.94	316.84	309.01	329.65
Capital Equipment	7.07	3.95	6.82	3.78	4.04
Worked Performed for Others	(30.47)	(32.36)	(31.89)	(31.80)	(33.92)
TOTAL EXPENDITURES	\$809.55	\$873.05	\$883.30	\$915.37	\$976.53
TRANSFERS OUT:					
Schools	\$988.00	\$1,078.09	\$1,079.91	\$1,167.86	\$1,245.89
G O Debt (County)	94.67	98.01	98.01	100.09	105.10
G O Debt (Schools)	95.25	105.53	105.53	113.60	121.56
CSB	67.94	74.37	74.59	78.40	83.64
Metro	12.67	11.45	11.45	12.27	13.50
Paydown Construction	22.00	7.97	7.51	4.21	15.00
County Transit	15.90	16.06	16.06	16.74	21.86
Other Transfers	23.96	29.57	31.21	27.94	29.81
Information Technology	18.39	13.40	12.79	5.92	15.00
Revenue Stabilization	4.64	0.00	2.51	0.00	0.00
TOTAL TRANSFERS OUT	\$1,343.43	\$1,434.44	\$1,439.58	\$1,527.04	\$1,651.35
TOTAL DISBURSEMENTS	\$2,152.98	\$2,307.49	\$2,322.88	\$2,442.41	\$2,627.88
ENDING BALANCE	\$78.56	\$46.15	\$46.46	\$48.85	\$28.99
Managed Reserve	43.66	46.15	46.46	48.85	52.56
TOTAL AVAILABLE	\$34.91	\$0.00	\$0.00	\$0.00	(\$23.57)

¹ 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.

FINANCIAL FORECAST

REVENUE ASSUMPTIONS

The FY 2004 revenue estimates are based on a review of current and projections of economic conditions. Projecting growth in County revenues, however, has been especially complicated by several factors: the slow economy, the unprecedented number of interest rate reductions, and especially the events of September 11th. The U.S. economy, as measured by the Gross Domestic Product (GDP) experienced a weak 1.1 percent increase in 2001, a drop of 3 percentage points below the 4.1 percent achieved in 2000. Most economists are forecasting modest economic growth for calendar year 2002. Slight economic growth is also projected for the local economy. In March for the first time in more than a year, Fairfax County's Leading Index of the economy has a value above the level achieved during the same month a year earlier. The Leading Index is designed to forecast the performance of the County's economy nine to twelve months in advance. The recent changes in the Leading Index indicate that the economy is starting to improve but based on the average annual trend, the re-acceleration will be modest.

Total General Fund revenues are projected to increase 6.68 percent in FY 2004. This rate of growth over FY 2003 is the result of an anticipated slowing in Real Estate assessment increases, offset by projected rising rates of growth in other revenue categories as the economy improves. It should be noted that Real Estate assessment changes for FY 2003 reflected in this discussion are based on final assessments established as of January 1, 2002.

The Financial Forecast assumes an overall increase in real estate values of 9.50 percent in FY 2004 compared to the 15.14 percent increase experienced in FY 2003. Total equalization, or the reassessment of existing property, is anticipated to increase 7.50 percent in FY 2004. Housing in Fairfax County has experienced substantial price appreciation during the past two years driven by high demand, coupled with a tight supply, and low mortgage rates. Residential equalization rose 16.27 percent in FY 2003. In FY 2004, mortgage interest rates are expected to remain low by historical standards but the demand for housing is expected to ease somewhat. Bidding wars that characterized the first half of 2001 are not anticipated in 2002. Thus, it is expected that the rate of increase in residential housing values reached a peak in FY 2003. Residential equalization is still projected to rise a robust 10.00 percent in FY 2004.

In FY 2003, existing nonresidential property experienced uneven changes in assessed value. The value of apartments rose 9.59 percent for FY 2003 reflecting the demand for lower price housing. This trend is expected to continue into FY 2004. Due to rising office vacancy rates, increased supply and recent sales activity, the value of mid- and high-rise office buildings, which comprise over 40 percent of the nonresidential tax base, fell 2.48 percent in FY 2003. The amount of sublet space on the market increased considerably during 2001. Space leased or purchased in anticipation of business expansion was no longer needed as the economy slowed. The Economic Development Authority reported that the office vacancy rate climbed to 6.4 percent at the end of 2001, up from 3.5 percent at year-end 2000. Including sublet space, the office vacancy rate rises to 12.5 percent. Low-rise offices fared somewhat better than mid- and high-rises, increasing 1.46 percent. The office vacancy rate is expected to rise over the next year as new buildings are completed. As a result of the increased space available, office property is expected to experience a slight decline in value in FY 2004. Much of this new space, approximately two-thirds, is pre-leased which will soften the impact on the market to an extent. Hotel property experienced a 15.39 percent drop in value in FY 2003. Already impacted by the sluggish economy, hotel occupancy rates fell precipitously during the fourth quarter of 2001 as a result of September 11th. While occupancy rates are expected to slowly increase, any growth in hotel values is expected to be slight. The Retail and Regional Malls categories rose modestly in FY 2003, increasing 1.91 and 0.34 percent, respectively. The abundance of retail space is anticipated to restrain the growth in these categories during FY 2004. Overall, existing nonresidential properties are anticipated to increase 0.50 percent in FY 2004.

In addition to equalization, the remaining increase in Real Estate value is due to new construction or normal growth. New construction is expected to increase at a lower rate during FY 2004 as a result of economic conditions. Office construction will primarily be build-to-suit and no new hotel projects are anticipated. Residential construction is anticipated to be moderate. Overall, an increase of 2.00 percent due to new construction is projected for FY 2004 compared to 3.42 percent in FY 2003.

FINANCIAL FORECAST

The FY 2003 revenue estimate for Current Personal Property Tax revenue represents base growth of 1.6 percent, offset by an estimated \$4.9 million as a result of revisions in the County's FY 2003 depreciation schedule for computer equipment. In FY 2004, Personal Property Tax revenues, which represent 19.2 percent of total General Fund revenue, are expected to increase 3.0 percent. Both the vehicle and business components are anticipated to experience moderate growth in FY 2004 as business activity increases and the vehicle market remains healthy.

Based on the Personal Property Tax Relief Act (PPTRA) of 1998, the Virginia General Assembly approved a plan to eliminate the Personal Property Tax on vehicles owned by individuals over a five-year period. 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. In FY 2000 and FY 2001, the PPTRA reduced the Personal Property Taxes paid by citizens by 27.5 percent and 47.5 percent, respectively, with an offsetting reimbursement paid to the County by the Commonwealth. The percentage reduction in taxes paid by citizens is anticipated to be 70.0 percent in FY 2002 and FY 2003. It should be noted that the PPTRA has no impact on the assessment or projection of total Personal Property Tax revenues; therefore, no assumption as to the rate of tax relief has been made for FY 2004.

Business activity and consumer spending are expected to be moderate in FY 2004 and BPOL Tax revenues and Sales Tax receipts are both projected to increase 3.0 percent. This increase represents a rebound in both of these categories compared to FY 2002 and FY 2003 when growth was constrained due to the slow economy and the aftermath of September 11th.

Interest earned on Investments is expected to increase in FY 2004 based on a forecast of rising interest rates. During CY 2000, the Federal Reserve lowered interest rates 11 times, leading to a significant reduction in the yield earned on the County's investment portfolio. The average annual yield on investments fell from 6.2 percent in FY 2001 to an anticipated 2.5 percent in FY 2002. The Federal Reserve made no changes in interest rates during meetings held in January 2002 through May 2002. Based on the *Blue Chip Financial Forecast* of interest rates, the average yield on County investments is expected to rise to 3.0 percent in FY 2003 and to 3.5 percent in FY 2004.

Excluding revenues from the Commonwealth of Virginia associated with the reimbursement of Personal Property Taxes; Revenue from the Commonwealth and Federal Government is expected to decline 7.3 percent in FY 2003. This reduction is due to one time construction reimbursement from the State received in FY 2002 and reductions in funding to localities as a result of budget cuts necessary to balance the Commonwealth's FY 2003 budget deficit. As the economy begins to improve, modest growth of 1.7 percent is expected in Revenue from the Commonwealth and Federal Government in FY 2004.

Building and Permit fee revenue is anticipated to decline 11.5 percent in FY 2002. This revenue is a reflection of the construction industry, as well as the size and complexity of projects submitted for review. The slowdown in FY 2002 is indicated by current year-to-date revenues, a decline in major site and subdivision plans submitted, and a reduction in the number of applications for planning and zoning. These fees are anticipated to rise by 1.7 percent in FY 2003. In FY 2004, Building and Permit fee revenue is projected to stabilize and remain at the FY 2003 level. It should be noted that the expectation that Building and Permit fee revenue will not increase in FY 2004 assumes a continuation of the same level of building activity projected to be achieved in FY 2003 and should not be viewed as a further reduction.

FINANCIAL FORECAST

Revenue growth rates in these and other categories such as Automobile Licenses, Consumer Utility taxes and Charges for Services are shown in the following table:

REVENUE GROWTH RATES

Category	FY 2002	FY 2003	FY 2004
Real Estate Tax - Assessment Base	13.64%	15.14%	9.50%
Equalization	9.70%	11.72%	7.50%
Residential	11.26%	16.27%	10.00%
Nonresidential	5.92%	0.52%	0.50%
Normal Growth	3.94%	3.42%	2.00%
Personal Property Tax - Current ^{1,2}	7.32%	1.57%	3.00%
Local Sales Tax	-6.31%	1.47%	3.00%
Business, Professional and Occupational, License (BPOL) Taxes	-2.37%	0.00%	3.00%
Recordation/Deed of Conveyance	14.76%	-22.67%	0.00%
Automobile Licenses	2.25%	2.02%	2.30%
Consumer Utility Taxes	2.66%	2.01%	2.00%
Building Plan and Permit Fees	-11.52%	1.72%	0.00%
Charges for Services	4.14%	2.34%	4.79%
State/Federal Revenue ¹	7.14%	-7.28%	1.73%
TOTAL REVENUE	6.76%	6.80%	6.68%

¹ The portion of the 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.

² Including the adjustment to the computer depreciation schedule, Personal Property Tax revenues are anticipated to grow 0.48 percent in FY 2003.

DISBURSEMENT ASSUMPTIONS

Direct Expenditures

As noted earlier, increases in County expenditures presented herein reflect the projected growth in County revenues. As such, direct expenditures increase 6.68 percent in FY 2004. The projected direct expenditure funding level, requirements associated with pay for performance, market rate adjustments, health insurance, retirement plan increases, and inflationary growth will leave little flexibility for expansion of services necessitated by population growth or new facilities. In order to provide for compensatory and inflationary increases, as well as cost requirements associated with future new facilities, reductions will be required in other parts of the County's budget in order to stay within the Budget Guidelines.

FINANCIAL FORECAST

Transfers Out

School Transfer

The Financial Forecast includes an increase in the School transfer consistent with the rate of revenue growth as directed by the Budget Guidelines.

Metro

The transfer requirements for Metro Operations and Construction reflect annual increases of 10.0 percent based on projected inflationary increases for continued Metrorail and Metrobus service.

Debt Service

The Debt Service requirements reflect increases required to support the level of bond sales approved by the Board of Supervisors as part of the FY 2003 - 2007 Capital Improvement Program (With Future Years to 2012). This level of funding will support bond sales of \$221.1 million in FY 2003.

Paydown

Paydown capital construction includes transfers from the General Fund to support construction and renovation of capital projects. The projected annual transfer for paydown construction is \$15.0 million. It should be noted that the County's paydown construction program had been constrained in the early and mid-1990's based on budget limitations, deferring maintenance and repair costs and new construction of necessary public improvements. The projected level of paydown funding through FY 2004 will provide for essential maintenance and repair in order to protect and extend the operation of County facilities.

Transfer to Fairfax-Falls Church Community Services Board

The General Fund transfer supporting the Fairfax-Falls Church Community Services Board is consistent with the rate of revenue growth as directed by the Budget Guidelines.

Information Technology

The General Fund supports the County's investment in major Information Technology (IT) initiatives. Based on a recommendation from the County's Information Technology Advisory Group, the Financial Forecast includes a \$15.0 million IT transfer in FY 2004. The County's Information Technology Advisory Group (ITAG), a private sector advisory group established by the County Executive to investigate the condition of the County's IT resources, recommended significant increases in County support of the IT infrastructure. Identifying a total requirement of \$95 million, the ITAG recommended annual spending of \$15 to \$20 million.

Other Transfers/County Transit

An increase of 6.68 percent has been included for other transfers in FY 2004. A total of \$21.9 million is included for County Transit in FY 2004 based on a projected increase in costs associated with the CONNECTOR bus system and an increase in Commuter Rail contributions. Pending the availability of sufficient funding during FY 2004 budget development, funding of \$4.0 million has been included as a planning factor for the purchase of replacement buses. Based on the age of the fleet and planned replacement, an estimated 11 to 15 buses will require replacement in FY 2004. Thereafter, annual funding in the amount of \$4.0 to \$5.0 million will be needed to provide for replacement of approximately 15 buses per year.



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Long-Term Financial Policies And Tools

This section includes:

- ▶ *Ten Principles of Sound Financial Management (Page 170)*
- ▶ *Long-Term Financial Policies (Page 176)*
- ▶ *Ten Information Technology Strategic Directions (Page 182)*
- ▶ *Financial Management Tools and Planning Documents (Page 183)*

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 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 debt 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). 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.

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 County Board's 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 citizens 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. Prior to FY 2003, the last amendment to the *Ten Principles* was in August of 1988. Since that time the County has experienced dramatic shifts in the economy and witnessed significant changes to financial tools and the markets. In the last few years interest rates have reached historic lows. There have also been many new opportunities 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 commuter rail, and construction of government facilities have all been attained in addition to a robust bond construction program. In the last 10 years the County has approved over \$1.5 billion of new debt at referendum, primarily for Schools; and refunded over \$1.0 billion of debt achieving approximately \$50 million in savings. 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.

In FY 2003, amendments to the *Ten Principles* were necessary to address these changed conditions. The availability of resources, the application of new tools, and the expectations of the marketplace require prudent and responsible management as reflected by the financial policies. Staying current will allow the County to continue to maintain its superior position and fiscal integrity.

LONG-TERM FINANCIAL POLICIES AND TOOLS

Summary of Amendments to the Ten Principles: April 2002

The following is a summary of the major amendments approved for the *Ten Principles*. The full text of the last version (August 1988) and the FY 2003 amended version (April 2002) follow for detailed review.

- Increases annual authorized sales from \$150 million to \$200 million per year (with a technical limit of \$225 million) based on revised debt capacity analysis resulting from sustained increase in the tax base.
- Reaffirms the current debt limits: net debt shall be no more than 3 percent of market value of taxable property, and debt service shall not exceed 10 percent of General Fund disbursements.
- Reaffirms the County commitment to a dynamic planning process and further integrates the financial policies with the Comprehensive Plan and the Capital Improvement Program.
- Establishes a new policy limit for lease-purchase debt secured by equipment to no more than 3 percent of General Fund disbursements. Lease-purchase payments have become an increasingly useful tool for stabilizing operating expenses and gaining efficiency in the management of large capital equipment inventories. As operating expenses, the County does not view these expenses as impacting the bond sale capacity. However, the rating agencies do review lease commitments when assessing the County's overall debt burden. Therefore, a prudent approach to these expenses is recommended that places a reasonable amount of control, yet still provides the flexibility to conduct efficient operations.
- Establishes a new policy statement that includes debt subject to annual appropriation, such as capital leases for real estate, in the calculation of debt ratios on par with general obligation debt. This is in accordance with rating agency practice in determining the County's debt burden.
- Includes a new statement affirming the County's commitment to strong internal controls.
- Includes a policy defining and establishing the use of the County's moral obligation and clarifies the definition of underlying debt.
- Includes various administrative and editorial changes to reflect updated data and current budgetary practices, such as the management of the Revenue Stabilization Fund.

LONG-TERM FINANCIAL POLICIES AND TOOLS

Ten Principles of Sound Financial Management August 1988

1. The **planning system** in the County will continue as a dynamic process that is synchronized with the operating and capital budgets, and the capital improvement program. 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 in isolation from and in contradistinction to contiguous plans.
2. Annual budgets shall continue to show **fiscal restraint**. Further, it is imperative that a positive cash balance (surplus) be shown in the General Fund at the end of each fiscal year. If necessary, spending during the fiscal year will be reduced sufficiently to create such a cash surplus.
 - a. A managed reserve shall be maintained in the General Fund at a level sufficient to provide for temporary financing of unforeseen needs of an emergency nature, and to permit orderly adjustment to changes resulting from termination of revenue sources through actions of other governmental bodies. The reserve will be maintained at a level not less than 2.0 percent of total General Fund disbursements in any given year.
 - b. As part of the Board's policy on appropriation during quarterly budget reviews, nonrecurring revenues should be used for either capital expenditures or other nonrecurring expenditures. Quarterly review adjustments are not to exceed 2.0 percent of the General Fund disbursements. The intent is to apply this restriction on an annual basis.
3. If a **deficit** appears to be forthcoming, the Board will **reduce appropriations** or **increase revenues**.
4. The County's **debt ratios** shall be maintained at the following levels:
 - a. Net debt as a percentage of estimated market value, which is now at 1.43 percent¹; should always remain less than 3.0 percent.
 - b. The ratio of debt service expenditures as a percentage of General Fund disbursements which is now at 8.6 percent¹ should remain under the 10.0 percent ceiling. 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 show purposeful restraint in incurring long-term debt. To this end, for planning purposes, the target on annual bond sales will be \$150 million, or \$750 million over a five-year period, with a technical limit of \$175 million in any given year. This planning limit shall exist even though the ratio of debt to taxable property value remains less than 3.0 percent and the ratio of debt service to General Fund disbursements remains less than 10.0 percent.
5. Fairfax County's **cash management system** is one of the best in the country and must continue to receive full support and cooperation from all County agencies, including the Public Schools. Such a system is an indication of the soundness and professionalism of the County's financial management.
6. The **budgetary process** will continue to be oriented toward management by objectives (MBO) and must continue deliberately toward full utilization of the system.
7. All efforts must be made to **improve the productivity** of the County's programs and its employees. The County's productivity analysis process is a dynamic part of the administration. Its presence, together with MBO, are indications of the strength of the County's commitment to continual improvement of its fiscal management.
8. A continuing effort to **reduce duplicative functions** within the County government and the autonomous and semi-autonomous agencies, particularly those that receive appropriations from the General Fund, must be made.
9. **Underlying debt** must not expand beyond that level already contemplated. The creation of additional sanitary districts for the purpose of incurring bonded indebtedness will be discouraged. Revenue bonds of agencies supported by the General Fund will be analyzed carefully for fiscal soundness. The issuance of County revenue bonds will be subject to the most careful review. These revenue bonds must be secured by extremely tight covenants to protect the name of the County in its other borrowings.
10. Fairfax County must continue to **diversify its economic base** by encouraging commercial and, in particular, industrial employment and associated revenues. Such expansion of business and industry must be in accord with the plans and ordinances of the County.

¹ As of June 30, 2001

LONG-TERM FINANCIAL POLICIES AND TOOLS

Ten Principles of Sound Financial Management April 2002

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. Until the target level is reached, the Board of Supervisors will allocate to the RSF a minimum of 40 percent of non-recurring balances identified at quarterly reviews.
 - 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 \$200 million per year, or \$1 billion over 5 years, with a technical limit of \$225 million in any given year. Excluded from this cap are refunding bonds, revenue bonds or other non-General Fund supported debt.

LONG-TERM FINANCIAL POLICIES AND TOOLS

Ten Principles of Sound Financial Management April 2002

- 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. 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 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.
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 diversity 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 since 1975, and a AAA rating from Standard and Poor's since 1978, and a AAA rating from Fitch Investors Services since 1997. Fairfax County is one of only 19 counties in the country with triple A ratings from all three rating agencies.

Only a handful 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 19 of the nation's 3,107 counties
- only 9 of the nation's 50 states
- only 10 of the nation's 22,529 cities

LONG-TERM FINANCIAL POLICIES AND TOOLS

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.

BUDGET GUIDELINES

On April 22, 2002, the Board of Supervisors reaffirmed and approved Budget Guidelines for Fiscal Year 2004. These guidelines are considered an important tool in the budget development process and are to be considered during future budget deliberations.

1. The Board directs the County Executive to develop a budget for Fiscal Year 2004 that limits increases in expenditures to projected increases in revenue.
2. Information on the FY 2004 revenue and economic outlook should be forwarded to the Board for discussion in Fall 2002 so that guidance to the County Executive regarding the tax rate as well as the transfer to the Schools can be provided by the Board. If Real Estate assessments continue to increase significantly, the Board will direct the County Executive to develop a budget for FY 2004 that includes a reduction in the Real Estate Tax.
3. The available balances materializing at the Carryover and Third Quarter Reviews which are not required to support County expenditures of a critical nature or to address the Board's policy on the Revenue Stabilization Fund, be utilized as follows:

Of the remaining balance, one-half will be allocated to the Schools to support non-recurring requirements.

The County will review paydown construction requirements or other one-time items for allocation of the balance of these funds.

4. In order to eliminate structural imbalances between County resources and requirements, resources should be allocated with consideration for the continued availability of these funds:

Non-recurring funds will be directed toward non-recurring uses.

Only recurring resources may be targeted toward recurring expenses.

5. The County's policy concerning the utilization of recurring and non-recurring funds should be followed by the School Board. The School Board should not use non-recurring balances that may materialize during quarterly reviews on recurring expenditures in the annual budget.
6. I move that the Board direct the following reviews of County programs: Compensation Program and Personnel Policies, County Fees and Fares, Section 8 Operating Deficits, Seniors-on-the-Go Program, Community Services Board MR Grad Program, County Replacement Funds and Reorganization Opportunities.

Managed Reserve

It is the express policy of the Board of Supervisors to maintain a managed reserve in the General Fund at a level sufficient for temporary financing of unforeseen emergency needs and to permit orderly adjustment to changes resulting from termination of revenue sources through actions of other governmental bodies. The reserve will be maintained at a level not less than 2.0 percent of total General Fund disbursements in any given year. This reserve has been maintained since FY 1983.

LONG-TERM FINANCIAL POLICIES AND TOOLS

Revenue Stabilization Fund

On September 13, 1999, the Board of Supervisors established a Revenue Stabilization Fund to provide a mechanism for maintaining a balanced budget without resorting to tax increases and expenditure reductions that aggravate the stresses imposed by the cyclical nature of the economy. The Revenue Stabilization Fund has a target balance of 3.0 percent of General Fund disbursements. The Fund is separate and distinct from the County's 2.0 percent Managed Reserve; however, the aggregate balance of both reserves shall not exceed 5.0 percent of General Fund disbursements. It is anticipated that the target balance of 3.0 percent of General Fund disbursements will be accomplished by transferring funds from the General Fund over a multi-year period. 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. Additionally, the Fund will retain the interest earnings on this balance, and the retention of interest will continue until the Reserve is fully funded.

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.

Other Reserves

In addition, to the Managed Reserve and the Revenue Stabilization Fund, the County has several reserves maintained within various funds. These reserves are necessary to provide a source of funding for planned replacement of major equipment or infrastructure over several years, or to maintain the necessary debt service reserves required to support the County's obligations on bond funded programs. 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, boat, ambulance, and large apparatus replacement funds are also maintained for the Police and Fire Departments. Fixed payments to these reserves are made annually to ensure funding is available at such time that the equipment must be replaced. The County also manages a Personal Computer (PC) Replacement Fund. For each existing PC, an amount of \$600 is collected annually for a period of four years, based on the estimated life cycle of the equipment and the future replacement cost. This reserve ensures that funding is available for future replacements to remain consistent with the advancements of technology. Another example of a County maintained reserve is the Sewer Bond Debt Reserve which was established to provide one year of principle and interest for the 1993 and 1996 bond series as required by the Sewer System's General Bond Resolution.

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 Operating Agencies and Capital Construction Funds are reviewed during the third quarter and adjustments are made to the budget as approved by the Board of Supervisors. Section 15.1162.1 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 \$500,000 or 1.0 percent of revenues. 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.

LONG-TERM FINANCIAL POLICIES AND TOOLS

Carryover 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 Operating Agencies and Capital Construction 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 \$500,000 or 1.0 percent of revenues.

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. An 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 Bonds (the Vienna and Huntington Metrorail Projects), Sewer Revenue Bonds, Housing Bonds, and the Equipment Acquisitions Fund.

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 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:

Net Debt as a Percentage of Market Value of Taxable Property

<u>Fiscal Year Ending</u>	<u>Net Bonded Indebtedness</u>	<u>Estimated Market Value</u>	<u>Percentage</u>
1999	\$1,314,377,875	\$87,086,700,000	1.51%
2000	1,380,266,450	92,692,600,000	1.49%
2001	1,442,682,525	101,048,500,000	1.43%
2002 (est.) ¹	1,657,818,600	113,778,400,000	1.46%
2003 (est.) ¹	1,745,779,675	128,278,700,000	1.36%

¹ Beginning in FY 2002, the ratio includes outstanding Lease Revenue bonds for the Pennino and Herrity Buildings and outstanding Certificates of Participation for the South County Government Center in addition to General Obligation Bonds, Literary Loans and Special Revenue Bonds for Community Centers. In addition, sales of \$198.00 million for FY 2002 and \$221.10 million for FY 2003 have been included for projection purposes.

Debt Service Requirements as a Percentage of Combined General Fund Disbursements

<u>Fiscal Year Ending</u>	<u>Debt Service Requirements¹</u>	<u>General Fund Disbursements</u>	<u>Percentage</u>
1999	\$163,541,092	\$1,849,587,184	8.8%
2000	176,060,037	2,000,540,810	8.8%
2001	184,300,168	2,152,979,627	8.6%
2002 (est.)	206,803,310	2,322,878,256	8.9%
2003 (est.)	213,877,809	2,442,411,962	8.8%

¹ Beginning in FY 2002, the ratio includes debt service on Lease Revenue bonds for the Pennino and Herrity Buildings and Certificates of Participation for the South County Government Center in addition to General Obligation Bonds, Literary Loans and Special Revenue Bonds for Community Centers.

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. Per capita debt as a percentage of per capita income as of June 30, 2001 was 2.78 percent and has remained less than 4.0 percent since 1981.

LONG-TERM FINANCIAL POLICIES AND TOOLS

The *Ten Principles of Sound Financial Management* establish as a financial guideline a self-imposed limit on the level of the average annual bond sale. Adjustments to the sale limits are anticipated within the proposed revisions to the *Ten Principles*. 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 greater industrial development 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 pay and 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 project in relation to an agreed upon set of criteria. It is the Board of Supervisors' policy that nonrecurring 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 work force 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.
- ◆ 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.

LONG-TERM FINANCIAL POLICIES AND TOOLS

Pension Plans

The County funds the retirement costs for four separate retirement systems including: 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 reach an older age 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 based on actuarial valuations that are usually performed annually. 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.

Grants

County policy requires that all applications and acceptance of grant funds must 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.

On November 20, 2000, the Board of Supervisors established a new County policy for grant applications and awards of less than \$5,000 that meet certain requirements. If a grant is less than \$5,000, does not require a Local Cash Match, does not create new positions, 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. 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.

Close Management Initiatives (CMI) Program

The Close Management Initiatives (CMI) program, which was approved by the Board of Supervisors on June 28, 1993 and began in FY 1994, challenges agency directors and staff to identify means to streamline operations without reductions in service levels. Agencies and selected Other Funds are provided with target savings amounts to reach during the fiscal year. If an agency reaches the targeted savings amount, 60 percent of the identified savings is returned to the General Fund or falls to fund balance in Other Funds. The remaining 40 percent is retained by the agency for use at the director's discretion.

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 contributories to describe accurately, in a manner prescribed by the County Executive, the level and quality of services provided to County residents.

LONG-TERM FINANCIAL POLICIES AND TOOLS

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 Information Technology STRATEGIC Directions

1. Provide citizens, the business community, and County workers with timely, convenient access to appropriate information and services through the use of technology.
2. Have business needs drive information technology solutions. Strategic partnerships will be established between the customer and County so that the benefits of IT are leveraged to maximize the productivity of County employees and improve customer service.
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 cycles end. Address project and infrastructure requirements through a multiyear planning and funding strategy.
 - Limit resources dedicated to “legacy systems” (hardware and software approaching the end of its useful life) to absolutely essential or mandated changes. Designate systems as “legacy” and schedule their replacement. This approach will help focus investments toward the future rather than the present or past.
 - Invest in education and training to ensure the technical staffs in central IT and user agencies understand and can apply current and future technologies.
5. Implement contemporary, but proven, technologies. Stay abreast of emerging trends through an ongoing program of technology evaluation. New technologies will often 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. Ensure that hardware and software adhere to open (vendor-independent) standards and minimize proprietary solutions. This approach will promote flexibility, interoperability, and cost-effectiveness, as well as will mitigate the risk of dependence on individual vendors.
7. Manage the enterprise network as a fundamental building block of the County’s IT architecture. The network will connect modern workstations and servers; will provide both internal and external connectivity; will be flexible, expandable, and maintainable; and will be fully integrated using open standards and capable of providing for the free movement of data, graphics, image, video, and voice.
8. Approach IT undertakings as a partnership between central management and agencies enabling centralized and distributed implementation. Combine the responsibility and knowledge of central management, and agency staff, as well as outside contract support within a consistent framework of County IT standards. Establish strategic cooperative arrangements with public and private enterprises to extend limited resources.
9. Emphasize the purchase and integration of top quality, off-the-shelf software (with minimal customization) to speed the delivery of new business applications. This will require redesigning some existing work processes to be compatible with off-the-shelf software packages. Utilize modern, efficient methods, and labor-saving tools in a cooperative application development environment. A repository for common information objects (e.g., databases, files, records, methods, application inventories) will be created, shared, and re-used.
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.

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; Automobile License Tax; and Cigarette Tax.

Financial Forecast

A forecast of Combined 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, inflation 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 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.

Management Initiatives

The County has undertaken several management initiatives in its ongoing mission to make its government more productive, streamlined, and efficient.

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 104, 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. Management continues to explore and monitor all areas of County government as potential candidates for further information technology enhancements and/or modifications.

LONG-TERM FINANCIAL POLICIES AND TOOLS

Performance Measurement

Beginning in FY 1998, management initiated a Performance Measurement system to ensure greater accountability to the citizens of Fairfax County, as well as provide better information for resource allocation decisions and enhance continuous improvement efforts. This system supports the regular collection of specific information regarding the results of service in Fairfax County. 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. The system places strong emphasis on these quantified objectives linked to a complete "Family of Measures" including output, efficiency, service quality, and outcome measures. The outcome measure is particularly important as it reflects the benefits County services have on customers, both internal and external (citizens). The Performance Measurement initiative is an iterative process, which continues to be reviewed and updated to ensure the most efficient and effective way to report performance to the public.

Performance Management/Pay for Performance

In FY 2001, a new performance management system for non-public safety employees was implemented. This system is based on an on-going dialogue between employees and supervisors regarding performance and expectations. In addition, the system focuses on employee evaluations, developing specific requirements for the employee's position, and links pay increases directly with performance. All employees are eligible for variable pay increases of 0, 2.5, 3, 3.5, 4, 4.5, 5, 5.5, 6, 6.5, or 7 percent, depending on their annual performance rating. In addition, high performing employees at the top of their pay range are eligible for either a 3 or 5 percent annual lump sum bonus. As with the Performance Measurement initiative, Performance Management/Pay for Performance will continue to be monitored and fine-tuned to achieve a system that is both effective and financially viable.

Capital Improvement Program (CIP)

In connection with a comprehensive land use plan, the Board of Supervisors annually reviews a five-year Capital Improvement Program (CIP). The CIP includes five years of project planning and forecasts project requirements for an additional three-year period. 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 utility facilities in the County. The CIP process provides a framework for careful 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 first year of the advertised five-year CIP is the foundation for the Capital Budget. Action by the Board of Supervisors to adopt the Capital Budget alters the first year of the CIP, as well. The remaining four years in the CIP serve as a general planning guide on the impact of undertaking the construction program. Future planning requirements three years beyond the CIP period are also included. The CIP is supported largely through long-term borrowing, which is budgeted annually in debt service or from General Fund revenues on a pay-as-you-go basis.

Financial, Statistical, And Summary Tables

This section includes:

- ▶ *Explanation of Schedules
(Page 186)*
- ▶ *General Fund Statement
(Page 188)*
- ▶ *Summary of Appropriated Funds
(Page 192)*
- ▶ *Tax Rates and Assessed
Valuation (Page 203)*
- ▶ *Summary of Revenues
(Page 210)*
- ▶ *Summary of Expenditures
(Page 224)*
- ▶ *Summary of Positions
(Page 238)*

EXPLANATION OF SCHEDULES

General Fund Statement

General Fund Statement: Presents information for Fund 001, 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.

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 by Type

Summary of Appropriated Funds: Includes Budget Year Summary of Beginning Balance, Revenues, Transfers In, Expenditures, and 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, Consumer Utilities, E-911 Fees, Sewage, Refuse Collection and Disposal, 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.

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 & Revenue from the Federal Government: Summarizes revenues from the Commonwealth of Virginia and from the Federal government by fund for the prior, current and upcoming fiscal year.

Summary of Expenditure Categories

Personnel Services Summary: Summarizes Personnel Services funding by major expense categories (regular salaries, COLA/MRA, 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 Employee Benefit Costs

by Category: Provides a breakdown of expenditures for all employee benefits by individual category, including health insurance, life insurance, FICA, unemployment, workers compensation, employee assistance programs 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 General Fund Operating Expenditures by Object Code: Provides a breakdown of General Fund Operating Expenses by major expenditure categories (object codes) for the prior, current and upcoming fiscal year.

Capital Equipment Funding Summary: Presents funding for equipment valued in excess of \$5,000. Includes items such as vehicles, furniture and computer equipment. Breakdown provided by categories of purchases (new, replacement, lease or new facility).

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.

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 Changes Detail: Narrative detailing position changes for the upcoming fiscal year.

Position Summaries: Details the position count and staff year equivalents (SYE) for the prior, current and upcoming fiscal year, including regular County positions, State positions, and County grant positions.

**FY 2003 ADOPTED GENERAL FUND STATEMENT
FUND 001, GENERAL FUND**

	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2001 Carryover	FY 2002 Third Quarter	Other Actions July - June	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
Beginning Balance	\$88,484,891	\$45,064,591	\$33,242,525	\$0	\$255,800	\$78,562,916	\$46,803,208	\$46,457,565	(\$32,105,351)	-40.87%
Revenue										
Real Property Taxes	\$1,085,995,525	\$1,226,142,926	\$0	\$986,485	\$2,598,206	\$1,229,727,617	\$1,408,041,365	\$1,384,758,240	\$155,030,623	12.61%
Personal Property Taxes ¹	317,487,645	248,359,099	0	2,416,568	19,343,119	270,118,786	267,675,592	267,236,545	(2,882,241)	-1.07%
General Other Local Taxes	360,365,264	372,204,163	0	(7,196,105)	(11,149,043)	353,859,015	351,719,305	355,199,911	1,340,896	0.38%
Permits, Fees & Regulatory Licenses	31,908,008	33,892,369	0	(587,072)	(4,314,457)	28,990,840	29,354,826	29,354,826	363,986	1.26%
Fines & Forfeitures	9,116,533	11,595,781	0	(104,411)	(1,466,919)	10,024,451	10,243,510	10,997,380	972,929	9.71%
Revenue from Use of Money & Property	58,939,714	44,674,492	0	1,733,006	(18,569,142)	27,838,356	26,148,239	32,737,042	4,898,686	17.60%
Charges for Services	32,751,935	33,000,331	0	207,602	901,461	34,109,394	34,906,731	34,906,731	797,337	2.34%
Revenue from the Commonwealth ¹	202,488,873	291,247,990	86,647	(2,823,493)	(21,867)	288,489,277	282,452,258	281,948,245	(6,541,032)	-2.27%
Revenue from the Federal Government	36,885,800	38,765,556	0	(1,355,036)	7,746	37,418,266	38,820,556	38,820,556	1,402,290	3.75%
Recovered Costs/Other Revenue	5,434,555	5,778,390	0	0	(196,081)	5,582,309	5,677,428	5,677,428	95,119	1.70%
Total Revenue	\$2,141,373,852	\$2,305,661,097	\$86,647	(\$6,722,456)	(\$12,866,977)	\$2,286,158,311	\$2,455,039,810	\$2,441,636,904	\$155,478,593	6.80%
Transfers In										
105 Cable Communications	\$1,683,800	\$1,614,594	\$0	\$0	\$0	\$1,614,594	\$1,465,732	\$1,465,732	(\$148,862)	-9.22%
503 Department of Vehicle Services	0	1,300,000	0	1,700,000	0	3,000,000	1,700,000	1,700,000	(1,300,000)	-43.33%
Total Transfers In	\$1,683,800	\$2,914,594	\$0	\$1,700,000	\$0	\$4,614,594	\$3,165,732	\$3,165,732	(\$1,448,862)	-31.40%
Total Available	\$2,231,542,543	\$2,353,640,282	\$33,329,172	(\$5,022,456)	(\$12,611,177)	\$2,369,335,821	\$2,505,008,750	\$2,491,260,201	\$121,924,380	5.15%
Direct Expenditures										
Personnel Services	\$450,909,274	\$483,005,920	\$871,842	(\$4,683,528)	(\$169,364)	\$479,024,870	\$518,471,671	\$513,704,866	\$34,679,996	7.24%
Operating Expenses	273,465,600	306,935,045	18,991,306	(8,854,962)	(235,626)	316,835,763	319,624,512	309,005,021	(7,830,742)	-2.47%
Recovered Costs	(30,474,872)	(32,357,228)	0	468,819	0	(31,888,409)	(31,348,082)	(31,795,876)	92,533	-0.29%
Capital Equipment	7,073,181	3,946,353	2,982,466	(514,073)	404,990	6,819,736	4,094,769	3,782,456	(3,037,280)	-44.54%
Fringe Benefits	108,577,744	111,515,658	496,510	497,435	0	112,509,603	121,533,953	120,670,575	8,160,972	7.25%
Total Direct Expenditures	\$809,550,927	\$873,045,748	\$23,342,124	(\$13,086,309)	\$0	\$883,301,563	\$932,376,823	\$915,367,042	\$32,065,479	3.63%

**FY 2003 ADOPTED GENERAL FUND STATEMENT
FUND 001, GENERAL FUND**

	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2001 Carryover	FY 2002 Third Quarter	Other Actions July - June	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
Transfers Out										
002 Revenue Stabilization	\$4,644,655	\$0	\$2,511,050	\$0	\$0	\$2,511,050	\$0	\$0	(\$2,511,050)	-100.00%
090 Public School Operating	988,000,908	1,078,090,014	1,821,742	0	0	1,079,911,756	1,156,261,517	1,167,861,517	87,949,761	8.14%
100 County Transit System	15,902,018	16,063,083	0	0	0	16,063,083	17,138,953	16,738,953	675,870	4.21%
103 Aging Grants & Programs	1,302,644	1,592,226	65,326	(21,041)	0	1,636,511	1,746,333	1,735,999	99,488	6.08%
104 Information Technology	18,393,266	13,395,000	0	(606,822)	0	12,788,178	9,031,626	5,921,626	(6,866,552)	-53.69%
106 Community Services Board	67,936,678	74,368,148	1,750,000	(1,523,801)	0	74,594,347	81,645,533	78,401,580	3,807,233	5.10%
110 Refuse Disposal	0	5,500,000	0	0	0	5,500,000	3,620,306	3,439,291	(2,060,709)	-37.47%
118 Consolidated Community Funding Pool	5,820,176	5,923,150	0	0	0	5,923,150	6,278,539	6,278,539	355,389	6.00%
119 Contributory Fund	6,198,375	6,682,638	15,000	0	0	6,697,638	6,613,984	6,456,429	(241,209)	-3.60%
120 E-911	2,587,445	3,796,353	0	1,494,823	0	5,291,176	4,911,678	4,666,094	(625,082)	-11.81%
141 Housing Programs for the Elderly	1,359,404	1,253,327	0	(62,666)	0	1,190,661	1,302,604	1,237,474	46,813	3.93%
144 Housing Trust Fund	1,900,000	0	300,000	0	0	300,000	0	0	(300,000)	-100.00%
200 County Debt Service	94,667,437	98,009,886	0	0	0	98,009,886	100,089,491	100,089,491	2,079,605	2.12%
201 School Debt Service	95,250,687	105,528,408	0	0	0	105,528,408	110,306,798	113,604,781	8,076,373	7.65%
302 Library Construction	240,000	0	0	0	0	0	0	0	0	-
303 County Construction	15,465,319	5,192,957	2,223,675	(3,159,819)	0	4,256,813	6,315,541	2,611,941	(1,644,872)	-38.64%
304 Primary & Secondary Rd Bond Constr	423,277	150,000	200,000	0	0	350,000	0	0	(350,000)	-100.00%
307 Sidewalk Construction	800,000	0	0	0	0	0	0	0	0	-
308 Public Works Construction	903,724	580,776	441,000	(171,499)	0	850,277	0	0	(850,277)	-100.00%
309 Metro Operations and Construction	12,673,283	11,450,844	0	0	0	11,450,844	12,272,714	12,272,714	821,870	7.18%
311 County Bond Construction	1,130,000	0	0	0	0	0	0	0	0	-
313 Trail Construction	150,000	200,000	0	0	0	200,000	0	0	(200,000)	-100.00%
340 Housing Assistance Program	2,883,404	1,850,000	0	0	0	1,850,000	1,850,000	1,600,000	(250,000)	-13.51%
500 Retiree Health	1,896,000	1,917,915	0	0	0	1,917,915	2,228,491	2,228,491	310,576	16.19%
504 Document Services Division	2,900,000	2,900,000	0	(145,000)	0	2,755,000	1,900,000	1,900,000	(855,000)	-31.03%
Total Transfers Out	\$1,343,428,700	\$1,434,444,725	\$9,327,793	(\$4,195,825)	\$0	\$1,439,576,693	\$1,523,514,108	\$1,527,044,920	\$87,468,227	6.08%
Total Disbursements	\$2,152,979,627	\$2,307,490,473	\$32,669,917	(\$17,282,134)	\$0	\$2,322,878,256	\$2,455,890,931	\$2,442,411,962	\$119,533,706	5.15%
Total Ending Balance	\$78,562,916	\$46,149,809	\$659,255	\$12,259,678	(\$12,611,177)	\$46,457,565	\$49,117,819	\$48,848,239	\$2,390,674	5.15%
Less:										
Managed Reserve	\$43,655,492	\$46,149,809	\$653,399	(\$345,643)	\$0	\$46,457,565	\$49,117,819	\$48,848,239	\$2,390,674	5.15%
Total Available	\$34,907,424	\$0	\$5,856	\$12,605,321	(\$12,611,177)	\$0	\$0	\$0	\$0	-

¹ 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 Revenue from the Commonwealth category in accordance with guidelines from the State Auditor of Public Accounts.

FY 2003 ADOPTED SUMMARY GENERAL FUND EXPENDITURES

#	Agency Title	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2001 Carryover	FY 2002 Third Quarter	Other Actions July - June	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
Legis - Exec Functions/Central Services											
01	Board of Supervisors	\$3,403,074	\$4,078,580	\$0	(\$40,133)	\$0	\$4,038,447	\$4,237,361	\$4,136,666	\$98,219	2.43%
02	Office of the County Executive	5,357,292	6,427,002	534,550	(321,350)	0	6,640,202	6,791,809	6,498,139	(142,063)	-2.14%
04	Department of Cable Communications and Consumer Protection	1,370,109	1,695,645	84,826	(84,782)	0	1,695,689	1,778,919	1,689,904	(5,785)	-0.34%
06	Department of Finance	6,019,870	6,466,849	298,020	(323,342)	0	6,441,527	7,211,110	6,910,054	468,527	7.27%
11	Department of Human Resources	5,705,014	6,272,104	320,427	(255,105)	0	6,337,426	6,509,135	6,183,678	(153,748)	-2.43%
12	Department of Purchasing and Supply Management	3,442,797	3,772,351	50,145	(188,618)	0	3,633,878	4,132,282	4,010,668	376,790	10.37%
13	Office of Public Affairs	666,734	851,275	67,639	(42,564)	0	876,350	903,075	857,921	(18,429)	-2.10%
15	Electoral Board and General Registrar	2,161,594	3,042,465	1,115,351	(152,123)	0	4,005,693	2,119,533	2,013,545	(1,992,148)	-49.73%
17	Office of the County Attorney	5,077,620	5,482,940	332,313	(274,147)	0	5,541,106	5,674,035	5,410,333	(130,773)	-2.36%
20	Department of Management and Budget	2,542,330	3,030,498	93,903	(151,525)	0	2,972,876	3,132,676	2,976,042	3,166	0.11%
37	Office of the Financial and Program Auditor	160,771	179,210	2,400	(775)	0	180,835	187,835	185,487	4,652	2.57%
41	Civil Service Commission	173,152	187,170	2,679	(3,708)	0	186,141	196,191	196,191	10,050	5.40%
57	Department of Tax Administration	18,712,258	19,558,598	420,434	(688,883)	0	19,290,149	20,548,429	19,931,438	641,289	3.32%
70	Department of Information Technology	16,730,132	20,746,042	973,115	(1,037,302)	0	20,681,855	21,962,617	21,014,486	332,631	1.61%
	Total Legis - Exec Functions/Central Services	\$71,522,747	\$81,790,729	\$4,295,802	(\$3,564,357)	\$0	\$82,522,174	\$85,385,007	\$82,014,552	(\$507,622)	-0.62%
Judicial Administration											
80	Circuit Court and Records	\$7,874,131	\$8,816,442	\$310,121	(\$121,558)	\$0	\$9,005,005	\$9,140,032	\$8,920,032	(\$84,973)	-0.94%
82	Office of the Commonwealth's Attorney	1,541,497	2,015,273	44,727	(237,765)	0	1,822,235	2,099,578	1,994,599	172,364	9.46%
85	General District Court	1,525,163	1,618,606	52,347	(17,000)	0	1,653,953	1,626,059	1,586,059	(67,894)	-4.10%
91	Office of the Sheriff	12,575,532	12,202,881	97,455	1,082,270	0	13,382,606	14,288,208	14,123,208	740,602	5.53%
	Total Judicial Administration	\$23,516,323	\$24,653,202	\$504,650	\$705,947	\$0	\$25,863,799	\$27,153,877	\$26,623,898	\$760,099	2.94%
Public Safety ¹											
04	Department of Cable Communications and Consumer Protection	\$878,073	\$981,693	\$5,940	(\$49,085)	\$0	\$938,548	\$1,021,385	\$970,385	\$31,837	3.39%
31	Land Development Services	9,010,703	9,677,786	152,027	(385,286)	0	9,444,527	10,327,065	9,947,557	503,030	5.33%
81	Juvenile and Domestic Relations District Court	16,078,098	17,089,796	375,152	(329,000)	0	17,135,948	17,675,329	17,375,329	239,381	1.40%
90	Police Department	106,508,520	115,410,566	1,119,440	0	0	116,530,006	130,128,979	129,325,400	12,795,394	10.98%
91	Office of the Sheriff	29,184,817	29,862,680	201,830	(67,401)	0	29,997,109	30,639,234	29,764,234	(232,875)	-0.78%
92	Fire and Rescue Department	95,487,186	103,219,165	2,261,543	1,949,083	0	107,429,791	112,062,529	111,188,509	3,758,718	3.50%
96	Animal Shelter	770,772	1,041,469	41,295	0	0	1,082,764	0	0	(1,082,764)	-100.00%
	Total Public Safety	\$257,918,169	\$277,283,155	\$4,157,227	\$1,118,311	\$0	\$282,558,693	\$301,854,521	\$298,571,414	\$16,012,721	5.67%
Public Works											
08	Facilities Management Division	\$30,047,194	\$31,269,192	\$3,790,245	\$300,000	\$0	\$35,359,437	\$34,154,262	\$33,102,262	(\$2,257,175)	-6.38%
25	Business Planning and Support	2,172,741	2,707,187	87,744	(135,359)	0	2,659,572	2,683,095	2,548,940	(110,632)	-4.16%
26	Office of Capital Facilities	7,934,010	8,338,763	73,050	(201,938)	0	8,209,875	8,825,296	8,484,031	274,156	3.34%
29	Stormwater Management	6,676,784	8,065,911	576,396	(472,916)	0	8,169,391	8,558,203	8,290,293	120,902	1.48%
87	Unclassified Administrative Expenses	189,419	220,474	0	0	0	220,474	220,474	220,474	0	0.00%
	Total Public Works	\$47,020,148	\$50,601,527	\$4,527,435	(\$510,213)	\$0	\$54,618,749	\$54,441,330	\$52,646,000	(\$1,972,749)	-3.61%

FY 2003 ADOPTED SUMMARY GENERAL FUND EXPENDITURES

#	Agency Title	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2001 Carryover	FY 2002 Third Quarter	Other Actions July - June	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
Health and Welfare											
05	Office for Women	\$396,876	\$481,055	\$1,277	(\$2,080)	\$0	\$480,252	\$506,446	\$481,124	\$872	0.18%
67	Department of Family Services	145,285,927	162,832,483	1,583,652	(6,778,965)	0	157,637,170	167,277,725	\$164,992,586	9,640,555	6.12%
68	Department of Administration for Human Services	10,651,955	12,023,896	151,655	(551,195)	0	11,624,356	12,423,541	12,004,717	380,361	3.27%
69	Department of Systems Management for Human Services	4,416,206	5,182,945	356,230	(259,147)	0	5,280,028	5,475,867	5,202,074	(77,954)	-1.48%
71	Health Department	33,914,140	36,738,300	808,555	0	0	37,546,855	39,095,159	38,059,540	512,685	1.37%
	Total Health and Welfare	\$194,665,104	\$217,258,679	\$2,901,369	(\$7,591,387)	\$0	\$212,568,661	\$224,778,738	\$220,740,041	\$8,171,380	3.84%
Parks, Recreation and Cultural											
50	Department of Community and Recreation Services	\$14,268,980	\$12,234,602	\$160,043	(\$566,419)	\$0	\$11,828,226	\$12,544,207	\$12,145,380	\$317,154	2.68%
51	Fairfax County Park Authority	19,818,436	24,146,994	181,926	(407,350)	0	23,921,570	24,911,937	24,266,258	990,367	4.14%
52	Fairfax County Public Library	27,190,450	27,341,066	171,198	(1,367,053)	0	26,145,211	28,433,467	27,722,631	1,577,420	6.03%
	Total Parks, Recreation and Cultural	\$61,277,866	\$63,722,662	\$513,167	(\$2,340,822)	\$0	\$61,895,007	\$65,889,611	\$64,134,269	\$2,239,262	3.62%
Community Development											
16	Economic Development Authority	\$6,713,354	\$6,837,644	\$400,000	(\$341,882)	\$0	\$6,895,762	\$6,908,121	\$6,562,715	(\$333,047)	-4.83%
31	Land Development Services	8,134,963	9,184,998	509,528	(557,853)	0	9,136,673	9,737,038	9,398,341	261,668	2.86%
35	Department of Planning and Zoning	8,018,382	8,752,959	44,578	(400,648)	0	8,396,889	9,093,231	8,820,847	423,958	5.05%
36	Planning Commission	599,159	630,792	0	(3,000)	0	627,792	648,870	648,870	21,078	3.36%
38	Department of Housing and Community Development	4,705,286	5,662,290	526,332	(283,155)	0	5,905,467	5,600,815	5,320,774	(584,693)	-9.90%
39	Office of Human Rights	1,131,293	1,241,194	0	(62,060)	0	1,179,134	1,291,370	1,271,426	92,292	7.83%
40	Department of Transportation	3,750,494	6,074,519	229,946	(952,625)	0	5,351,840	5,905,197	5,789,937	438,097	8.19%
	Total Community Development	\$33,052,931	\$38,384,396	\$1,710,384	(\$2,601,223)	\$0	\$37,493,557	\$39,184,642	\$37,812,910	\$319,353	0.85%
Non-Departmental											
87	Unclassified Administrative Expenses	\$3,485,451	\$4,283,582	\$3,682,747	\$656,196	\$0	\$8,622,525	\$4,454,797	\$4,454,797	(\$4,167,728)	-48.34%
89	Employee Benefits	117,092,188	115,067,816	1,049,343	1,041,239	0	117,158,398	129,234,300	128,369,161	11,210,763	9.57%
	Total Non-Departmental	\$120,577,639	\$119,351,398	\$4,732,090	\$1,697,435	\$0	\$125,780,923	\$133,689,097	\$132,823,958	\$7,043,035	5.60%
	Total General Fund Direct Expenditures	\$809,550,927	\$873,045,748	\$23,342,124	(\$13,086,309)	\$0	\$883,301,563	\$932,376,823	\$915,367,042	\$32,065,479	3.63%

¹ As part of the FY 2003 Adopted Budget Plan, Agency 96, Animal Shelter was consolidated with Agency 90, Police Department.

**FY 2003 ADOPTED SUMMARY
OF APPROPRIATED FUNDS BY FUND TYPE**

	General Fund	Special Revenue Funds ¹	Debt Service Funds	Capital Projects Funds	Enterprise Funds ²	Internal Service Funds ³	Trust Funds	Agency Funds
<i>Beginning Fund Balance</i>	\$74,465,116	\$99,597,000	\$85,537	\$4,625,263	\$192,166,390	\$67,581,893	\$4,826,792,508	\$31,187
<i>Revenues</i>	\$2,442,328,071	\$700,063,238	\$320,000	\$202,880,829	\$118,412,000	\$293,550,428	\$516,412,153	\$6,863,962
<i>Transfers In</i>	\$3,165,732	\$1,313,427,318	\$213,904,822	\$32,760,364	\$141,329,583	\$4,421,733	\$0	\$0
Total Available	\$2,519,958,919	\$2,113,087,556	\$214,310,359	\$240,266,456	\$451,907,973	\$365,554,054	\$5,343,204,661	\$6,895,149
<i>Expenditures</i>	\$915,367,042	\$1,989,367,184	\$214,310,359	\$236,878,093	\$141,303,183	\$305,868,584	\$286,804,543	\$6,863,962
<i>Transfers Out</i>	\$1,527,044,920	\$35,664,625	\$0	\$3,270,424	\$141,329,583	\$1,700,000	\$0	\$0
Total Disbursements	\$2,442,411,962	\$2,025,031,809	\$214,310,359	\$240,148,517	\$282,632,766	\$307,568,584	\$286,804,543	\$6,863,962
Ending Fund Balance	\$77,546,957	\$88,055,747	\$0	\$117,939	\$169,275,207	\$57,985,470	\$5,056,400,118	\$31,187

¹ Not reflected are the following adjustments to balance which were carried forward from FY 2002 to FY 2003:

Fund 090, Public School Operating, assumes available balance of \$10,000,000 to be carried forward to balance the FY 2003 budget.

Fund 104, Information Technology, assumes carryover of available FY 2002 project balances of \$1,039,577 to balance the FY 2003 budget.

² Not reflected is the following adjustment to balance which was carried forward from FY 2002 to FY 2003:

Fund 403, Sewer Bond Parity Debt Service, non-appropriated amortization expense of (\$79,097)

³ Not reflected are the following adjustments to balance which were carried forward from FY 2002 to FY 2003:

Fund 590, Public School Insurance, net change in accrued liability of \$403,032

Fund 591, School Health Benefits Trust, assumes carryover of premium stabilization reserve balance of \$4,464,235

**FY 2003 ADOPTED REVENUE AND RECEIPTS BY FUND
SUMMARY OF APPROPRIATED FUNDS**

Fund Type/ Fund	FY 2001 Actual ¹	FY 2002 Adopted Budget Plan ²	FY 2002 Revised Budget Plan ³	FY 2003 Advertised Budget Plan ⁴	FY 2003 Adopted Budget Plan ⁵	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
GOVERNMENTAL FUNDS							
G00 General Fund Group							
001 General Fund	\$2,141,373,852	\$2,305,661,097	\$2,286,158,311	\$2,455,039,810	\$2,441,636,904	\$155,478,593	6.80%
002 Revenue Stabilization Fund	1,440,383	1,175,070	1,175,070	691,167	691,167	(483,903)	-41.18%
Total General Fund Group	\$2,142,814,235	\$2,306,836,167	\$2,287,333,381	\$2,455,730,977	\$2,442,328,071	\$154,994,690	6.78%
G10 Special Revenue Funds							
090 Public School Operating	\$381,739,730	\$382,103,835	\$387,406,737	\$379,858,539	\$379,858,539	(\$7,548,198)	-1.95%
100 County Transit Systems	13,260,701	5,906,360	7,531,645	6,625,000	6,625,000	(906,645)	-12.04%
102 Federal/State Grant Fund	32,124,276	43,188,175	89,858,368	45,094,458	45,094,458	(44,763,910)	-49.82%
103 Aging Grants and Programs	2,367,674	2,264,628	2,976,141	2,383,999	2,406,073	(570,068)	-19.15%
104 Information Technology	2,739,995	1,440,000	1,567,674	1,162,000	1,162,000	(405,674)	-25.88%
105 Cable Communications	10,360,952	11,060,862	11,060,862	11,021,424	11,021,424	(39,438)	-0.36%
106 Community Services Board	30,421,320	32,968,505	34,308,714	30,400,316	31,415,193	(2,893,521)	-8.43%
108 Leaf Collection	861,137	771,314	819,825	752,298	752,298	(67,527)	-8.24%
109 Refuse Collection & Recycling Ops	12,294,087	12,048,826	12,144,126	12,077,017	12,031,917	(112,209)	-0.92%
110 Refuse Disposal	32,517,118	31,791,198	35,174,320	42,954,327	43,135,342	7,961,022	22.63%
111 Reston Community Center	4,791,138	4,961,900	5,363,900	5,788,595	5,280,956	(82,944)	-1.55%
112 Energy Resource Recovery Facility	31,055,213	30,836,469	30,836,469	33,631,273	33,631,273	2,794,804	9.06%
113 McLean Community Center	2,746,211	2,822,040	2,840,717	3,032,213	3,032,213	191,496	6.74%
114 I-95 Refuse Disposal	9,928,785	8,700,340	8,700,340	6,640,942	6,640,942	(2,059,398)	-23.67%
115 Burgundy Village Community Center	26,898	28,414	27,358	28,556	28,556	1,198	4.38%
116 Forest Integrated Pest Management Program	950,062	886,551	1,086,263	977,225	977,225	(109,038)	-10.04%
120 E-911 Fund	16,876,933	18,549,140	17,667,355	19,373,487	19,619,071	1,951,716	11.05%
141 Elderly Housing Programs	1,694,406	1,704,066	1,704,066	1,747,783	1,747,783	43,717	2.57%
142 Community Development Block Grant	5,471,730	6,370,000	13,903,055	6,235,000	6,235,000	(7,668,055)	-55.15%
143 Homeowner and Business Loan Prgms	980,435	1,161,733	2,352,017	1,088,132	1,088,132	(1,263,885)	-53.74%
144 Housing Trust Fund	1,003,774	1,200,000	1,200,000	966,843	966,843	(233,157)	-19.43%
145 HOME Investment Partnership Grant	1,328,987	2,081,000	5,318,496	2,078,000	2,078,000	(3,240,496)	-60.93%
191 School Food & Nutrition Services	48,674,334	48,515,243	48,499,517	49,557,257	49,557,257	1,057,740	2.18%
192 School Grants & Self Supporting	22,792,154	25,411,282	34,062,309	27,306,459	27,306,459	(6,755,850)	-19.83%
193 School Adult & Community Education	7,822,555	8,473,910	9,032,661	8,371,284	8,371,284	(661,377)	-7.32%
Total Special Revenue Funds	\$674,830,605	\$685,245,791	\$765,442,935	\$699,152,427	\$700,063,238	(\$65,379,697)	-8.54%
G20 Debt Service Funds							
200 County Debt Service	\$268,908	\$25,000	\$25,000	\$120,000	\$120,000	\$95,000	380.00%
201 School Debt Service	326,924	0	0	200,000	200,000	200,000	-
Total Debt Service Funds	\$595,832	\$25,000	\$25,000	\$320,000	\$320,000	\$295,000	1180.00%

**FY 2003 ADOPTED REVENUE AND RECEIPTS BY FUND
SUMMARY OF APPROPRIATED FUNDS**

Fund Type/ Fund	FY 2001 Actual¹	FY 2002 Adopted Budget Plan²	FY 2002 Revised Budget Plan³	FY 2003 Advertised Budget Plan⁴	FY 2003 Adopted Budget Plan⁵	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
G30 Capital Project Funds							
301 Contributed Roadway Improvement	\$5,754,446	\$6,281,840	\$14,308,651	\$4,853,653	\$4,853,653	(\$9,454,998)	-66.08%
302 Library Construction	0	0	3,850,000	0	0	(3,850,000)	-100.00%
303 County Construction	4,736,687	6,599,552	8,849,552	6,242,776	6,867,776	(1,981,776)	-22.39%
304 Primary & Secondary Rd Bond Construction	11,221,662	0	24,698,775	1,000,000	500,000	(24,198,775)	-97.98%
306 No VA Regional Park Authority	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	0	0.00%
307 Sidewalk Construction	1,300,169	300,000	3,078,433	300,000	300,000	(2,778,433)	-90.25%
308 Public Works Construction	2,836,298	1,385,224	2,050,273	2,920,000	2,920,000	869,727	42.42%
309 Metro Operations & Construction	13,000,000	4,918,523	4,918,523	12,154,147	12,154,147	7,235,624	147.11%
310 Storm Drainage Bond Construction	0	0	3,572,938	0	939,363	(2,633,575)	-73.71%
311 County Bond Construction	1,696,174	0	21,802,515	3,710,000	3,710,000	(18,092,515)	-82.98%
312 Public Safety Construction	12,108,597	1,948,000	58,748,436	9,305,338	9,305,338	(49,443,098)	-84.16%
313 Trail Construction	109	0	508,995	200,000	75,000	(433,995)	-85.27%
314 Neighborhood Improvement Program	1,844,310	35,000	3,024,069	45,000	45,000	(2,979,069)	-98.51%
315 Commercial Revitalization Program	100,794	0	14,459,449	0	0	(14,459,449)	-100.00%
316 Pro Rata Share Drainage Construction	2,167,272	3,483,000	22,562,236	135,000	135,000	(22,427,236)	-99.40%
340 Housing Assistance Program	952,949	0	9,291,480	0	0	(9,291,480)	-100.00%
341 Housing G O Bond Construction	0	0	324,670	0	0	(324,670)	-100.00%
370 Park Authority Bond Construction	5,601,004	21,520,000	31,474,334	19,890,000	19,890,000	(11,584,334)	-36.81%
390 School Construction	140,398,319	132,524,527	364,546,654	132,535,552	138,935,552	(225,611,102)	-61.89%
Total Capital Project Funds	\$205,968,790	\$181,245,666	\$594,319,983	\$195,541,466	\$202,880,829	(\$391,439,154)	-65.86%
TOTAL GOVERNMENTAL FUNDS	\$3,024,209,462	\$3,173,352,624	\$3,647,121,299	\$3,350,744,870	\$3,345,592,138	(\$301,529,161)	-8.27%
PROPRIETARY FUNDS							
G40 Enterprise Funds							
400 Sewer Revenue	\$156,316,479	\$117,222,000	\$167,222,000	\$118,112,000	\$118,112,000	(\$49,110,000)	-29.37%
401 Sewer Operation & Maintenance	182,200	100,000	100,000	0	0	(100,000)	-100.00%
402 Sewer Construction Improvements	95,217	0	0	0	0	0	-
408 Sewer Bond Construction	8,091,504	300,000	3,000,000	300,000	300,000	(2,700,000)	-90.00%
Total Enterprise Funds	\$164,685,400	\$117,622,000	\$170,322,000	\$118,412,000	\$118,412,000	(\$51,910,000)	-30.48%

**FY 2003 ADOPTED REVENUE AND RECEIPTS BY FUND
SUMMARY OF APPROPRIATED FUNDS**

Fund Type/ Fund	FY 2001 Actual¹	FY 2002 Adopted Budget Plan²	FY 2002 Revised Budget Plan³	FY 2003 Advertised Budget Plan⁴	FY 2003 Adopted Budget Plan⁵	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
G50 Internal Service Funds							
501 County Insurance Fund	\$9,501,530	\$6,284,205	\$6,835,870	\$9,016,552	\$9,016,552	\$2,180,682	31.90%
502 County Central Stores	1,365,601	1,323,290	1,486,397	1,418,903	1,418,903	(67,494)	-4.54%
503 Department of Vehicle Services	42,538,528	46,052,399	46,052,399	47,863,971	46,336,407	284,008	0.62%
504 Document Services Division	4,643,290	4,732,486	4,732,486	4,980,534	4,980,534	248,048	5.24%
505 Technology Infrastructure Services	17,015,115	20,167,395	20,167,395	19,612,324	19,612,324	(555,071)	-2.75%
506 Health Benefits Trust	39,286,270	41,192,355	44,712,522	49,915,655	49,915,655	5,203,133	11.64%
590 School Insurance Fund	5,413,864	4,476,293	3,527,136	5,793,240	5,793,240	2,266,104	64.25%
591 School Health Benefits Trust	98,224,235	99,638,583	114,834,335	142,476,813	142,476,813	27,642,478	24.07%
592 School Central Procurement	10,218,843	14,000,000	14,000,000	14,000,000	14,000,000	0	0.00%
Total Internal Service Funds	\$228,207,276	\$237,867,006	\$256,348,540	\$295,077,992	\$293,550,428	\$37,201,888	14.51%
TOTAL PROPRIETARY FUNDS	\$392,892,676	\$355,489,006	\$426,670,540	\$413,489,992	\$411,962,428	(\$14,708,112)	-3.45%
FIDUCIARY FUNDS							
G60 Trust Funds							
600 Uniformed Retirement	\$11,564,643	\$76,185,306	\$76,185,306	\$77,133,972	\$77,133,972	\$948,666	1.25%
601 Fairfax County Employees' Retirement	56,544,975	195,327,867	195,327,867	197,686,589	197,686,589	2,358,722	1.21%
602 Police Retirement	12,000,841	72,821,256	72,821,256	73,482,142	73,482,142	660,886	0.91%
691 Educational Employees' Retirement	49,818,441	184,333,129	184,333,129	168,109,450	168,109,450	(16,223,679)	-8.80%
Total Trust Funds	\$129,928,900	\$528,667,558	\$528,667,558	\$516,412,153	\$516,412,153	(\$12,255,405)	-2.32%
G70 Agency Funds							
700 Route 28 Taxing District	\$5,553,507	\$6,087,185	\$6,087,185	\$6,863,962	\$6,863,962	\$776,777	12.76%
TOTAL FIDUCIARY FUNDS	\$135,482,407	\$534,754,743	\$534,754,743	\$523,276,115	\$523,276,115	(\$11,478,628)	-2.15%
TOTAL APPROPRIATED FUNDS	\$3,552,584,545	\$4,063,596,373	\$4,608,546,582	\$4,287,510,977	\$4,280,830,681	(\$327,715,901)	-7.11%
Appropriated From (Added to) Surplus	\$70,633,071	(\$225,383,107)	\$193,086,560	(\$214,548,169)	(\$199,895,478)	(\$392,982,038)	-203.53%
TOTAL AVAILABLE	\$3,623,217,616	\$3,838,213,266	\$4,801,633,142	\$4,072,962,808	\$4,087,615,499	(\$714,017,643)	-14.87%
Less: Internal Service Funds	(\$234,094,680)	(\$258,921,816)	(\$282,886,820)	(\$305,868,584)	(\$305,868,584)	(\$22,981,764)	8.12%
NET AVAILABLE	\$3,389,122,936	\$3,579,291,450	\$4,518,746,322	\$3,767,094,224	\$3,781,746,915	(\$4,533,399,013)	-119.88%

FY 2003 ADOPTED REVENUE AND RECEIPTS BY FUND SUMMARY OF APPROPRIATED FUNDS

Fund Type/ Fund	FY 2001 Actual ¹	FY 2002 Adopted Budget Plan ²	FY 2002 Revised Budget Plan ³	FY 2003 Advertised Budget Plan ⁴	FY 2003 Adopted Budget Plan ⁵	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 on the "Expenditure by Fund/Summary of Appropriated Funds."

¹ Not reflected are the following adjustments to balance which were carried forward from FY 2000 to FY 2001:

Fund 191, School Food and Nutrition Services, change in inventory of \$380,830
Fund 403, Sewer Bond Parity Debt Service, non-appropriated amortization expense of (\$79,097)
Fund 590, Public School Insurance, net change in accrued liability of (\$718,218)

² Not reflected are the following adjustments to balance which were carried forward from FY 2001 to FY 2002

Fund 090, Public School Operating, assumption of available balance at the FY 2002 Third Quarter Review of \$10,000,000
Fund 192, School Grants & Self Supporting, assumes carryover of 2001 summer school ending balance of \$1,500,000.
Fund 303, County Construction, assumes carryover of \$500,000 associated with lower than anticipated interest payments for conservation bonds.
Fund 403, Sewer Bond Parity Debt Service, non-appropriated amortization expense of (\$79,097)
Fund 590, Public School Insurance, net change in accrued liability of \$336,717
Fund 591, School Health Benefits Trust, premium stabilization of \$11,161,180

³ Not reflected are the following adjustments to balance which were carried forward from FY 2001 to FY 2002

Fund 403, Sewer Bond Debt Service, non-appropriated amortization expense of (\$79,097)
Fund 590, Public School Insurance, net change in accrued liability of \$336,717

⁴ Not reflected are the following adjustments to balance which were carried forward from FY 2002 to FY 2003

Fund 001, General Fund, assumption of impact of FY 2002 Third Quarter Review adjustments of \$12,605,321 to offset the revenue shortfall.
Fund 090, Public School Operating, assumes carryover of available FY 2002 balance of \$10,000,000 to balance the FY 2003 budget.
Fund 403, Sewer Bond Parity Debt Service, non-appropriated amortization expense of (\$79,097)
Fund 590, Public School Insurance, net change in accrued liability of \$403,032
Fund 591, School Health Benefits Trust, assumes carryover of premium stabilization reserve of \$4,464,235.

⁵ Not reflected are the following adjustments to balance which were carried forward from FY 2002 to FY 2003

Fund 090, Public School Operating, assumes carryover of available FY 2002 balance of \$10,000,000 to balance the FY 2003 budget.
Fund 104, Information Technology, assumes carryover of available FY 2002 project balances of \$1,039,577 to balance the FY 2003 budget.
Fund 403, Sewer Bond Parity Debt Service, non-appropriated amortization expense of (\$79,097)
Fund 590, Public School Insurance, net change in accrued liability of \$403,032
Fund 591, School Health Benefits Trust, assumes carryover of premium stabilization reserve of \$4,464,235.

**FY 2003 ADOPTED EXPENDITURES BY FUND
SUMMARY OF APPROPRIATED FUNDS**

Fund Type/Fund	FY 2001 Estimate	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
GOVERNMENTAL FUNDS								
G00 General Fund Group								
001 General Fund	\$839,345,876	\$809,550,927	\$873,045,748	\$883,301,563	\$932,376,823	\$915,367,042	\$32,065,479	3.63%
G10 Special Revenue Funds								
090 Public School Operating	\$1,403,390,987	\$1,353,943,743	\$1,443,646,441	\$1,492,934,786	\$1,507,918,039	\$1,525,256,289	\$32,321,503	2.16%
100 County Transit Systems	42,225,919	35,212,991	24,250,546	31,583,741	25,199,377	24,799,377	(6,784,364)	-21.48%
102 Federal/State Grant Fund	68,483,775	31,275,620	43,188,175	90,782,371	45,094,458	45,094,458	(45,687,913)	-50.33%
103 Aging Grants and Programs	4,437,870	3,692,471	3,856,854	5,148,349	4,130,332	4,142,072	(1,006,277)	-19.55%
104 Information Technology	35,756,910	11,091,273	14,835,000	40,098,951	10,193,626	8,123,203	(31,975,748)	-79.74%
105 Cable Communications	18,964,905	4,271,246	4,806,953	19,146,883	5,770,594	5,770,594	(13,376,289)	-69.86%
106 Community Services Board	97,667,164	97,013,447	107,636,653	110,391,730	112,045,849	109,816,773	(574,957)	-0.52%
108 Leaf Collection	1,142,602	1,142,231	1,099,456	1,277,693	1,179,256	1,179,256	(98,437)	-7.70%
109 Refuse Collection & Recycling Ops	13,174,471	12,141,741	13,931,140	14,587,430	14,381,528	14,381,528	(205,902)	-1.41%
110 Refuse Disposal	37,377,080	35,858,383	37,957,010	42,851,458	46,578,027	46,578,027	3,726,569	8.70%
111 Reston Community Center	4,809,754	4,786,617	5,104,119	5,504,239	5,791,907	5,791,907	287,668	5.23%
112 Energy Resource Recovery Facility	31,638,417	29,642,650	33,895,781	33,895,781	33,891,795	33,891,795	(3,986)	-0.01%
113 McLean Community Center	2,625,104	2,300,032	2,728,129	3,026,681	2,813,976	2,813,976	(212,705)	-7.03%
114 I-95 Refuse Disposal	28,324,550	11,179,299	13,915,403	30,393,983	5,671,914	5,671,914	(24,722,069)	-81.34%
115 Burgundy Village Community Center	22,554	20,395	22,690	26,850	23,155	23,155	(3,695)	-13.76%
116 Forest Integrated Pest Management Program	863,319	432,636	874,100	913,999	902,156	902,156	(11,843)	-1.30%
118 Consolidated Community Funding Pool	6,159,155	5,840,963	5,923,150	6,241,342	6,278,539	6,278,539	37,197	0.60%
119 Contributory Fund	6,198,375	5,927,929	6,682,638	6,845,586	6,736,482	6,578,927	(266,659)	-3.90%
120 E-911 Fund	26,720,491	19,176,166	22,345,493	30,738,228	24,285,165	24,285,165	(6,453,063)	-20.99%
141 Elderly Housing Programs	3,213,485	2,896,026	3,105,310	3,311,036	3,152,706	3,130,706	(180,330)	-5.45%
142 Community Development Block Grant	13,798,588	6,103,296	6,370,000	14,395,803	6,235,000	6,235,000	(8,160,803)	-56.69%
143 Homeowner and Business Loan Prgms	4,254,804	765,345	1,161,733	4,655,794	1,088,132	1,088,132	(3,567,662)	-76.63%
144 Housing Trust Fund	10,459,033	716,231	1,200,000	11,246,576	966,843	966,843	(10,279,733)	-91.40%
145 HOME Investment Partnership Grant	4,580,997	1,307,203	2,081,000	5,427,769	2,078,000	2,078,000	(3,349,769)	-61.72%
191 School Food & Nutrition Services	52,378,319	51,097,564	50,028,308	51,622,248	49,557,257	49,557,257	(2,064,991)	-4.00%
192 School Grants & Self Supporting	47,192,036	34,076,423	39,624,038	50,837,237	45,460,720	45,460,720	(5,376,517)	-10.58%
193 School Adult & Community Education	14,219,848	9,426,599	9,574,041	13,915,075	9,471,415	9,471,415	(4,443,660)	-31.93%
Total Special Revenue Funds	\$1,980,080,512	\$1,771,338,520	\$1,899,844,161	\$2,121,801,619	\$1,976,896,248	\$1,989,367,184	(\$132,434,435)	-6.24%
G20 Debt Service Funds								
200 County Debt Service	\$95,858,166	\$95,542,624	\$99,116,671	\$99,631,721	\$100,462,441	\$100,462,441	\$830,720	0.83%
201 School Debt Service	97,999,324	97,668,718	107,426,034	108,040,427	116,288,185	113,847,918	5,807,491	5.38%
Total Debt Service Funds	\$193,857,490	\$193,211,342	\$206,542,705	\$207,672,148	\$216,750,626	\$214,310,359	\$6,638,211	3.20%

**FY 2003 ADOPTED EXPENDITURES BY FUND
SUMMARY OF APPROPRIATED FUNDS**

Fund Type/Fund	FY 2001 Estimate	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
G30 Capital Project Funds								
300 Countywide Roadway Improvement	\$2,535,831	\$119,954	\$0	\$2,415,877	\$0	\$0	(\$2,415,877)	-100.00%
301 Contributed Roadway Improvement	35,291,829	1,675,523	6,281,840	41,689,525	4,743,653	4,743,653	(36,945,872)	-88.62%
302 Library Construction	6,279,005	523,958	0	5,763,239	0	0	(5,763,239)	-100.00%
303 County Construction	32,674,736	12,177,439	12,292,509	33,797,111	14,183,317	11,104,717	(22,692,394)	-67.14%
304 Primary & Secondary Rd Bond Construction	47,421,967	6,661,504	150,000	37,989,698	1,000,000	500,000	(37,489,698)	-98.68%
306 No VA Regional Park Authority	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	0	0.00%
307 Sidewalk Construction	8,232,845	1,789,661	300,000	7,800,416	300,000	300,000	(7,500,416)	-96.15%
308 Public Works Construction	13,910,654	3,159,460	1,966,000	13,091,695	2,920,000	2,920,000	(10,171,695)	-77.70%
309 Metro Operations & Construction	27,108,878	18,327,688	14,933,943	19,559,959	27,553,761	27,553,761	7,993,802	40.87%
310 Storm Drainage Bond Construction	3,848,961	128,324	0	3,720,637	0	939,363	(2,781,274)	-74.75%
311 County Bond Construction	31,154,205	4,849,952	0	30,504,252	2,085,000	2,085,000	(28,419,252)	-93.16%
312 Public Safety Construction	68,936,222	10,493,820	1,948,000	60,390,402	9,305,338	9,305,338	(51,085,064)	-84.59%
313 Trail Construction	1,003,956	129,352	200,000	1,074,604	200,000	75,000	(999,604)	-93.02%
314 Neighborhood Improvement Program	5,747,836	2,662,181	0	3,085,655	0	0	(3,085,655)	-100.00%
315 Commercial Revitalization Program	15,183,751	689,264	0	14,980,487	0	0	(14,980,487)	-100.00%
316 Pro Rata Share Drainage Construction	15,239,928	2,167,094	3,483,000	22,565,209	135,000	135,000	(22,430,209)	-99.40%
340 Housing Assistance Program	12,569,301	692,466	1,850,000	14,185,815	1,850,000	1,600,000	(12,585,815)	-88.72%
341 Housing G O Bond Construction	424,921	14,040	0	410,881	0	0	(410,881)	-100.00%
370 Park Authority Bond Construction	22,999,978	8,438,504	21,520,000	36,091,474	19,890,000	19,890,000	(16,201,474)	-44.89%
390 School Construction	358,945,538	122,577,047	146,631,077	423,587,521	147,076,261	153,476,261	(270,111,260)	-63.77%
Total Capital Project Funds	\$711,760,342	\$199,527,231	\$213,806,369	\$774,954,457	\$233,492,330	\$236,878,093	(\$538,076,364)	-69.43%
TOTAL GOVERNMENTAL FUNDS	\$3,725,044,220	\$2,973,628,020	\$3,193,238,983	\$3,987,729,787	\$3,359,516,027	\$3,355,922,678	(\$631,807,109)	-15.84%
PROPRIETARY FUNDS								
G40 Enterprise Funds								
401 Sewer Operation & Maintenance	\$62,328,388	\$56,710,318	\$61,208,222	\$66,455,862	\$63,826,040	\$63,826,040	(\$2,629,822)	-3.96%
402 Sewer Construction Improvements	123,773,280	72,429,188	53,902,809	113,229,901	45,712,000	45,712,000	(67,517,901)	-59.63%
403 Sewer Bond Parity Debt Service	13,486,134	13,414,583	13,372,964	13,372,964	13,528,282	13,528,282	155,318	1.16%
407 Sewer Bond Subordinate Debt	16,007,015	14,901,320	18,314,214	18,314,214	18,236,861	18,236,861	(77,353)	-0.42%
408 Sewer Bond Construction	79,165,772	22,668,749	5,128,945	61,625,968	0	0	(61,625,968)	-100.00%
Total Enterprise Funds	\$294,760,589	\$180,124,158	\$151,927,154	\$272,998,909	\$141,303,183	\$141,303,183	(\$131,695,726)	-48.24%

**FY 2003 ADOPTED EXPENDITURES BY FUND
SUMMARY OF APPROPRIATED FUNDS**

Fund Type/Fund	FY 2001 Estimate	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
G50 Internal Service Funds								
500 Retiree Health Benefits	\$1,970,786	\$1,899,341	\$2,042,781	\$2,042,781	\$2,299,936	\$2,299,936	\$257,155	12.59%
501 County Insurance Fund	9,079,903	10,882,432	9,060,386	10,368,929	10,039,438	10,039,438	(329,491)	-3.18%
502 County Central Stores	1,482,235	1,418,903	1,323,290	1,486,397	1,418,903	1,418,903	(67,494)	-4.54%
503 Department of Vehicle Services	48,355,803	43,881,346	45,594,152	48,589,715	47,776,767	47,776,767	(812,948)	-1.67%
504 Document Services Division	7,916,793	6,980,193	7,699,637	8,257,336	7,652,368	7,652,368	(604,968)	-7.33%
505 Technology Infrastructure Services	16,736,455	13,316,444	19,507,098	20,833,116	19,776,336	19,776,336	(1,056,780)	-5.07%
506 Health Benefits Trust	38,104,068	37,568,692	40,649,957	46,569,840	49,877,306	49,877,306	3,307,466	7.10%
590 School Insurance Fund	7,551,821	6,135,358	7,975,846	7,356,037	5,793,240	5,793,240	(1,562,797)	-21.25%
591 School Health Benefits Trust	104,287,031	101,561,005	111,068,669	123,382,669	147,234,290	147,234,290	23,851,621	19.33%
592 School Central Procurement	15,957,400	10,450,966	14,000,000	14,000,000	14,000,000	14,000,000	0	0.00%
Total Internal Service Funds	\$251,442,295	\$234,094,680	\$258,921,816	\$282,886,820	\$305,868,584	\$305,868,584	\$22,981,764	8.12%
TOTAL PROPRIETARY FUNDS	\$546,202,884	\$414,218,838	\$410,848,970	\$555,885,729	\$447,171,767	\$447,171,767	(\$108,713,962)	-19.56%
FIDUCIARY FUNDS								
G60 Trust Funds								
600 Uniformed Retirement	\$26,149,888	\$23,886,644	\$27,538,301	\$27,538,665	\$32,301,833	\$32,301,833	\$4,763,168	17.30%
601 Fairfax County Employees' Retirement	76,042,339	80,987,443	82,576,207	82,577,906	93,335,300	93,335,300	10,757,394	13.03%
602 Police Retirement	26,054,729	28,475,975	26,681,338	27,410,408	31,223,195	31,223,195	3,812,787	13.91%
691 Educational Employees' Retirement	103,973,877	96,040,700	114,661,082	114,661,082	129,944,215	129,944,215	15,283,133	13.33%
Total Trust Funds	\$232,220,833	\$229,390,762	\$251,456,928	\$252,188,061	\$286,804,543	\$286,804,543	\$34,616,482	13.73%
G70 Agency Funds								
700 Route 28 Taxing District	\$5,795,818	\$5,563,511	\$6,087,185	\$6,087,185	\$6,863,962	\$6,863,962	\$776,777	12.76%
TOTAL FIDUCIARY FUNDS	\$238,016,651	\$234,954,273	\$257,544,113	\$258,275,246	\$293,668,505	\$293,668,505	\$35,393,259	13.70%
TOTAL APPROPRIATED FUNDS	\$4,509,263,755	\$3,622,801,131	\$3,861,632,066	\$4,801,890,762	\$4,100,356,299	\$4,096,762,950	(\$705,127,812)	-14.68%
Less: Internal Service Funds ¹	(\$251,442,295)	(\$234,094,680)	(\$258,921,816)	(\$282,886,820)	(\$305,868,584)	(\$305,868,584)	(\$22,981,764)	8.12%
NET EXPENDITURES	\$4,257,821,460	\$3,388,706,451	\$3,602,710,250	\$4,519,003,942	\$3,794,487,715	\$3,790,894,366	(\$728,109,576)	-16.11%

¹ Total Appropriated Funds Expenditures are reduced by Internal Service Fund Expenditures, as the amounts are already included.

**FY 2003 ADOPTED CHANGES IN FUND BALANCE
SUMMARY OF APPROPRIATED FUNDS**

Fund Type/ Fund	Balance 6/30/00	Balance 6/30/01	Balance 6/30/02	Balance 6/30/03	Appropriated From/ (Added to) Surplus
GOVERNMENTAL FUNDS					
G00 General Fund Group					
001 General Fund	\$88,484,891	\$78,562,916	\$46,457,565	\$48,848,239	(\$2,390,674)
002 Revenue Stabilization Fund	18,236,393	24,321,431	28,007,551	28,698,718	(691,167)
Total General Fund Group	\$106,721,284	\$102,884,347	\$74,465,116	\$77,546,957	(\$3,081,841)
G10 Special Revenue Funds					
090 Public School Operating	\$56,768,845	\$50,201,190	\$0	\$0	\$0
100 County Transit Systems	12,030,153	7,185,585	631,996	631,996	0
102 Federal/State Grant Fund	103,224	951,880	27,877	27,877	0
103 Aging Grants and Programs	557,850	535,697	0	0	0
104 Information Technology	23,192,596	25,743,099	0	0	0
105 Cable Communications	12,955,890	15,568,296	4,226,746	6,387,268	(2,160,522)
106 Community Services Board	144,118	1,488,669	0	0	0
108 Leaf Collection	2,809,521	2,528,427	2,070,559	1,643,601	426,958
109 Refuse Collection & Recycling Ops	14,355,467	14,507,813	12,064,509	9,714,898	2,349,611
110 Refuse Disposal	3,465,629	5,584,739	3,407,601	3,404,207	3,394
111 Reston Community Center	2,454,990	2,459,511	2,319,172	1,808,221	510,951
112 Energy Resource Recovery Facility	17,041,404	12,993,592	9,934,280	9,673,758	260,522
113 McLean Community Center	1,758,723	2,083,852	1,782,050	1,889,737	(107,687)
114 I-95 Refuse Disposal	76,973,319	75,722,805	54,029,162	54,998,190	(969,028)
115 Burgundy Village Community Center	119,046	125,549	126,057	131,458	(5,401)
116 Forest Integrated Pest Management Program	279,023	796,449	968,713	1,043,782	(75,069)
118 Consolidated Community Funding Pool	338,979	318,192	0	0	0
119 Contributory Fund	0	270,446	122,498	0	122,498
120 E-911 Fund	0	7,779,697	0	0	0
141 Elderly Housing Programs	559,971	717,755	301,446	155,997	145,449
142 Community Development Block Grant	1,124,350	492,784	36	36	0
143 Homeowner and Business Loan Prgms	2,170,832	2,385,922	82,145	82,145	0
144 Housing Trust Fund	7,788,093	9,975,636	229,060	229,060	0
145 HOME Investment Partnership Grant	87,489	109,273	0	0	0
191 School Food & Nutrition Services	12,438,224	10,395,824	7,273,093	7,273,093	0
192 School Grants & Self Supporting	4,828,878	3,751,537	0	0	0
193 School Adult & Community Education	1,703,109	3,782,283	0	0	0
Total Special Revenue Funds	\$256,049,723	\$258,456,502	\$99,597,000	\$99,095,324	\$501,676

**FY 2003 ADOPTED CHANGES IN FUND BALANCE
SUMMARY OF APPROPRIATED FUNDS**

Fund Type/ Fund	Balance 6/30/00	Balance 6/30/01	Balance 6/30/02	Balance 6/30/03	Appropriated From/ (Added to) Surplus
G20 Debt Service Funds					
200 County Debt Service	\$2,008,626	\$1,523,397	\$42,400	\$0	\$42,400
201 School Debt Service	3,812,337	2,555,156	43,137	0	43,137
Total Debt Service Funds	\$5,820,963	\$4,078,553	\$85,537	\$0	\$85,537
G30 Capital Project Funds					
300 Countywide Roadway Improvement	\$2,535,831	\$2,415,877	\$0	\$0	\$0
301 Contributed Roadway Improvement	23,738,351	27,037,274	0	0	0
302 Library Construction	2,197,197	1,913,239	0	0	0
303 County Construction	12,666,179	20,690,746	0	0	0
304 Primary & Secondary Rd Bond Construction	7,521,088	13,284,523	0	0	0
306 No VA Regional Park Authority	0	0	0	0	0
307 Sidewalk Construction	4,411,475	4,721,983	0	0	0
308 Public Works Construction	9,610,583	10,191,145	0	0	0
309 Metro Operations & Construction	2,938,449	9,078,340	4,452,324	0	4,452,324
310 Storm Drainage Bond Construction	276,023	147,699	0	0	0
311 County Bond Construction	10,725,515	8,701,737	0	0	0
312 Public Safety Construction	27,189	1,641,966	0	0	0
313 Trail Construction	344,852	365,609	0	0	0
314 Neighborhood Improvement Program	1,047,884	230,013	168,427	113,427	55,000
315 Commercial Revitalization Program	1,109,508	521,038	0	0	0
316 Pro Rata Share Drainage Construction	2,795	2,973	0	0	0
340 Housing Assistance Program	(95,040)	3,048,847	4,512	4,512	0
341 Housing G O Bond Construction	100,251	86,211	0	0	0
370 Park Authority Bond Construction	7,454,640	4,617,140	0	0	0
390 School Construction	18,689,387	45,690,516	0	0	0
Total Capital Project Funds	\$105,302,157	\$154,386,876	\$4,625,263	\$117,939	\$4,507,324
TOTAL GOVERNMENTAL FUNDS	\$473,894,127	\$519,806,278	\$178,772,916	\$176,760,220	\$2,012,696
PROPRIETARY FUNDS					
G40 Enterprise Funds					
400 Sewer Revenue	\$153,315,880	\$161,851,820	\$175,621,052	\$152,403,469	\$23,217,583
401 Sewer Operation & Maintenance	10,181,965	5,666,012	84,030	110,430	(26,400)
402 Sewer Construction Improvements	68,683,617	51,467,138	0	0	0
403 Sewer Bond Parity Debt Service	1,354,394	1,368,429	1,123,945	1,044,848	79,097
406 Sewer Bond Debt Reserve	14,571,766	14,571,766	14,571,766	14,571,766	0
407 Sewer Bond Subordinate Debt	246,600	1,105,695	0	0	0
408 Sewer Bond Construction	62,086,029	58,891,536	765,597	1,065,597	(300,000)
Total Enterprise Funds	\$310,440,251	\$294,922,396	\$192,166,390	\$169,196,110	\$22,970,280

**FY 2003 ADOPTED CHANGES IN FUND BALANCE
SUMMARY OF APPROPRIATED FUNDS**

Fund Type/ Fund	Balance 6/30/00	Balance 6/30/01	Balance 6/30/02	Balance 6/30/03	Appropriated From/ (Added to) Surplus
G50 Internal Service Funds					
500 Retiree Health Benefits	\$234,652	\$231,311	\$106,445	\$35,000	\$71,445
501 County Insurance Fund	31,389,784	30,008,882	26,475,823	25,452,937	1,022,886
502 County Central Stores	489,409	436,107	436,107	436,107	0
503 Department of Vehicle Services	17,324,980	15,982,162	10,444,846	7,304,486	3,140,360
504 Document Services Division	1,211,322	1,774,419	1,004,569	232,735	771,834
505 Technology Infrastructure Services	5,293,204	8,991,875	8,326,154	8,162,142	164,012
506 Health Benefits Trust	3,414,163	5,131,741	3,274,423	3,312,772	(38,349)
590 School Insurance Fund	22,371,126	20,931,414	15,922,283	16,325,315	(403,032)
591 School Health Benefits Trust	11,362,077	8,279,428	0	0	0
592 School Central Procurement	1,823,366	1,591,243	1,591,243	1,591,243	0
Total Internal Service Funds	\$94,914,083	\$93,358,582	\$67,581,893	\$62,852,737	\$4,729,156
TOTAL PROPRIETARY FUNDS	\$405,354,334	\$388,280,978	\$259,748,283	\$232,048,847	\$27,699,436
FIDUCIARY FUNDS					
G60 Trust Funds					
600 Uniformed Retirement	\$656,503,060	\$644,181,059	\$692,827,700	\$737,659,839	(\$44,832,139)
601 Fairfax County Employees' Retirement	1,836,422,844	1,811,980,376	1,924,730,337	2,029,081,626	(104,351,289)
602 Police Retirement	621,862,028	605,386,894	650,797,742	693,056,689	(42,258,947)
691 Educational Employees' Retirement	1,534,986,941	1,488,764,682	1,558,436,729	1,596,601,964	(38,165,235)
Total Trust Funds	\$4,649,774,873	\$4,550,313,011	\$4,826,792,508	\$5,056,400,118	(\$229,607,610)
G70 Agency Funds					
700 Route 28 Taxing District	\$41,191	\$31,187	\$31,187	\$31,187	\$0
TOTAL FIDUCIARY FUNDS	\$4,649,816,064	\$4,550,344,198	\$4,826,823,695	\$5,056,431,305	(\$229,607,610)
TOTAL APPROPRIATED FUNDS	\$5,529,064,525	\$5,458,431,454	\$5,265,344,894	\$5,465,240,372	(\$199,895,478)

GENERAL FUND PROPERTY TAX RATES
FY 1994 - FY 2003
(per \$100 assessed valuation)

Tax Category	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003 Advertised	FY 2003 Adopted
Real Estate	\$1.16	\$1.16	\$1.16	\$1.23	\$1.23	\$1.23	\$1.23	\$1.23	\$1.23	\$1.23	\$1.21
Public Service	1.16	1.16	1.16	1.23	1.23	1.23	1.23	1.23	1.23	1.23	1.21
Personal Property¹	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57
Special Subclass ^{2,3}	0.01	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	4.57
Research and Development	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57
Mobile Homes ⁴	1.16	1.16	1.16	1.23	1.23	1.23	1.23	1.23	1.23	1.23	1.21
Public Service	1.16	1.16	1.16	1.23	1.23	1.23	1.23	1.23	1.23	1.23	1.21

¹ Includes vehicles owned by individuals, businesses and Public Service Corporations, business furniture and fixtures, and computers.

² On April 30, 1990, the Board of Supervisors established a subclass of vehicles 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.

³ Beginning in FY 1996, the special subclass includes vehicles owned by auxiliary police officers, aircraft and flight simulators, and property owned by homeowners' associations. As of FY 2000, the special subclass includes boats.

⁴ 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-PROPERTY COUNTY TAX RATES
FY 1994 - FY 2003**

Tax Category	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003 Advertised	FY 2003 Adopted
Sewage Rates											
Sewer Charge (per 1,000 gal.)	\$2.50	\$2.60	\$2.60	\$2.60	\$2.60	\$2.70	\$2.70	\$2.81	\$2.88	\$2.95	\$2.95
Availability Fee	\$3,863	\$3,863	\$4,101	\$4,353	\$4,621	\$4,621	\$4,621	\$4,898	\$5,069	\$5,247	\$5,247
Refuse Rates											
Collection (per unit)	\$270	\$270	\$250	\$250	\$240	\$240	\$210	\$210	\$210	\$210	\$210
Disposal (per ton)	\$46.00	\$48.00	\$48.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00
Leaf Collection ¹	\$0.02	\$0.02	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01
Lee - Burgundy Village											
Community Center ^{1,2}	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02
Dranesville - McLean											
Community Center ^{1,2}	\$0.027	\$0.027	\$0.027	\$0.027	\$0.028	\$0.028	\$0.028	\$0.028	\$0.028	\$0.028	\$0.028
Hunter Mill - Reston											
Community Center ^{1,2}	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.052
Route 28 Corridor ^{1,2}	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20
Forest Integrated Pest Management Program^{1,2,3}											
	\$0.0014	\$0.0014	\$0.0014	\$0.0010	\$0.0000	\$0.0000	\$0.0000	\$0.0010	\$0.0010	\$0.0010	\$0.0010

¹ Per \$100 assessed value.

² These are in special taxing districts which have been set up to support these functions.

³ This tax was suspended in FY 1998 through FY 2000 due to reduced treatment requirements. The tax was reinstated in FY 2001 to address anticipated increases in the treatment requirements for pests.

**SUMMARY OF SELECTED NON-PROPERTY COUNTY TAX RATES
FY 1994 - FY 2003**

Tax Category	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001 ¹	FY 2002	FY 2003 Advertised	FY 2003 Adopted
Consumer Utility Tax											
Electric											
Residential											
Rate	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%			
Ceiling	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50			
Commercial											
Rate	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%			
Ceiling	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000			
Gas											
Residential											
Rate	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%			
Ceiling	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50			
Commercial											
Rate	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%			
Ceiling	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000			
Telephone											
Residential											
Rate	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%
Ceiling	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50
Commercial											
Rate	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%	22.2%
Ceiling	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600
E-911 Tax											
Monthly per Phone Line	\$0.74	\$1.30	\$1.30	\$1.69	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75

¹On January 1, 2001, the calculation method for the Consumer Utility Tax on electricity and gas changed to meet the requirements of the Commonwealth of Virginia's utility deregulation legislation. The following two pages provide a detailed explanation of both the original and replacement calculation methods. Because the change began in the middle of FY 2001, the rates printed on this page apply to the first half of the fiscal year and the new rates apply to the second half of FY 2001 and all future fiscal years.

ELECTRICITY ORIGINAL AND REPLACEMENT CONSUMER UTILITY TAXES

Customer Class as Defined by Electric Power Company	Calculation Method Prior to January 1, 2001 Monthly Tax	Consumption Based Current Monthly Tax ¹
Residential	8% of first \$50	\$0.00605 per kWh
Minimum	8% of \$7 bill or \$0.56	\$0.56 per bill
Maximum	\$4.00 per bill	\$4.00 per bill
Master Metered Apartments	8% of bill	\$0.00323 per kWh
Minimum	8% of \$7 per dwelling unit or \$0.56 per dwelling unit	\$0.56 per dwelling unit
Maximum	8% of \$50 per dwelling unit or \$4.00 per dwelling unit	\$4.00 per dwelling unit
Commercial	10% of first \$10,000	\$0.00594 per kWh
Minimum	10% of \$11.47 bill or \$1.15 per bill	\$1.15 per bill
Maximum	\$1,000 per bill	\$1,000 per bill
Industrial	10% of first \$10,000	\$0.00707 per kWh
Minimum	10% of \$11.47 bill or \$1.15 per bill	\$1.15 per bill
Maximum	\$1,000 per bill	\$1,000 per bill

¹ Beginning January 1, 2001, Fairfax County changed its Consumer Utility Tax on consumers of electricity as required by the Commonwealth of Virginia's utility deregulation legislation. Prior to this date, the Consumer Utility Tax was calculated based on the amount of a consumer's bill. The current calculation method, described in this table, is based on usage. The consumption based tax is calculated to be revenue neutral. For more information on this change, please refer to the Consumer Utility Tax section of the General Fund Revenue Overview.

NATURAL GAS ORIGINAL AND REPLACEMENT CONSUMER UTILITY TAXES

Customer Class as Defined by Gas Company	Calculation Method Prior to January 1, 2001 Monthly Tax	Consumption Based Current Monthly Tax ¹
Residential	8% of first \$50	\$0.05259 per CCF
Minimum	8% of \$7 bill or \$0.56	\$0.56 per bill
Maximum	\$4.00 per bill	\$4.00 per bill
Master Metered Apartments	8% of bill	\$0.01192 per CCF
Minimum	8% of \$7 per dwelling unit or \$0.56 per dwelling unit	\$0.56 per dwelling unit
Maximum	8% of \$50 per dwelling unit or \$4.00 per dwelling unit	\$4.00 per dwelling unit
Nonresidential	10% of first \$3,000	\$0.04794 per CCF
Minimum	10% of \$8.45 bill or \$0.845	\$0.845 per bill
Maximum	\$300 per bill	\$300 per bill
Nonresidential Interruptible	4.5% of first \$6,667	\$0.00563 per CCF
Minimum	4.5% of \$100 bill per meter	\$4.50 per meter
Maximum	\$300 per meter	\$300 per meter

¹ Beginning January 1, 2001, Fairfax County changed its Consumer Utility Tax on consumers of natural gas as required by the Commonwealth of Virginia's utility deregulation legislation. Prior to this date, the Consumer Utility Tax was calculated based on the amount of a consumer's bill. The current calculation method, described in this table, is based on usage. The consumption based tax is calculated to be revenue neutral. For more information on this change, please refer to the Consumer Utility Tax section of the General Fund Revenue Overview.

**ASSESSED VALUATION, TAX RATES, LEVIES AND COLLECTIONS
GENERAL FUND, FISCAL YEARS 2001-2003**

	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan
ASSESSED VALUATION OF TAXABLE PROPERTY					
Real Estate					
Local Assessment	\$87,814,139,795	\$99,793,391,730	\$99,793,391,730	\$114,902,589,425	\$114,902,589,425
Public Service Corporations	826,274,415	899,472,143	846,936,463	855,405,787	855,405,787
Supplementals and Norfolk Plan	483,590,225	378,000,000	588,011,000	402,366,640	402,366,640
Less: Tax Relief for Elderly/Disabled	(584,293,562)	(961,229,389)	(800,000,000)	(929,600,000)	(971,130,000)
Less: Exonerations/Certificates/Tax Abatements	(379,343,875)	(488,899,000)	(514,437,000)	(747,000,000)	(747,000,000)
Total Real Estate Taxable Valuation	\$88,160,366,998	\$99,620,735,484	\$99,913,902,193	\$114,483,761,852	\$114,442,231,852
Personal Property					
Vehicles	\$8,414,996,581	\$8,924,644,230	\$8,948,225,606	\$8,886,645,564	\$8,886,645,564
Business Property (excluding vehicles)	2,380,350,686	2,376,376,786	2,695,172,621	2,735,926,122	2,735,926,122
Mobile Homes	16,764,446	17,134,673	17,446,097	17,729,756	17,729,756
Other Personal Property ¹	8,412,753	8,344,999	8,357,011	8,407,248	8,407,248
Public Service Corporations	2,067,649,048	2,274,854,265	2,195,322,044	2,187,792,732	2,187,792,732
Total Personal Property Valuation	\$12,888,173,514	\$13,601,354,953	\$13,864,523,379	\$13,836,501,422	\$13,836,501,422
Total Taxable Property Valuation	\$101,048,540,512	\$113,222,090,437	\$113,778,425,572	\$128,320,263,274	\$128,278,733,274
TAX RATE (per \$100 assessed value)					
Real Estate					
Regular-Local Assessment	\$1.23	\$1.23	\$1.23	\$1.23	\$1.21
Public Service Corporations-Equalized	1.23	1.23	1.23	1.23	1.21
Personal Property					
Vehicle/Business/Other	\$4.57	\$4.57	\$4.57	\$4.57	\$4.57
Public Service Corporations-Equalized	1.23	1.23	1.23	1.23	1.21
Mobile Homes	1.23	1.23	1.23	1.23	1.21

¹ Other Personal Property includes boats, trailers and miscellaneous.

**ASSESSED VALUATION, TAX RATES, LEVIES AND COLLECTIONS
GENERAL FUND, FISCAL YEARS 2001-2003**

	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan
LEVIES AND COLLECTIONS					
Property Tax Levy					
Real Estate Tax Levy	\$1,084,372,514	\$1,225,335,046	\$1,228,940,996	\$1,408,150,271	\$1,384,751,005
Personal Property Tax Levy	440,488,781	450,085,031	472,992,222	476,050,237	475,611,030
Total Property Tax Levy	\$1,524,861,295	\$1,675,420,077	\$1,701,933,218	\$1,884,200,508	\$1,860,362,035
Property Tax Collections					
Collection of Current Taxes	\$1,506,791,194	\$1,657,244,361	\$1,681,668,349	\$1,862,640,219	\$1,838,918,047
Percentage of Total Levy Collected	98.8%	98.9%	98.8%	98.9%	98.8%
Net Collections of Delinquent Taxes	16,521,240	15,079,797	16,000,187	15,079,797	15,079,797
Total Property Tax Collections	\$1,523,312,434	\$1,672,324,158	\$1,697,668,536	\$1,877,720,016	\$1,853,997,844
Yield of \$0.01 per \$100 of Real Estate Tax Collections	\$8,981,659	\$10,140,767	\$10,162,099	\$11,611,086	\$11,610,583
Yield of \$0.01 per \$100 of Personal Property Tax Collections	\$879,739	\$897,002	\$944,705	\$950,585	\$950,585

GENERAL FUND REVENUES

REVENUE CATEGORY	FY 2001 ACTUAL RECEIPTS	FY 2002 ADOPTED BUDGET PLAN	FY 2002 REVISED BUDGET PLAN	FY 2003 ADVERTISED BUDGET PLAN	FY 2003 ADOPTED BUDGET PLAN	INCREASE/ DECREASE	PERCENT CHANGE FROM ADVERTISED
Real Estate Tax - Current	\$1,068,947,243	\$1,208,200,181	\$1,212,431,061	\$1,390,640,636	\$1,367,528,592	(\$23,112,044)	-1.7%
R. E. Tax - Public Service Corps	10,334,885	11,063,507	10,417,318	10,521,491	10,350,410	(171,081)	-1.6%
Subtotal R. E. Tax - Current	\$1,079,282,128	\$1,219,263,688	\$1,222,848,379	\$1,401,162,127	\$1,377,879,002	(\$23,283,125)	-1.7%
R. E. Tax Penalties - Current	\$2,287,716	\$1,287,904	\$1,287,904	\$1,287,904	\$1,287,904	\$0	0.0%
R. E. Tax Interest - Current	46,512	367,941	367,941	367,941	367,941	0	0.0%
R. E. Tax Delinquent - 1st Year	2,862,987	1,668,200	1,668,200	1,668,200	1,668,200	0	0.0%
R. E. Tax Penalties - 1st Year Delinq.	283,514	230,175	230,175	230,175	230,175	0	0.0%
R. E. Tax Interest - 1st Year Delinq.	37,282	252,216	252,216	252,216	252,216	0	0.0%
R. E. Tax Delinquent - 2nd Year	814,275	662,496	662,496	662,496	662,496	0	0.0%
R. E. Tax Penalties - 2nd Year Delinq.	86,264	91,252	91,252	91,252	91,252	0	0.0%
R. E. Tax Interest - 2nd Year Delinq.	76,673	199,853	199,853	199,853	199,853	0	0.0%
R. E. Tax Interest - 3rd Year Delinq.	0	0	0	0	0	0	-
R. E. Tax - Prior Years	215,806	2,107,884	2,107,884	2,107,884	2,107,884	0	0.0%
R. E. PSC - Penalty Current	672	0	0	0	0	0	-
R. E. PSC - Interest Current	9	9,235	9,235	9,235	9,235	0	0.0%
PSC, Prior Years	1,688	2,082	2,082	2,082	2,082	0	0.0%
Subtotal R. E. Tax - Delinquents	\$6,713,396	\$6,879,238	\$6,879,238	\$6,879,238	\$6,879,238	\$0	0.0%
TOTAL REAL PROPERTY TAXES	\$1,085,995,525	\$1,226,142,926	\$1,229,727,617	\$1,408,041,365	\$1,384,758,240	(\$23,283,125)	-1.7%
Personal Property Tax - Current	\$283,008,952	\$211,828,155	\$233,769,585	\$231,123,743	\$230,684,696	(\$439,047)	-0.2%
P. P. Tax - Public Service Corps	25,707,578	28,330,385	27,228,252	28,351,290	28,351,290	0	0.0%
Subtotal P. P. Tax - Current	\$308,716,530	\$240,158,540	\$260,997,837	\$259,475,033	\$259,035,986	(\$439,047)	-0.2%
P. P. Tax Penalties - Current	\$3,322,025	\$2,011,741	\$3,454,523	\$2,011,741	\$2,011,741	\$0	0.0%
P. P. Tax Interest - Current	103,675	95,591	107,810	95,591	95,591	0	0.0%
P. P. Tax Delinquent - 1st Year	2,733,355	2,894,020	2,842,374	2,894,020	2,894,020	0	0.0%
P. P. Tax Penalties - 1st Year Delinquent	392,793	344,753	408,459	344,753	344,753	0	0.0%
P. P. Tax Interest - 1st Year Delinquent	152,397	70,902	158,475	70,902	70,902	0	0.0%
P. P. Tax Delinquent - 2nd Year	557,198	1,400,866	579,422	1,400,866	1,400,866	0	0.0%
P. P. Tax Penalties - 2nd Year Delinquent	91,247	84,070	94,886	84,070	84,070	0	0.0%
P. P. Tax Interest - 2nd Year Delinquent	115,151	40,219	119,744	40,219	40,219	0	0.0%
P. P. Tax Delinquent - 3rd Year	819,253	628,499	851,929	628,499	628,499	0	0.0%
P. P. Tax Penalties - 3rd Year Delinquent	72,699	96,879	75,599	96,879	96,879	0	0.0%
P. P. Tax Interest - 3rd Year Delinquent	213,265	86,339	221,771	86,339	86,339	0	0.0%
P. P. Tax Prior Years	198,057	446,680	205,957	446,680	446,680	0	0.0%

GENERAL FUND REVENUES

REVENUE CATEGORY	FY 2001 ACTUAL RECEIPTS	FY 2002 ADOPTED BUDGET PLAN	FY 2002 REVISED BUDGET PLAN	FY 2003 ADVERTISED BUDGET PLAN	FY 2003 ADOPTED BUDGET PLAN	INCREASE/ DECREASE	PERCENT CHANGE FROM ADVERTISED
Subtotal P. P. Tax - Delinquent	\$8,771,115	\$8,200,559	\$9,120,949	\$8,200,559	\$8,200,559	\$0	0.0%
TOTAL PERSONAL PROPERTY TAXES	\$317,487,645	\$248,359,099	\$270,118,786	\$267,675,592	\$267,236,545	(\$439,047)	-0.2%
Short-Term Daily Rental	\$498,575	\$536,076	\$536,076	\$546,797	\$546,797	\$0	0.0%
Automobile Taxes	18,232,854	18,356,303	18,642,723	19,018,442	19,018,442	0	0.0%
Bank Franchise Tax	3,852,192	3,663,945	3,663,945	3,663,945	3,663,945	0	0.0%
Cigarette Tax	1,922,003	1,969,232	1,969,232	1,922,003	1,922,003	0	0.0%
Gross Receipts Tax on Rental Cars	790,570	1,193,324	1,000,265	1,000,265	1,000,265	0	0.0%
Land Transfer Fees	34,229	37,266	37,266	38,010	38,010	0	0.0%
Transient Occupancy Tax	7,509,826	7,962,424	6,443,431	6,978,271	6,978,271	0	0.0%
Subtotal	\$32,840,248	\$33,718,570	\$32,292,938	\$33,167,733	\$33,167,733	\$0	0.0%
Sales Tax - Local	\$133,375,817	\$145,298,327	\$124,973,140	\$126,808,084	\$126,808,084	\$0	0.0%
Sales Tax - Mobile Home	116,802	90,000	90,000	90,000	90,000	0	0.0%
Subtotal Sales Tax	\$133,492,619	\$145,388,327	\$125,063,140	\$126,898,084	\$126,898,084	\$0	0.0%
Deed of Conveyance Tax	\$4,802,268	\$4,240,440	\$4,765,901	\$3,664,846	\$3,812,721	\$147,875	4.0%
Recordation Tax	11,535,139	9,184,508	13,983,138	9,968,035	10,686,119	718,084	7.2%
Subtotal Deed of Conveyance/Recordation	\$16,337,407	\$13,424,948	\$18,749,039	\$13,632,881	\$14,498,840	\$865,959	6.4%
TOTAL Other Local Taxes	\$182,670,275	\$192,531,845	\$176,105,117	\$173,698,698	\$174,564,657	\$865,959	0.5%
Electric Utility Tax - Dominion Virginia Power	\$31,543,611	\$31,601,845	\$31,601,845	\$32,075,873	\$32,075,873	\$0	0.0%
Electric Utility Tax - No. Va. Elec.	1,457,128	1,686,158	1,686,158	1,711,450	1,711,450	0	0.0%
Subtotal Electric Utility Tax	\$33,000,740	\$33,288,003	\$33,288,003	\$33,787,323	\$33,787,323	\$0	0.0%

GENERAL FUND REVENUES

REVENUE CATEGORY	FY 2001 ACTUAL RECEIPTS	FY 2002 ADOPTED BUDGET PLAN	FY 2002 REVISED BUDGET PLAN	FY 2003 ADVERTISED BUDGET PLAN	FY 2003 ADOPTED BUDGET PLAN	INCREASE/ DECREASE	PERCENT CHANGE FROM ADVERTISED
Telephone Utility Tax - Verizon	\$40,893,667	\$43,950,713	\$43,950,713	\$45,049,481	\$45,049,481	\$0	0.0%
Telephone Utility Tax - MCI World Com	52,716	141,485	141,485	145,022	145,022	0	0.0%
Telephone Utility Tax - Misc.	2,225,123	855,129	855,129	876,507	876,507	0	0.0%
Subtotal Telephone Utility Tax	\$43,171,507	\$44,947,327	\$44,947,327	\$46,071,010	\$46,071,010	\$0	0.0%
Gas Utility Tax - Washington Gas	\$8,846,349	\$9,203,875	\$9,203,875	\$9,341,933	\$9,341,933	\$0	0.0%
Gas Utility Tax - Columbia Gas of VA	369,852	224,475	224,475	227,842	227,842	0	0.0%
Subtotal Gas Utility Tax	\$9,216,201	\$9,428,350	\$9,428,350	\$9,569,775	\$9,569,775	\$0	0.0%
TOTAL Consumer Utility Tax	\$85,388,447	\$87,663,680	\$87,663,680	\$89,428,108	\$89,428,108	\$0	0.0%
Electric Consumption Tax	\$1,144,146	\$3,201,750	\$1,790,943	\$2,400,258	\$2,400,258	\$0	0.0%
Natural Gas Consumption Tax	436,289	1,152,000	644,387	1,152,000	1,152,000	0	0.0%
Total Consumption Tax	\$1,580,435	\$4,353,750	\$2,435,330	\$3,552,258	\$3,552,258	\$0	0.0%
BPOL Tax - Amusements	\$193,125	\$198,676	\$198,676	\$192,716	\$198,676	\$5,960	3.1%
BPOL Tax - Builders and Developers	750,529	656,193	656,193	636,507	656,193	19,686	3.1%
BPOL Tax - Business Service Occupation	14,273,326	14,107,592	14,107,592	13,684,364	14,107,592	423,228	3.1%
BPOL Tax - Personal Service Occupation	3,850,085	3,867,366	3,867,366	3,751,345	3,867,366	116,021	3.1%
BPOL Tax - Contractors	5,886,215	5,296,783	5,296,783	5,137,880	5,296,783	158,903	3.1%
BPOL Tax - Hotels and Motels	1,114,070	1,060,951	1,060,951	1,029,122	1,060,951	31,829	3.1%
BPOL Tax - Prof. & Spec Occupations	9,074,048	8,944,914	8,944,914	8,676,567	8,944,914	268,347	3.1%
BPOL Tax - Rent of House, Apt & Condo	6,630,808	6,445,915	6,445,915	6,252,538	6,445,915	193,377	3.1%
BPOL Tax - Repair Service	1,446,855	1,485,688	1,485,688	1,441,117	1,485,688	44,571	3.1%
BPOL Tax - Retail Merchants	20,723,783	20,777,833	20,777,833	20,154,498	20,777,833	623,335	3.1%
BPOL Tax - Wholesale Merchants	1,931,078	1,520,524	1,520,524	1,474,908	1,520,524	45,616	3.1%
BPOL Tax - Real Estate Brokers	1,107,718	1,015,739	1,015,739	985,267	1,015,739	30,472	3.1%
BPOL Tax - Money Lenders	1,210,317	1,191,960	1,191,960	1,156,201	1,191,960	35,759	3.1%
BPOL Tax - Telephone Companies	668,289	806,820	806,820	782,615	806,820	24,205	3.1%
BPOL Tax - Utility Companies	2,210,956	0	0	0	0	0	-
BPOL Tax - Consultant/Specialist	17,876,339	19,395,066	19,395,066	18,813,214	19,395,066	581,852	3.1%
BPOL Tax - Research and Development	318,772	382,868	382,868	371,382	382,868	11,486	3.1%
Subtotal Business, Prof. & Occupational	\$89,266,311	\$87,154,888	\$87,154,888	\$84,540,241	\$87,154,888	\$2,614,647	3.1%

GENERAL FUND REVENUES

REVENUE CATEGORY	FY 2001 ACTUAL RECEIPTS	FY 2002 ADOPTED BUDGET PLAN	FY 2002 REVISED BUDGET PLAN	FY 2003 ADVERTISED BUDGET PLAN	FY 2003 ADOPTED BUDGET PLAN	INCREASE/ DECREASE	PERCENT CHANGE FROM ADVERTISED
Inspection - Site Plan	2,118,088	1,747,895	1,906,280	1,906,280	1,906,280	0	0.0%
Inspect - Subplans	1,303,326	1,765,957	1,172,993	1,172,993	1,172,993	0	0.0%
Subtotal Design Review	\$9,859,188	\$10,332,608	\$8,873,269	\$8,873,269	\$8,873,269	\$0	0.0%
TOTAL Inspection Services and Design Review	\$26,351,242	\$26,760,590	\$23,316,118	\$23,716,118	\$23,716,118	\$0	0.0%
Zoning Fees	\$979,093	\$1,209,512	\$996,694	\$1,011,644	\$1,011,644	\$0	0.0%
Sign Permit Fees	57,845	66,135	57,845	57,845	57,845	0	0.0%
Quarry Inspection Fees	18,076	17,636	17,636	18,076	18,076	0	0.0%
Board of Zoning Appeals Fees	137,980	143,319	143,319	143,319	143,319	0	0.0%
Agricultural/Forestall District Application Fee	250	500	500	500	500	0	0.0%
Wetlands Permits	600	150	600	600	600	0	0.0%
TOTAL Zoning Revenue	\$1,193,844	\$1,437,252	\$1,216,594	\$1,231,984	\$1,231,984	\$0	0.0%
Dog Licenses	\$242,832	\$242,744	\$242,744	\$242,744	\$242,744	\$0	0.0%
Auto Graveyard Licenses	50	100	100	100	100	0	0.0%
Bondsmen Licenses	450	270	450	450	450	0	0.0%
Carnival Permits	1,525	865	865	865	865	0	0.0%
Dance Hall Licenses	2,820	3,200	2,820	2,820	2,820	0	0.0%
Fortune Teller Licenses	17	500	500	500	500	0	0.0%
Mixed Drink Establishment Licenses	111,533	131,500	112,616	112,616	112,616	0	0.0%
Land Use Assessment Application Fees	561	1,000	600	600	600	0	0.0%
Massage Therapy Permits	8,495	42,000	8,495	8,495	8,495	0	0.0%
Election Filing Fees	706	500	1,264	700	700	0	0.0%
Concealed Weapon Permits	29,120	35,840	35,840	114,765	114,765	0	0.0%
Precious Metal Dealers Licenses	4,475	4,500	4,500	4,925	4,925	0	0.0%
Solicitors Licenses	6,845	8,195	7,000	7,000	7,000	0	0.0%
Going Out of Business Fees	585	230	715	715	715	0	0.0%
Fire Prevention Code Permits	883,202	903,817	793,560	912,855	912,855	0	0.0%
Fire Marshal Fees	1,882,994	3,151,648	1,839,537	1,916,352	1,916,352	0	0.0%
Acceptance Test Overtime	542,539	480,000	350,400	350,400	350,400	0	0.0%
Home Childcare Permits	29,638	35,000	30,800	30,800	30,800	0	0.0%
Tax Abatement Application Fees	1,725	2,000	2,000	2,000	2,000	0	0.0%
Alarm Systems Registrations	0	0	400,000	75,000	75,000	0	0.0%

GENERAL FUND REVENUES

REVENUE CATEGORY	FY 2001 ACTUAL RECEIPTS	FY 2002 ADOPTED BUDGET PLAN	FY 2002 REVISED BUDGET PLAN	FY 2003 ADVERTISED BUDGET PLAN	FY 2003 ADOPTED BUDGET PLAN	INCREASE/ DECREASE	PERCENT CHANGE FROM ADVERTISED
Taxicab Licenses	120,665	120,166	120,166	120,166	120,166	0	0.0%
Subtotal Misc. Permits Fees & Licenses	\$3,870,776	\$5,164,075	\$3,954,972	\$3,904,868	\$3,904,868	\$0	0.0%
Sanitation Inspection Licenses	\$770	\$785	\$785	\$785	\$785	\$0	0.0%
Septic Tank Permits	56,695	66,240	59,030	59,030	59,030	0	0.0%
Septic Tank Truck Licenses	31,794	26,594	31,794	31,794	31,794	0	0.0%
Well Water Supply Permits	19,110	21,000	21,000	21,000	21,000	0	0.0%
Well Water Supply Permits	187	135	135	135	135	0	0.0%
Routine Water Sample	4,080	3,640	3,640	3,640	3,640	0	0.0%
Swimming Pool Licenses	145,935	146,080	146,080	146,080	146,080	0	0.0%
Portable Toilet Fees	380	385	385	385	385	0	0.0%
Private Schools/Day Care Center Licenses	12,825	13,000	13,000	13,000	13,000	0	0.0%
Food Establishment Operating Permit	74,105	77,101	75,560	76,300	76,300	0	0.0%
State Share Septic Tank Permits	34,125	43,890	34,125	34,125	34,125	0	0.0%
State Share Well Permit Fees	11,920	14,400	14,400	12,360	12,360	0	0.0%
Miscellaneous Environmental Fees	4,369	5,212	5,212	5,212	5,212	0	0.0%
Alternate Discharge Permits	0	65	0	0	0	0	-
Site Development Review	19,700	24,000	19,700	19,700	19,700	0	0.0%
Building Permits Review	37,000	40,000	37,000	37,000	37,000	0	0.0%
Public Establishment Review	39,150	47,925	41,310	41,310	41,310	0	0.0%
Subtotal Health Dept. Permits, Fees, Licenses	\$492,145	\$530,452	\$503,156	\$501,856	\$501,856	\$0	0.0%
TOTAL Misc. Permits Fees & Licenses	\$4,362,921	\$5,694,527	\$4,458,128	\$4,406,724	\$4,406,724	\$0	0.0%
TOTAL PERMITS, FEES & REGULATORY LICENSES	\$31,908,008	\$33,892,369	\$28,990,840	\$29,354,826	\$29,354,826	\$0	0.0%
Courthouse Maintenance Fees	\$372,955	\$381,628	\$381,628	\$381,628	\$381,628	\$0	0.0%
J&DR Court Fines/Interest	1,189	1,113	1,189	1,213	1,213	0	0.0%
General District Court Fines/Interest	123,487	156,971	123,487	123,487	123,487	0	0.0%
Circuit Court Fines and Penalties	157,385	145,341	145,341	148,248	186,018	37,770	25.5%
County Fines/Penalties	26,334	0	500	500	500	0	0.0%
County Fines - J&DR Court	161,702	162,148	162,148	165,391	165,391	0	0.0%

GENERAL FUND REVENUES

REVENUE CATEGORY	FY 2001 ACTUAL RECEIPTS	FY 2002 ADOPTED BUDGET PLAN	FY 2002 REVISED BUDGET PLAN	FY 2003 ADVERTISED BUDGET PLAN	FY 2003 ADOPTED BUDGET PLAN	INCREASE/ DECREASE	PERCENT CHANGE FROM ADVERTISED
General District Court Fines	5,237,756	5,899,862	4,541,878	5,532,168	6,248,268	716,100	12.9%
Photo Red Light Violations	235,969	2,234,494	1,100,000	1,100,000	1,100,000	0	0.0%
Parking Violations	2,319,316	1,662,320	3,349,720	2,349,720	2,349,720	0	0.0%
Alarm Ordinance Violations	480,441	951,904	218,560	441,155	441,155	0	0.0%
TOTAL FINES AND FORFEITURES	\$9,116,533	\$11,595,781	\$10,024,451	\$10,243,510	\$10,997,380	\$753,870	7.4%
Interest on Investments	\$56,321,542	\$41,994,566	\$25,120,000	\$23,386,994	\$29,975,797	\$6,588,803	28.2%
ACCA Rent	7,518	7,518	7,518	7,518	7,518	0	0.0%
Rent of Real Estate	1,956,975	1,986,977	1,986,977	2,026,717	2,026,717	0	0.0%
Sale of Equipment	(24,252)	25,800	25,800	25,800	25,800	0	0.0%
Cafeteria Commissions/Vending Machines	125,578	131,535	131,535	134,166	134,166	0	0.0%
Sale of Salvage	2,872	7,675	7,675	7,675	7,675	0	0.0%
Sale of Vehicles	44,625	25,800	44,625	34,625	34,625	0	0.0%
Lewinsville School Rent	124,792	130,840	130,840	133,690	133,690	0	0.0%
Hollin Hall School Rent	149,217	147,926	147,926	150,885	150,885	0	0.0%
Monopole Leases	230,848	215,855	235,460	240,169	240,169	0	0.0%
TOTAL REVENUE USE OF MONEY/PROPERTY	\$58,939,714	\$44,674,492	\$27,838,356	\$26,148,239	\$32,737,042	\$6,588,803	25.2%
FCPS Legal Assistance Fees	\$27,654	\$29,258	\$29,258	\$30,916	\$30,916	\$0	0.0%
Commemorative Gifts	12,514	14,280	14,280	14,280	14,280	0	0.0%
Operation Re-entry Fees	100	320	320	100	100	0	0.0%
Copying Machine Revenue - DPWES	48,332	51,545	51,545	52,575	52,575	0	0.0%
Copying Machine Revenue - Misc.	30,691	31,624	31,624	31,624	31,624	0	0.0%
Reimbursement for Recorded Tapes/FOIA Fees	11,409	4,030	11,409	11,409	11,409	0	0.0%
Proposed Vacation Fees	3,400	3,876	3,876	3,876	3,876	0	0.0%
Precinct Locator Sales	560	1,150	1,150	500	500	0	0.0%
County Attorney Fees	0	1,000	1,000	1,000	1,000	0	0.0%
Refuse Collection Fees	0	23,124	34,117	20,000	20,000	0	0.0%
Parental Support - Boys Probation House	25,972	21,717	21,717	21,717	21,717	0	0.0%
Parental Support - Girls Probation House	9,219	12,460	12,460	10,000	10,000	0	0.0%
Parental Support - Enterprise Learning Center	112,648	112,655	112,655	118,740	118,740	0	0.0%
Commonwealth's Attorney Fees	11,231	10,541	11,231	11,231	11,231	0	0.0%
Police Reports and Photo Fees	89,754	92,931	92,931	94,790	94,790	0	0.0%
Sheriff Fees	66,271	66,271	66,271	66,271	66,271	0	0.0%

GENERAL FUND REVENUES

REVENUE CATEGORY	FY 2001 ACTUAL RECEIPTS	FY 2002 ADOPTED BUDGET PLAN	FY 2002 REVISED BUDGET PLAN	FY 2003 ADVERTISED BUDGET PLAN	FY 2003 ADOPTED BUDGET PLAN	INCREASE/ DECREASE	PERCENT CHANGE FROM ADVERTISED
Police Reimbursement	574,014	367,869	452,245	461,290	461,290	0	0.0%
Animal Shelter Fees	86,031	95,980	86,031	86,031	86,031	0	0.0%
Land Acquisition Charges for Services	0	12,771	12,771	12,771	12,771	0	0.0%
Miscellaneous Charges for Services	1,451	0	500	500	500	0	0.0%
Parking Garage and Meter Fees	253,089	331,937	255,000	259,000	259,000	0	0.0%
Adoption Service Fees	9,600	9,973	9,973	9,973	9,973	0	0.0%
Street Sign Fabrication Fees	3,068	5,170	15,170	15,170	15,170	0	0.0%
Public Safety Medical Exam Fees	21,900	36,500	0	0	0	0	0.0%
Comprehensive Plan Sales	5,499	7,464	9,000	9,000	9,000	0	0.0%
Sales - Mapping Division	41,165	46,583	41,165	42,399	42,399	0	0.0%
Publication Sales	67,599	79,202	79,202	68,474	68,474	0	0.0%
Training Seminars - DPWES	995	965	965	965	965	0	0.0%
Copay - Inmate Medical	12,512	6,093	6,093	6,093	6,093	0	0.0%
Coin-Operated Microform Readers	6,081	6,827	6,827	6,827	6,827	0	0.0%
Library Database Fees	3,151	3,000	3,000	3,151	3,151	0	0.0%
Library Overdue Penalties	1,388,950	1,397,393	1,453,460	1,497,364	1,497,364	0	0.0%
Library Copier Charges	1,065	6,474	6,474	6,474	6,474	0	0.0%
Employee Childcare Center	594,300	623,796	623,796	636,272	636,272	0	0.0%
School Age Child Care (SACC) Fees	16,413,866	16,986,919	16,986,919	18,447,451	18,447,451	0	0.0%
Referral Listing Fees	1,371	13,781	0	0	0	0	-
County Clerk Fees	6,743,654	6,089,771	7,136,116	6,235,663	6,235,663	0	0.0%
Fastran Rider Fees	15,373	11,253	15,373	15,680	15,680	0	0.0%
Subtotal Misc. Charges for Services	\$26,694,488	\$26,616,503	\$27,695,924	\$28,309,577	\$28,309,577	\$0	0.0%
Recreation Art Activities	\$201,653	\$0	\$0	\$0	\$0	\$0	-
Recreation Athletic Programs	332,132	145,471	143,854	146,731	146,731	0	0.0%
Recreation Community Use Fees	29,124	32,948	29,124	29,706	29,706	0	0.0%
Recreation Classes Fees	1,637,770	3,030,403	3,030,403	3,091,011	3,091,011	0	0.0%
Recreation Neighborhood Center	1,056,930	107,261	115,232	117,537	117,537	0	0.0%
Custodial Fees	0	157,189	180,912	184,530	184,530	0	0.0%
Electric Utility Use	0	10,283	8,594	8,766	8,766	0	0.0%
Employee Fitness Center Fee	39,779	47,380	47,380	48,328	48,328	0	0.0%
Subtotal Recreation Revenue	\$3,297,389	\$3,530,935	\$3,555,499	\$3,626,609	\$3,626,609	\$0	0.0%

GENERAL FUND REVENUES

REVENUE CATEGORY	FY 2001 ACTUAL RECEIPTS	FY 2002 ADOPTED BUDGET PLAN	FY 2002 REVISED BUDGET PLAN	FY 2003 ADVERTISED BUDGET PLAN	FY 2003 ADOPTED BUDGET PLAN	INCREASE/ DECREASE	PERCENT CHANGE FROM ADVERTISED
Speech Fees	\$61,047	\$0	\$84,689	\$86,383	\$86,383	\$0	0.0%
Hearing Fees	2,675	0	23,240	23,705	23,705	0	0.0%
Vital Statistic Fees	\$334,744	339,303	339,303	346,089	346,089	0	0.0%
Dental Health Fees	10,387	25,768	25,768	25,768	25,768	0	0.0%
Pharmacy Fees	15,910	13,792	17,503	17,853	17,853	0	0.0%
X-Ray Fees	27,800	25,005	25,005	25,005	25,005	0	0.0%
General Medical Clinic Fees	959,449	872,531	905,135	923,238	923,238	0	0.0%
Family Planning Services	24,651	23,637	23,637	24,651	24,651	0	0.0%
Medicaid Dental Fees	77,061	109,580	109,580	111,772	111,772	0	0.0%
Lab Services Fees	369,568	395,383	369,568	369,568	369,568	0	0.0%
Administrative Fees - Health Dept	13,400	5,346	8,457	8,457	8,457	0	0.0%
Medicaid Pediatric Care Coordination	1,034	1,512	5,000	5,000	5,000	0	0.0%
Child Health Fees	1,923	3,134	1,923	1,923	1,923	0	0.0%
Activities of Daily Living - Personal Care Service	9,211	32,607	9,211	9,211	9,211	0	0.0%
Medicaid Pediatric Clinic Visits	45,379	52,272	52,272	53,317	53,317	0	0.0%
Non-Medicaid Pediatric Clinic Visits	46,982	90,987	2,775	2,831	2,831	0	0.0%
Medicaid Maternal Care Coordination	0	350	0	0	0	0	-
Medicaid Maternal Clinic Visits	1,553	11,549	1,553	1,553	1,553	0	0.0%
Non-Medicaid Maternal Clinic Visits	24,259	18,427	24,259	24,744	24,744	0	0.0%
Demential & Respite Care Program Fees	3,197	1,224	3,197	3,197	3,197	0	0.0%
Sewage Disposal/Well Water Evaluation	28,530	36,090	31,500	32,445	32,445	0	0.0%
Elderly Day Care Fees	584,524	672,475	672,475	739,722	739,722	0	0.0%
Elderly Day Care Medicaid Reimbursement	116,774	121,921	121,921	134,113	134,113	0	0.0%
Subtotal Health Dept Revenue	\$2,760,058	\$2,852,893	\$2,857,971	\$2,970,545	\$2,970,545	\$0	0.0%
TOTAL CHARGES FOR SERVICES	\$32,751,935	\$33,000,331	\$34,109,394	\$34,906,731	\$34,906,731	\$0	0.0%

GENERAL FUND REVENUES

REVENUE CATEGORY	FY 2001 ACTUAL RECEIPTS	FY 2002 ADOPTED BUDGET PLAN	FY 2002 REVISED BUDGET PLAN	FY 2003 ADVERTISED BUDGET PLAN	FY 2003 ADOPTED BUDGET PLAN	INCREASE/ DECREASE	PERCENT CHANGE FROM ADVERTISED
City of Fairfax Public Assistance	\$528,387	\$707,586	\$569,445	\$569,445	\$569,445	\$0	0.0%
City of Fairfax Shared Govt. Expenses	2,299,381	2,425,180	2,596,439	2,648,368	2,648,368	0	0.0%
City of Fairfax - Communications - Fire	145,760	72,000	72,000	73,440	73,440	0	0.0%
City of Fairfax - Communications - Telecomm Services	44,206	44,136	44,136	45,090	45,090	0	0.0%
City of Fairfax - Fastran/Employment	12,839	12,839	12,839	12,839	12,839	0	0.0%
Falls Church Public Assistance	530,468	652,504	571,203	571,203	571,203	0	0.0%
Falls Church Health Dept. Services	131,231	134,750	134,750	137,445	137,445	0	0.0%
Falls Church - Fastran/Employment	14,119	14,119	14,119	14,119	14,119	0	0.0%
Pre-Release Room and Board	353,043	406,920	353,043	360,104	360,104	0	0.0%
Boarding of Prisoners	3,091	16,005	3,091	3,091	3,091	0	0.0%
Professional Dues Deduction	9,978	9,837	10,730	10,820	10,820	0	0.0%
Hospital Reimbursement	641	509	509	509	509	0	0.0%
Recovered Costs - Circuit Court	6,716	6,891	6,891	6,891	6,891	0	0.0%
Recovered Costs - General District Court	75,742	81,670	81,670	81,670	81,670	0	0.0%
Misc. Recovered Costs - Other	104,249	92,903	92,903	94,761	94,761	0	0.0%
Misc. Recovered Costs - Fire and Rescue Hazm	59,677	56,919	56,919	56,919	56,919	0	0.0%
Credit Card Charges	(22,565)	0	0	0	0	0	-
Employer Child Care Referral Fee	242	1,631	0	0	0	0	-
Fairfax Hospital Assn. Reimbursement	353,489	400,324	367,629	382,334	382,334	0	-
Child Care Services for Other Jurisdictions	190,329	90,327	90,327	90,327	90,327	0	0.0%
CPAN, Circuit Court Computer Service	67,210	79,994	69,354	70,741	70,741	0	0.0%
Document Services Charges - Materials/S+A360supplies	276	0	0	0	0	0	-
Golden Gazette	33,462	25,355	33,462	33,462	33,462	0	0.0%
Fastran/Employment	89,203	94,844	89,203	89,203	89,203	0	0.0%
TOTAL RECOVERED COSTS	\$5,031,172	\$5,427,243	\$5,270,662	\$5,352,781	\$5,352,781	\$0	0.0%
State Shared ABC Profits	\$2,130,973	\$2,100,574	\$2,100,574	\$1,130,797	\$1,130,797	\$0	0.0%
State Shared Rolling Stock Tax	118,051	120,412	117,456	105,710	105,710	0	0.0%
State Shared Law Enforcement (HB 599)	16,355,115	18,033,455	15,294,819	16,230,109	16,230,109	0	0.0%
State Indirect Aid	69,303	31,929	31,929	28,736	28,736	0	0.0%
Subtotal Non-Categorical State Aid	\$18,673,441	\$20,286,370	\$17,544,778	\$17,495,352	\$17,495,352	\$0	0.0%

GENERAL FUND REVENUES

REVENUE CATEGORY	FY 2001 ACTUAL RECEIPTS	FY 2002 ADOPTED BUDGET PLAN	FY 2002 REVISED BUDGET PLAN	FY 2003 ADVERTISED BUDGET PLAN	FY 2003 ADOPTED BUDGET PLAN	INCREASE/ DECREASE	PERCENT CHANGE FROM ADVERTISED
State Shared Commonwealth Atty. Expenses	\$1,186,635	\$1,518,894	\$1,204,037	\$1,367,005	\$1,367,005	\$0	0.0%
State Shared Sheriff Expenses	12,180,983	12,511,093	12,583,405	11,325,064	11,325,064	0	0.0%
State Shared Dept. of Tax Admin/Finance Expenses	2,452,995	2,646,998	2,446,998	2,382,298	2,382,298	0	0.0%
State Shared Medical Examiner Expenses	8,100	9,853	9,853	8,868	8,868	0	0.0%
State Share General Registrar Expense	85,808	94,452	94,452	85,007	85,007	0	0.0%
State Shared Retirement - Comm Atty.	36,553	46,509	46,509	41,858	41,858	0	0.0%
State Shared General Retirement - Sheriff	369,290	384,763	384,763	346,287	346,287	0	0.0%
State Shared Retirement - Dept. of Tax Admin./Finance	71,710	79,634	79,634	71,671	71,671	0	0.0%
State Shared Retirement - Circuit Court	91,080	110,625	110,625	99,562	99,562	0	0.0%
Subtotal Shared Expenses	\$16,483,154	\$17,402,821	\$16,960,276	\$15,727,620	\$15,727,620	\$0	0.0%
Libraries State Aid	\$769,589	\$791,329	\$761,787	\$571,340	\$571,340	\$0	0.0%
Virginia Share Public Assistance Programs	29,201,134	33,765,687	34,374,022	30,402,020	29,898,007	(504,013)	-1.7%
Construction Remib. J&DRC & Less Secure	0	3,131,539	3,131,539	0	0	0	-
State Share J&DR Residential Services	4,230,221	4,906,685	4,906,685	4,416,016	4,416,016	0	0.0%
State Share Adult Detention Center	2,909,248	2,805,752	2,805,752	2,525,177	2,525,177	0	0.0%
Subtotal Categorical State Aid	\$37,110,193	\$45,400,992	\$45,979,785	\$37,914,553	\$37,410,540	(\$504,013)	-1.3%
State Remib. - General District Court	(\$3,206)	\$65,805	\$65,805	\$59,224	\$59,224	\$0	0.0%
State Remib. - Health Department	7,869,703	7,931,294	7,767,294	7,138,165	7,138,165	0	0.0%
State Remib. - Residential Beds - JDC	17,010	41,379	17,010	15,309	15,309	0	0.0%
Human Services - Head Injured	941,528	931,000	966,000	869,400	869,400	0	0.0%
State Remib. - Comm Atty. Witness Expense	22,492	17,000	17,000	15,300	15,300	0	0.0%
State Remib.- Police Intoxication	2,650	2,375	2,375	2,137	2,137	0	0.0%
State Share J&DR Court Services	1,542,095	1,346,821	1,346,821	1,212,139	1,212,139	0	0.0%
State Remib - Snow Emergency	549	0	0	0	0	0	0.0%
Subtotal State Recovered Costs	\$10,392,821	\$10,335,674	\$10,182,305	\$9,311,674	\$9,311,674	\$0	0.0%
State Reimb. - Personal Property Tax - Current	\$118,792,536	\$197,822,133	\$197,822,133	\$202,003,059	\$202,003,059	\$0	0.0%
State Reimb. - Personal Property Tax - 1st Year Delinquent	1,036,729	0	0	0	0	0	-
Subtotal PPTRA Current and Delinquent	\$119,829,265	\$197,822,133	\$197,822,133	\$202,003,059	\$202,003,059	\$0	0.0%
TOTAL REVENUE FROM THE COMMONWEALTH	\$202,488,873	\$291,247,990	\$288,489,277	\$282,452,258	\$281,948,245	(\$504,013)	-0.2%

GENERAL FUND REVENUES

REVENUE CATEGORY	FY 2001 ACTUAL RECEIPTS	FY 2002 ADOPTED BUDGET PLAN	FY 2002 REVISED BUDGET PLAN	FY 2003 ADVERTISED BUDGET PLAN	FY 2003 ADOPTED BUDGET PLAN	INCREASE/ DECREASE	PERCENT CHANGE FROM ADVERTISED
J&DRC - USA Grant	\$141,951	\$138,106	\$145,852	\$145,852	\$145,852	\$0	0.0%
USDA Grant - Office for Children/Human Svc.	27,299	36,000	36,000	36,000	36,000	0	0.0%
Illegal Alien Grant	1,622,291	0	1,911,519	0	0	0	-
Air Pollution Grant	68,850	68,850	68,850	68,850	68,850	0	0.0%
FASTRAN - Medicaid Remib. - Dial-a-Ride	303,313	262,126	562,126	309,380	309,380	0	0.0%
Federal Emergency Assistance	191,178	53,000	471,030	53,000	53,000	0	0.0%
Subtotal Categorical Federal Aid	\$2,354,882	\$558,082	\$3,195,377	\$613,082	\$613,082	\$0	0.0%
Federal Public Assistance & Federal Pass-Through	\$34,462,809	\$38,130,118	\$34,145,533	\$38,130,118	\$38,130,118	\$0	0.0%
Payments in Lieu of Taxes	68,109	77,356	77,356	77,356	77,356	0	0.0%
TOTAL REVENUE FROM THE FEDERAL GOVT.	\$36,885,800	\$38,765,556	\$37,418,266	\$38,820,556	\$38,820,556	\$0	0.0%
Combined State & Federal Public Assistance	\$63,663,943	\$71,895,805	\$68,519,555	\$68,532,138	\$68,028,125	(\$504,013)	-0.7%
Litigation Proceeds	\$5,115	\$46,000	\$46,000	\$46,000	\$46,000	\$0	0.0%
Miscellaneous Revenue - Environ Mgmt.	28,112	13,158	13,158	13,158	13,158	0	0.0%
Miscellaneous Revenue - Maint. & Const.	3,844	14,027	14,027	14,027	14,027	0	0.0%
Miscellaneous Revenue - Contract Rebates	103,928	158,500	119,000	132,000	132,000	0	0.0%
Miscellaneous Revenue - Life Insurance	5,396	0	0	0	0	0	-
Miscellaneous Revenue - Various	160,985	99,595	99,595	99,595	99,595	0	0.0%
Payphone Commission	13,723	19,867	19,867	19,867	19,867	0	0.0%
TOTAL MISCELLANEOUS REVENUE	\$321,103	\$351,147	\$311,647	\$324,647	\$324,647	\$0	0.0%
Sale of Land & Buildings	\$75,800	\$0	\$0	\$0	\$0	\$0	-
Revenue form Local Jurisdictions	\$6,480	\$0	\$0	\$0	\$0	\$0	-
Combined Recovered Costs/Other Revenue	\$5,434,555	\$5,778,390	\$5,582,309	\$5,677,428	\$5,677,428	\$0	0.0%
GRAND TOTAL, COMBINED GENERAL FUND	\$2,141,373,852	\$2,305,661,097	\$2,286,158,311	\$2,455,039,810	\$2,441,636,904	(\$13,402,906)	-0.5%

REVENUE FROM THE COMMONWEALTH ¹

Fund	Fund Title	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
001	General Fund ²	\$202,488,873	\$291,247,990	\$288,489,277	\$282,452,258	\$281,948,245	(\$6,541,032)	-2.27%
090	Public School Operating	316,954,674	325,213,978	317,797,097	312,758,125	312,758,125	(5,038,972)	-1.59%
100	County Transit Systems	4,854,104	5,860,160	6,592,156	6,500,000	6,500,000	(92,156)	-1.40%
102	Federal/State Grant Fund	4,555,251	13,372,927	10,472,474	11,714,982	11,714,982	1,242,508	11.86%
103	Aging Grants and Programs	820,972	815,304	1,036,796	826,152	826,152	(210,644)	-20.32%
106	Community Services Board	13,768,512	13,308,416	14,270,989	14,374,140	14,374,140	103,151	0.72%
109	Refuse Collection & Recycling Operations	93,524	0	95,300	0	0	(95,300)	-100.00%
113	McLean Community Center	0	0	3,000	4,800	4,800	1,800	60.00%
116	Forest Integrated Pest Management Program	6,927	0	15,000	0	0	(15,000)	-100.00%
120	E-911 Fund	1,621,624	1,979,879	2,319,277	2,729,562	2,729,562	410,285	17.69%
191	School Food & Nutrition Services	763,948	781,476	765,750	765,749	765,749	(1)	0.00%
192	School Grants & Self Supporting	8,908,394	9,510,984	10,594,219	9,552,800	9,552,800	(1,041,419)	-9.83%
193	School Adult & Community Education	1,290,301	1,241,125	1,371,176	1,293,579	1,293,579	(77,597)	-5.66%
301	Contributed Roadway Improvement	1,140	0	8,214,211	0	0	(8,214,211)	-100.00%
303	County Construction	4,535,000	6,599,552	6,599,552	4,242,776	4,867,776	(1,731,776)	-26.24%
304	Primary & Secondary Road Bond Construction	218,872	0	7,753,646	1,000,000	500,000	(7,253,646)	-93.55%
307	Sidewalk Construction	1,300,000	300,000	3,022,250	300,000	300,000	(2,722,250)	-90.07%
308	Public Works Construction	2,562,776	1,085,224	1,085,224	2,620,000	2,620,000	1,534,776	141.42%
311	County Bond Construction	0	0	3,900,000	0	0	(3,900,000)	-100.00%
312	Public Safety Construction	0	378,000	378,000	0	0	(378,000)	-100.00%
313	Trail Construction	0	0	508,995	200,000	75,000	(433,995)	-85.27%
315	Commercial Revitalization Program	100,794	0	385,206	0	0	(385,206)	-100.00%
316	Pro Rata Share Drainage Construction	0	0	59,597	0	0	(59,597)	-100.00%
390	School Construction	2,062,134	2,088,527	2,099,552	2,099,552	2,099,552	0	0.00%
402	Sewer Construction Improvements	95,217	0	0	0	0	0	-
408	Sewer Bond Construction	1,755,137	0	0	0	0	0	-
Total Revenue from the Commonwealth		\$568,758,174	\$673,783,542	\$687,828,744	\$653,434,475	\$652,930,462	(\$34,898,282)	-5.07%

REVENUE FROM THE FEDERAL GOVERNMENT

Fund	Fund Title	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase (Decrease) Over Revised	% Increase (Decrease) Over Revised
001	General Fund	\$36,885,800	\$38,765,556	\$38,773,302	\$38,820,556	\$38,820,556	\$47,254	0.12%
090	Public School Operating	28,201,017	23,277,574	34,273,103	31,025,538	31,025,538	(3,247,565)	-9.48%
102	Federal/State Grant Fund	19,405,062	20,620,851	52,032,676	25,006,298	25,006,298	(27,026,378)	-51.94%
103	Aging Grants and Programs	1,089,190	989,585	1,405,306	1,078,126	1,078,126	(327,180)	-23.28%
106	Community Services Board	6,137,739	6,195,221	9,588,391	5,555,099	5,555,099	(4,033,292)	-42.06%
142	Community Development Block Grant	5,140,572	6,370,000	13,903,055	6,235,000	6,235,000	(7,668,055)	-55.15%
145	HOME Investment Partnership Grant	1,257,012	2,081,000	4,873,938	2,078,000	2,078,000	(2,795,938)	-57.37%
191	School Food & Nutrition Services	13,802,345	13,351,175	13,351,175	13,401,414	13,401,414	50,239	0.38%
192	School Grants & Self Supporting	10,756,651	12,415,476	18,822,676	14,705,752	14,705,752	(4,116,924)	-21.87%
193	School Adult & Community Education	210,039	284,000	449,329	222,275	222,275	(227,054)	-50.53%
308	Public Works Construction	10,000	0	90,000	0	0	(90,000)	-100.00%
311	County Bond Construction	1,694,949	0	3,909,286	0	0	(3,909,286)	-100.00%
340	Housing Assistance Program	930,000	0	9,291,480	0	0	(9,291,480)	-100.00%
390	School Construction	780,000	0	0	0	0	0	-
Total Revenue from the Federal Government		\$126,300,376	\$124,350,438	\$200,763,717	\$138,128,058	\$138,128,058	(\$62,635,659)	-31.20%

¹ In addition to funds received by the County directly from the State in the funds listed herein, it is projected the State will provide \$29,783,157 to the Northern Virginia Transportation Commission (NVTC) in FY 2003 as a credit to help offset Fairfax County's Operating Subsidy and \$4,355,161 as a credit to help offset Fairfax County's Capital Construction Subsidy in Fund 309, Metro Operations and Construction.

² 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 Revenue from the Commonwealth category in accordance with guidelines from the State Auditor of Public Accounts.

PERSONNEL SERVICES SUMMARY
(All Funds Excluding the School Board)

	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase (Decrease) Over Revised
Regular Positions						
<i>General Fund</i>	9,212	9,256	9,279	9,321	9,302	23
<i>General Fund Supported</i>	1,253	1,260	1,264	1,264	1,263	(1)
<i>Other Funds</i>	852	852	842	843	843	1
Total	11,317	11,368	11,385	11,428	11,408	23
Regular Salaries¹						
<i>General Fund</i>	\$408,884,065	\$455,555,023	\$446,738,043	\$486,085,765	\$484,257,947	\$37,519,904
<i>General Fund Supported</i>	64,572,253	73,586,106	74,462,722	77,143,005	76,466,531	2,003,809
<i>Other Funds</i>	32,296,031	37,240,921	36,085,313	39,003,756	39,003,756	2,918,443
Total	\$505,752,349	\$566,382,050	\$557,286,078	\$602,232,526	\$599,728,234	\$42,442,156
Limited Term Salaries						
<i>General Fund</i>	\$16,675,723	\$17,172,346	\$16,593,080	\$17,750,224	\$15,618,901	(\$974,179)
<i>General Fund Supported</i>	4,385,546	4,447,309	4,712,543	4,413,157	4,246,847	(465,696)
<i>Other Funds</i>	1,910,759	2,218,554	2,320,784	2,276,664	2,276,664	(44,120)
Total	\$22,972,028	\$23,838,209	\$23,626,407	\$24,440,045	\$22,142,412	(\$1,483,995)
Shift Differential						
<i>General Fund</i>	\$1,594,049	\$2,668,656	\$2,657,624	\$3,266,723	\$3,266,723	\$609,099
<i>General Fund Supported</i>	181,454	320,429	363,825	479,541	468,434	104,609
<i>Other Funds</i>	22,775	60,988	59,260	79,307	79,307	20,047
Total	\$1,798,278	\$3,050,073	\$3,080,709	\$3,825,571	\$3,814,464	\$733,755
Extra Compensation						
<i>General Fund</i>	\$23,755,437	\$22,394,668	\$25,250,609	\$26,928,073	\$26,120,409	\$869,800
<i>General Fund Supported</i>	3,378,792	2,148,386	4,172,900	3,761,084	3,678,568	(494,332)
<i>Other Funds</i>	1,390,117	1,219,590	1,354,856	1,310,074	1,310,074	(44,782)
Total	\$28,524,346	\$25,762,644	\$30,778,365	\$31,999,231	\$31,109,051	\$330,686

PERSONNEL SERVICES SUMMARY
(All Funds Excluding the School Board)

	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase (Decrease) Over Revised
Position Turnover						
<i>General Fund</i>	\$0	(\$14,784,773)	(\$12,214,486)	(\$15,559,114)	(\$15,559,114)	(\$3,344,628)
<i>General Fund Supported</i>	0	(2,600,815)	(2,828,520)	(2,587,438)	(2,562,704)	265,816
<i>Other Funds</i>	0	(1,105,203)	(598,363)	(1,158,247)	(1,158,247)	(559,884)
Total	\$0	(\$18,490,791)	(\$15,641,369)	(\$19,304,799)	(\$19,280,065)	(\$3,638,696)
Total Salaries						
<i>General Fund</i>	\$450,909,274	\$483,005,920	\$479,024,870	\$518,471,671	\$513,704,866	\$34,679,996
<i>General Fund Supported</i>	72,518,045	77,901,415	80,883,470	83,209,349	82,297,676	1,414,206
<i>Other Funds</i>	35,619,682	39,634,850	39,221,850	41,511,554	41,511,554	2,289,704
Total	\$559,047,001	\$600,542,185	\$599,130,190	\$643,192,574	\$637,514,096	\$38,383,906
Fringe Benefits¹						
<i>General Fund</i>	\$108,577,744	\$111,515,658	\$112,509,603	\$121,533,953	\$120,670,575	\$8,160,972
<i>General Fund Supported</i>	15,790,295	18,218,874	18,714,955	18,990,978	18,824,079	109,124
<i>Other Funds</i>	45,135,013	49,802,951	55,535,675	59,417,036	59,417,036	3,881,361
Total	\$169,503,052	\$179,537,483	\$186,760,233	\$199,941,967	\$198,911,690	\$12,151,457
Fringe Benefits as a Percent of						
Total Personnel Services	23.3%	23.0%	23.8%	23.7%	23.8%	24.0%
Total Costs of Personnel Services						
<i>General Fund</i>	\$559,487,018	\$594,521,578	\$591,534,473	\$640,005,624	\$634,375,441	\$42,840,968
<i>General Fund Supported</i>	88,308,340	96,120,289	99,598,425	102,200,327	101,121,755	\$1,523,330
<i>Other Funds</i>	80,754,695	89,437,801	94,757,525	100,928,590	100,928,590	\$6,171,065
Grand Total	\$728,550,053	\$780,079,668	\$785,890,423	\$843,134,541	\$836,425,786	\$50,535,363

¹ Funding for the FY 2003 Market Index of 2.67 percent for employees on the public safety pay scales (C, F, O and P), effective the first full pay period of FY 2003, is included in the Regular Salaries category for the Police Department (\$2,315,971), the Office of the Sheriff (\$849,028), the Fire and Rescue Department (\$2,257,034) and Fund 120, E-911 (\$237,051). In addition Employee Benefits includes \$1,340,540 in the Fringe Benefit category for this funding.

FY 2003 PERSONNEL SERVICES BY AGENCY

#	Agency Title	Regular Compensation	Fringe Benefits	New Positions	Pay for Performance	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
Legis - Exec Functions/Central Services										
01	Board of Supervisors	\$3,514,343	\$0	\$0	\$9,917	\$16,393	\$0	\$5,612	(\$32,117)	\$3,514,148
02	Office of the County Executive	3,607,938	0	0	100,661	714,772	0	40,982	(36,454)	4,427,899
04	Department of Cable Communications and Consumer Protection	1,218,665	0	0	34,001	85,740	0	16,892	(20,809)	1,334,489
06	Department of Finance	3,932,462	0	0	111,180	91,818	0	13,720	(113,167)	4,036,013
11	Department of Human Resources	4,160,561	0	0	113,328	108,126	0	11,815	(72,969)	4,320,861
12	Department of Purchasing and Supply Management	2,798,457	0	0	80,357	7,592	0	0	(59,029)	2,827,377
13	Office of Public Affairs	682,843	0	0	17,377	59,211	0	0	(6,381)	753,050
15	Electoral Board and General Registrar	1,031,727	0	0	27,388	609,164	0	25,432	(14,117)	1,679,594
17	Office of the County Attorney	4,808,468	0	0	134,156	20,020	0	21,978	(167,552)	4,817,070
20	Department of Management and Budget	2,537,829	0	0	74,504	24,580	0	1,328	(27,363)	2,610,878
37	Office of the Financial and Program Auditor	172,660	0	0	4,817	0	0	0	0	177,477
41	Civil Service Commission	143,532	0	0	6,505	0	0	0	0	150,037
57	Department of Tax Administration	14,494,847	0	0	410,225	1,120,463	0	157,686	(599,441)	15,583,780
70	Department of Information Technology	14,515,836	0	0	410,301	213,030	0	22,463	(416,701)	14,744,929
	Total Legis - Exec Functions/Central Services	\$57,620,168	\$0	\$0	\$1,534,717	\$3,070,909	\$0	\$317,908	(\$1,566,100)	\$60,977,602
Judicial Administration										
80	Circuit Court and Records	\$6,645,490	\$0	\$0	\$186,330	\$134,432	\$0	\$166,071	(\$278,933)	\$6,853,390
82	Office of the Commonwealth's Attorney	1,931,037	0	0	56,805	0	0	0	(81,783)	1,906,059
85	General District Court	860,391	0	0	24,005	25,354	6,295	7,362	(30,400)	893,007
91	Office of the Sheriff	10,484,835	0	0	86,400	0	7,909	898,190	(156,771)	11,320,563
	Total Judicial Administration	\$19,921,753	\$0	\$0	\$353,540	\$159,786	\$14,204	\$1,071,623	(\$547,887)	\$20,973,019
Public Safety										
04	Department of Cable Communications and Consumer Protection	\$778,124	\$0	\$0	\$21,710	\$22,723	\$0	\$5,748	(\$12,761)	\$815,544
31	Land Development Services	8,109,538	0	0	235,742	0	0	31,341	(301,937)	8,074,684
81	Juvenile and Domestic Relations District	14,138,098	0	0	396,583	568,442	101,869	353,782	(704,374)	14,854,400
90	Police Department	86,010,182	0	1,377,316	1,001,479	0	768,330	13,134,603	(3,146,766)	99,145,144
91	Office of the Sheriff	23,010,798	0	0	308,220	0	294,959	908,204	(412,548)	24,109,633
92	Fire and Rescue Department	82,813,886	0	1,042,734	759,873	1,236,493	1,948,128	8,367,129	(2,021,606)	94,146,637
	Total Public Safety	\$214,860,626	\$0	\$2,420,050	\$2,723,607	\$1,827,658	\$3,113,286	\$22,800,807	(\$6,599,992)	\$241,146,042
Public Works										
08	Facilities Management Division	\$8,427,263	\$0	\$0	\$235,122	\$21,466	\$13,835	\$114,524	(\$259,271)	\$8,552,939
25	Business Planning and Support	2,094,166	0	0	60,144	45,612	0	6,261	(77,320)	2,128,863
26	Office of Capital Facilities	7,546,435	0	0	211,195	0	0	0	(77,579)	7,680,051
29	Maintenance & Stormwater Management	5,635,883	0	0	162,980	229,829	0	115,198	(136,068)	6,007,822
	Total Public Works	\$23,703,747	\$0	\$0	\$669,441	\$296,907	\$13,835	\$235,983	(\$550,238)	\$24,369,675

FY 2003 PERSONNEL SERVICES BY AGENCY

#	Agency Title	Regular Compensation	Fringe Benefits	New Positions	Pay for Performance	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
Health and Welfare										
05	Office for Women	\$448,687	\$0	\$0	\$12,848	\$0	\$0	\$0	\$0	\$461,535
67	Department of Family Services	51,766,112	0	890,623	1,446,186	1,510,115	0	1,206,848	(2,329,422)	54,490,462
68	Department of Administration for Human Services	10,062,109	0	0	284,104	478,021	0	38,538	(315,974)	10,546,798
69	Department of Systems Management for Human Services	4,535,783	0	0	125,776	68,804	0	23,620	(85,795)	4,668,188
71	Health Department	22,945,662	0	0	639,629	1,694,799	0	0	(655,875)	24,624,215
Total Health and Welfare		\$89,758,353	\$0	\$890,623	\$2,508,543	\$3,751,739	\$0	\$1,269,006	(\$3,387,066)	\$94,791,198
Parks, Recreation and Cultural										
50	Department of Community and Recreation Services	\$4,373,416	\$0	\$0	\$123,452	\$1,923,887	\$9,405	\$7,583	(\$161,844)	\$6,275,899
51	Fairfax County Park Authority	16,907,922	0	0	475,298	2,526,404	6,333	101,559	(1,068,642)	18,948,874
52	Fairfax County Public Library	17,403,745	0	0	485,565	1,906,090	109,660	211,902	(963,006)	19,153,956
Total Parks, Recreation and Cultural		\$38,685,083	\$0	\$0	\$1,084,315	\$6,356,381	\$125,398	\$321,044	(\$2,193,492)	\$44,378,729
Community Development										
16	Economic Development Authority	\$1,980,715	\$0	\$0	\$55,261	\$76,552	\$0	\$12,733	(\$63,333)	\$2,061,928
31	Land Development Services	7,913,965	0	0	224,118	306	0	0	(187,918)	7,950,471
35	Department of Planning and Zoning	7,813,974	0	0	225,610	16,984	0	23,112	(230,154)	7,849,526
36	Planning Commission	420,967	0	0	11,745	0	0	7,407	0	440,119
38	Department of Housing and Community Development	3,262,437	0	0	98,836	0	0	42,405	(106,945)	3,296,733
39	Office of Human Rights	1,135,565	0	0	31,682	0	0	18,381	(26,765)	1,158,863
40	Department of Transportation	3,724,499	0	0	103,913	61,679	0	0	(99,224)	3,790,867
Total Community Development		\$26,252,122	\$0	\$0	\$751,165	\$155,521	\$0	\$104,038	(\$714,339)	\$26,548,507
Non-Departmental										
87	Unclassified Administrative Expenses	\$520,094	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$520,094
89	Employee Benefits ¹	0	120,670,575	0	0	0	0	0	0	120,670,575
Total Non-Departmental		\$520,094	\$120,670,575	\$0	\$0	\$0	\$0	\$0	\$0	\$121,190,669
Total General Fund		\$471,321,946	\$120,670,575	\$3,310,673	\$9,625,328	\$15,618,901	\$3,266,723	\$26,120,409	(\$15,559,114)	\$634,375,441

¹ Funding for the FY 2003 Market Index of 2.67 percent for employees on the public safety pay scales (C, F, O and P), effective the first full pay period of FY 2003, is included in the Regular Compensation category for the Police Department (\$2,315,971), the Office of the Sheriff (\$849,028), the Fire and Rescue Department (\$2,257,034) and Fund 120, E-911 (\$237,051). In addition Employee Benefits includes \$1,340,540 in the Fringe Benefit category for this funding.

FY 2003 PERSONNEL SERVICES BY AGENCY

#	Agency Title	Regular Compensation	Fringe Benefits	New Positions	Pay for Performance	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
General Fund Supported Funds										
103	Aging Grants and Programs	\$1,596,979	\$327,704	\$0	\$42,844	\$48,183	\$0	\$0	(\$58,735)	\$1,956,975
106	Communities Services Board									
	CSB Central Services	771,115	159,911	0	20,351	0	0	1,061	(9,053)	943,385
	Mental Health Services	23,353,553	5,178,740	0	670,978	2,863,061	93,031	452,140	(1,265,834)	31,345,669
	Mental Retardation Services	7,666,700	1,674,538	0	207,507	417,420	73,243	169,848	(272,957)	9,936,299
	Alcohol & Drug Services	16,171,412	3,464,343	0	433,568	341,437	118,651	53,428	(524,020)	20,058,819
120	E-911 ¹	7,305,318	1,633,374	0	69,619	0	86,810	2,666,891	0	11,762,012
141	Elderly Housing Programs	658,813	152,835	0	18,381	32,838	3,998	36,645	(8,233)	895,277
500	Retiree Health Benefits	59,303	2,238,831	0	1,655	0	0	0	0	2,299,789
501	County Insurance	748,625	152,969	0	20,887	49,981	0	0	(23,784)	948,678
503	Department of Vehicle Services	11,560,457	2,789,955	0	316,956	0	81,220	215,633	(286,129)	14,678,092
504	Document Services Division	829,281	205,769	0	23,137	0	4,392	24,373	(15,291)	1,071,661
505	Technology Infrastructure Services	3,812,717	845,110	0	106,375	493,927	7,089	58,549	(98,668)	5,225,099
Total General Fund Supported Funds		\$74,534,273	\$18,824,079	\$0	\$1,932,258	\$4,246,847	\$468,434	\$3,678,568	(\$2,562,704)	\$101,121,755
Other Funds										
105	Cable Communications	\$2,398,417	\$613,434	\$0	\$66,916	\$317,013	\$0	\$57,141	(\$63,904)	\$3,389,017
109	Refuse Collection & Recycling Ops	5,151,972	1,374,861	0	141,686	159,510	0	368,793	(292,483)	6,904,339
110	Refuse Disposal	5,664,630	1,427,477	0	158,044	0	0	405,022	(98,690)	7,556,483
111	Reston Community Center	1,631,172	481,213	0	45,510	978,395	7,804	27,384	(16,134)	3,155,344
112	Energy Resource Recovery Facility	376,451	94,003	0	10,503	0	0	9,250	(3,856)	486,351
113	McLean Community Center	1,095,583	283,846	28,000	38,117	282,705	3,574	5,333	(93,277)	1,643,881
114	I-95 Refuse Disposal	1,629,146	408,044	0	45,453	36,595	0	43,311	(24,293)	2,138,256
115	Burgundy Village Community Center	0	1,013	0	0	13,237	0	0	0	14,250
116	Forest Integrated Pest Management Program	308,151	77,247	0	8,597	0	0	2,123	0	396,118
117	Alcohol Safety Action Program	704,587	196,259	0	19,658	324,891	0	4,436	(21,315)	1,228,516
142	Community Development Block Grant	1,164,906	244,127	0	32,996	17,034	0	740	0	1,459,803
145	Home Investment Partnership Grant	88,918	20,579	0	0	34,766	0	0	0	144,263
401	Sewer Bond Operations & Maintenance	16,601,324	4,060,687	0	463,177	107,286	67,929	385,022	(544,295)	21,141,130
506	Health Benefits Trust	0	49,877,306	0	0	0	0	0	0	49,877,306
600	Uniformed Retirement	164,876	38,541	0	4,600	785	0	228	0	209,030
601	Fairfax County Employees' Retirement	769,423	179,858	0	21,467	3,662	0	1,063	0	975,473
602	Police Retirement	164,876	38,541	0	4,600	785	0	228	0	209,030
Total Other Funds		\$37,914,432	\$59,417,036	\$28,000	\$1,061,324	\$2,276,664	\$79,307	\$1,310,074	(\$1,158,247)	\$100,928,590
Total All Funds		\$583,770,651	\$198,911,690	\$3,338,673	\$12,618,910	\$22,142,412	\$3,814,464	\$31,109,051	(\$19,280,065)	\$836,425,786

SUMMARY OF EMPLOYEE BENEFIT COSTS BY CATEGORY

BENEFIT CATEGORY	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Fringe Benefits							
Group Health Insurance							
Expenditures	\$33,138,446	\$36,128,661	\$36,625,171	\$42,136,738	\$42,136,738	\$5,511,567	15.05%
Reimbursements	(4,823,601)	(4,764,176)	(4,764,176)	(5,809,101)	(5,809,101)	(1,044,925)	21.93%
Net Cost	\$28,314,845	\$31,364,485	\$31,860,995	\$36,327,637	\$36,327,637	\$4,466,642	14.02%
Group Life Insurance							
Expenditures	\$2,453,070	\$2,265,972	\$2,265,972	\$2,779,979	\$2,779,979	\$514,007	22.68%
Reimbursements	(816,842)	(992,721)	(992,721)	(940,344)	(940,344)	52,377	-5.28%
Net Cost	\$1,636,228	\$1,273,251	\$1,273,251	\$1,839,635	\$1,839,635	\$566,384	44.48%
FICA							
Expenditures	\$38,208,644	\$41,226,689	\$41,439,509	\$44,150,290	\$43,987,408	\$2,547,899	6.15%
Reimbursements	(9,954,867)	(10,200,275)	(10,200,275)	(10,866,540)	(10,866,540)	(666,265)	6.53%
Net Cost	\$28,253,777	\$31,026,414	\$31,239,234	\$33,283,750	\$33,120,868	\$1,881,634	6.02%
County Retirement							
Expenditures	\$21,980,504	\$21,878,739	\$22,166,502	\$25,722,370	\$22,596,518	\$430,016	1.94%
Reimbursements	(7,611,897)	(7,369,438)	(7,657,201)	(9,254,078)	(8,129,497)	(472,296)	6.17%
Net Cost	\$14,368,607	\$14,509,301	\$14,509,301	\$16,468,292	\$14,467,021	(\$42,280)	-0.29%
Uniformed Retirement	\$18,818,351	\$18,345,081	\$18,629,696	\$18,863,437	\$22,103,027	\$3,473,331	18.64%
Police Retirement	\$17,149,427	\$14,872,861	\$14,872,861	\$14,501,171	\$12,562,356	(\$2,310,505)	-15.54%
Virginia Retirement System	\$1,061,161	\$1,045,828	\$1,045,828	\$1,146,290	\$1,146,290	\$100,462	9.61%
Unemployment Compensation	\$130,829	\$144,097	\$144,097	\$144,097	\$144,097	\$0	0.00%
Capital Projects Reimbursements	(\$1,153,227)	(\$1,065,660)	(\$1,065,660)	(\$1,040,356)	(\$1,040,356)	\$25,304	-2.37%
Fringe Benefit Expenditures	\$132,940,432	\$135,907,928	\$137,189,636	\$149,444,372	\$147,456,413	\$10,266,777	7.48%
Fringe Benefit Reimbursements	(\$24,362,688)	(\$24,392,270)	(\$24,680,033)	(\$27,910,419)	(\$26,785,838)	(2,105,805)	8.53%
General Fund Fringe Benefits	\$108,577,744	\$111,515,658	\$112,509,603	\$121,533,953	\$120,670,575	\$8,160,972	7.25%
Operating Expenses							
Tuition/Training	\$2,691,323	\$1,592,150	\$2,158,983	\$1,592,150	\$1,592,150	(\$566,833)	-26.25%
Other Operating	28,014	34,839	20,839	35,225	33,464	12,625	60.58%
Worker's Compensation	5,513,556	1,655,657	2,199,461	5,792,680	5,792,680	3,593,219	163.37%
Employee Assistance Program	270,580	269,512	269,512	280,292	280,292	10,780	4.00%
Total Operating Expenses	\$8,503,473	\$3,552,158	\$4,648,795	\$7,700,347	\$7,698,586	\$3,049,791	65.60%
Capital Equipment							
Countywide Task Forces	\$10,971	\$0	\$0	\$0	\$0	\$0	-
Total Capital Equipment	\$10,971	\$0	\$0	\$0	\$0	\$0	-
TOTAL EXPENDITURES	\$141,454,876	\$139,460,086	\$141,838,431	\$157,144,719	\$155,154,999	\$13,316,568	9.39%
TOTAL REIMBURSEMENTS	(\$24,362,688)	(\$24,392,270)	(\$24,680,033)	(\$27,910,419)	(\$26,785,838)	(2,105,805)	8.53%
NET COST TO THE COUNTY	\$117,092,188	\$115,067,816	\$117,158,398	\$129,234,300	\$128,369,161	\$11,210,763	9.57%

FY 2003 ADOPTED DISTRIBUTION OF FRINGE BENEFITS BY GENERAL FUND AGENCY

# Agency Title	Personnel Services	Fringe Benefits	Operating Expenses	Recovered Costs	Capital Equipment	Total Cost
Legislative-Executive Functions/Central Services						
01 Board of Supervisors	\$3,514,148	\$826,319	\$622,518	\$0	\$0	\$4,962,985
02 Office of the County Executive	4,427,899	1,041,179	2,070,240	0	0	7,539,318
04 Department of Cable Communications and Consumer Protection	1,334,489	313,793	3,377,997	(3,022,582)	0	2,003,697
06 Department of Finance	4,036,013	949,030	3,092,893	(218,852)	0	7,859,084
11 Department of Human Resources	4,320,861	1,016,010	1,862,817	0	0	7,199,688
12 Department of Purchasing and Supply Management	2,827,377	664,831	1,183,291	0	0	4,675,499
13 Office of Public Affairs	753,050	177,073	259,521	(154,650)	0	1,034,994
15 Electoral Board and General Registrar	1,679,594	394,941	333,951	0	0	2,408,486
17 Office of the County Attorney	4,817,070	1,132,689	942,467	(349,204)	0	6,543,022
20 Department of Management and Budget	2,610,878	613,923	365,164	0	0	3,589,965
37 Office of the Financial and Program Auditor	177,477	41,732	8,010	0	0	227,219
41 Civil Service Commission	150,037	35,280	46,154	0	0	231,471
57 Department of Tax Administration	15,583,780	3,664,379	4,349,187	(1,529)	0	23,595,817
70 Department of Information Technology	14,744,929	3,467,131	11,878,714	(5,803,157)	194,000	24,481,617
Total Legis-Exec Functions/Central Services	\$60,977,602	\$14,338,310	\$30,392,924	(\$9,549,974)	\$194,000	\$96,352,862
Judicial Administration						
80 Circuit Court and Records	\$6,853,390	\$1,611,510	\$2,066,642	\$0	\$0	\$10,531,542
82 Office of the Commonwealth's Attorney	1,906,059	448,192	88,540	0	0	2,442,791
85 General District Court	893,007	209,982	693,052	0	0	1,796,041
91 Office of the Sheriff	11,320,563	2,661,924	2,802,645	0	0	16,785,132
Total Judicial Administration	\$20,973,019	\$4,931,608	\$5,650,879	\$0	\$0	\$31,555,506
Public Safety						
04 Department of Cable Communications and Consumer Protection	\$815,544	\$191,767	\$154,841	\$0	\$0	\$1,162,152
31 Land Development Services	8,074,684	1,898,686	1,872,873	0	0	11,846,243
81 Juvenile and Domestic Relations District Court	14,854,400	3,492,872	2,520,929	0	0	20,868,201
90 Police Department	99,145,144	23,313,049	28,690,275	(646,606)	2,136,587	152,638,449
91 Office of the Sheriff	24,109,633	5,669,154	5,654,601	0	0	35,433,388
92 Fire and Rescue Department	94,146,637	22,137,697	16,511,797	0	530,075	133,326,206
Total Public Safety	\$241,146,042	\$56,703,225	\$55,405,316	(\$646,606)	\$2,666,662	\$355,274,639

FY 2003 ADOPTED DISTRIBUTION OF FRINGE BENEFITS BY GENERAL FUND AGENCY

# Agency Title	Personnel Services	Fringe Benefits	Operating Expenses	Recovered Costs	Capital Equipment	Total Cost
Public Works						
08 Facilities Management Division	\$8,552,939	\$2,011,143	\$30,751,249	(\$6,201,926)	\$0	\$35,113,405
25 Business Planning and Support	2,128,863	500,582	565,287	(145,210)	0	3,049,522
26 Office of Capital Facilities	7,680,051	1,805,892	6,068,527	(5,264,547)	0	10,289,923
29 Stormwater Management	6,007,822	1,412,683	2,749,669	(708,595)	241,397	9,702,976
87 Unclassified Administrative Expenses	0	0	220,474	0	0	220,474
Total Public Works	\$24,369,675	\$5,730,300	\$40,355,206	(\$12,320,278)	\$241,397	\$58,376,300
Health and Welfare						
05 Office for Women	\$461,535	\$108,526	\$19,589	\$0	\$0	\$589,650
67 Department of Family Services	54,490,462	12,812,920	110,615,980	(148,856)	35,000	177,805,506
68 Department of Administration for Human Services	10,546,798	2,479,980	1,430,082	0	27,837	14,484,697
69 Department of Systems Management for Human Services	4,668,188	1,097,680	533,886	0	0	6,299,754
71 Health Department	24,624,215	5,790,153	13,482,604	(107,279)	60,000	43,849,693
Total Health and Welfare	\$94,791,198	\$22,289,259	\$126,082,141	(\$256,135)	\$122,837	\$243,029,300
Parks, Recreation & Cultural						
50 Department of Community and Recreation Services	\$6,275,899	\$1,475,719	\$13,840,508	(\$7,971,027)	\$0	\$13,621,099
51 Fairfax County Park Authority	18,948,874	4,455,649	5,701,499	(781,115)	397,000	28,721,907
52 Fairfax County Public Library	19,153,956	4,503,873	8,568,675	0	0	32,226,504
Total Parks, Recreation & Cultural	\$44,378,729	\$10,435,241	\$28,110,682	(\$8,752,142)	\$397,000	\$74,569,510
Community Development						
16 Economic Development Authority	\$2,061,928	\$484,843	\$4,500,787	\$0	\$0	\$7,047,558
31 Land Development Services	7,950,471	1,869,478	1,495,572	(47,702)	0	11,267,819
35 Department of Planning and Zoning	7,849,526	1,845,742	971,321	0	0	10,666,589
36 Planning Commission	440,119	103,490	208,751	0	0	752,360
38 Department of Housing and Community Development	3,296,733	775,196	2,024,041	0	0	6,095,970
39 Office of Human Rights	1,158,863	272,496	112,563	0	0	1,543,922
40 Department of Transportation	3,790,867	891,387	2,061,549	(223,039)	160,560	6,681,324
Total Community Development	\$26,548,507	\$6,242,632	\$11,374,584	(\$270,741)	\$160,560	\$44,055,542
Non-Departmental						
87 Unclassified Administrative Expenses	\$520,094	\$0	\$3,934,703	\$0	\$0	\$4,454,797
89 Employee Benefits	0	0	7,698,586	0	0	7,698,586
Total Non-Departmental	\$520,094	\$0	\$11,633,289	\$0	\$0	\$12,153,383
GENERAL FUND DIRECT EXPENDITURES	\$513,704,866	\$120,670,575	\$309,005,021	(\$31,795,876)	\$3,782,456	\$915,367,042

**FY 2003 SUMMARY OF GENERAL FUND
OPERATING EXPENDITURES BY OBJECT CODE**

Object Code	Description	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
300	MASTER BLANKET	\$4,217	\$0	\$40	\$0	\$0	(\$40)	-100.00%
302	PROFESSIONAL CONSULTANT/CONTRACTS	62,019,410	67,466,267	71,017,739	71,172,010	68,021,579	(2,996,160)	-4.22%
304	COMMERCIAL OFFICE SUPPLIES	398,640	398,896	408,310	381,553	381,103	(27,207)	-6.66%
306	CENTRAL STORE CHARGES	2,251,485	2,028,265	1,856,516	2,020,919	1,950,940	94,424	5.09%
308	OPERATING SUPPLIES	8,818,653	8,010,099	9,756,894	8,853,428	8,632,543	(1,124,351)	-11.52%
309	OPERATING EQUIPMENT	2,430,751	2,698,060	3,174,589	3,873,537	3,549,842	375,253	11.82%
310	OPERATING EXPENSES	8,462,267	11,485,555	12,722,228	10,541,264	9,446,777	(3,275,451)	-25.75%
312	WEARING APPAREL	3,616,183	3,543,962	3,602,142	3,595,887	3,645,418	43,276	1.20%
314	POSTAGE	4,891,665	5,640,849	5,831,263	5,910,678	5,833,995	2,732	0.05%
316	TELECOMMUNICATIONS	13,105,363	13,961,042	14,452,417	11,380,475	11,379,975	(3,072,442)	-21.26%
318	COMMERCIAL PRINTING SERVICES	513,138	813,161	890,499	826,337	796,455	(94,044)	-10.56%
320	RENT OF EQUIPMENT	535,559	505,778	571,273	672,546	611,546	40,273	7.05%
322	RENT OF REAL ESTATE	8,741,678	9,597,084	10,135,537	10,723,428	10,860,222	724,685	7.15%
324	UTILITIES	13,729,025	13,255,260	13,624,278	14,610,334	13,897,584	273,306	2.01%
326	INTERJURISDICTIONAL PAYMENTS	239,239	125,216	125,910	127,166	127,166	1,256	1.00%
328	REPAIRS AND MAINTENANCE	3,853,491	4,949,535	5,079,409	5,136,711	4,790,920	(288,489)	-5.68%
330	BOOKS AND RELATED MATERIAL	7,284,559	7,159,592	6,424,965	7,194,034	6,479,490	54,525	0.85%
331	COMPUTER SOFTWARE & OPERATING EQUIPMENT	2,131,580	2,662,631	2,770,374	3,619,129	3,068,541	298,167	10.76%
332	MEMBERSHIPS & SUBSCRIPTIONS	408,035	400,992	421,104	491,999	491,534	70,430	16.73%
336	AUTOMOTIVE SUPPLIES	151,808	113,003	202,590	116,828	116,828	(85,762)	-42.33%
338	BUILDING MATERIALS AND SUPPLIES	1,193,517	1,161,590	1,159,790	1,131,326	1,052,451	(107,339)	-9.26%
340	AUTO MILEAGE ALLOWANCE	807,319	844,840	811,705	873,202	872,202	60,497	7.45%
342	DVS CHARGES	18,555,432	22,956,959	22,532,907	24,797,680	22,771,798	238,891	1.06%
344	TECHNOLOGY APPLICATION SERVICES	188,557	232,885	210,085	491,873	426,626	216,541	103.07%
346	COOPERATIVE COMPUTER CENTER CHARGES	14,372,875	17,292,987	17,135,644	17,268,139	17,268,139	132,495	0.77%
348	DOCUMENT SERVICES	1,968,856	1,963,905	2,246,942	2,118,604	1,839,894	(407,048)	-18.12%
350	OTHER INTERNAL CHARGES	2,036,674	1,715,955	2,372,764	1,986,694	1,970,466	(402,298)	-16.95%
352	INSURANCE AND SURETY BONDS	7,502,238	3,726,998	4,975,762	7,961,164	7,961,164	2,985,402	60.00%
356	WELFARE EXPENSES	43,394,647	73,050,961	67,974,619	73,103,893	72,217,544	4,242,925	6.24%
360	PAYMENTS TO BOARDS AND COMMISSIONS	329,418	371,302	370,576	369,825	359,686	(10,890)	-2.94%
362	CONTRIBUTIONS/SUBSIDIES	23,871,119	10,479,282	10,595,511	10,484,712	10,484,712	(110,799)	-1.05%
366	TUITION/TRAINING	187,740	210,000	240,663	210,000	210,000	(30,663)	-12.74%
368	CONFERENCES/TRAVEL	4,141,657	5,088,075	5,042,366	5,088,075	4,762,119	(280,247)	-5.56%
370	FOOD	2,519,473	2,468,202	2,518,911	2,728,212	2,727,912	209,001	8.30%
374	RESALE ITEMS	32,069	31,464	31,745	31,464	31,464	(281)	-0.89%
378	CONTINGENCIES	6,486,239	9,226,590	13,588,719	8,205,021	8,205,021	(5,383,698)	-39.62%
380	HOUSING COSTS/RENTAL ASSISTANCE	2,291,024	1,297,803	1,958,977	1,526,365	1,761,365	(197,612)	-10.09%
TOTAL OPERATING EXPENSES		\$273,465,600	\$306,935,045	\$316,835,763	\$319,624,512	\$309,005,021	(\$7,830,742)	-2.47%

FY 2003 Adopted Capital Equipment Funding Summary

GENERAL FUND EXPENDITURES - CAPITAL EQUIPMENT

FY 1997 Actual	FY 1998 Actual	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Adopted Budget Plan
\$6,145,287	\$6,602,146	\$6,218,874	\$7,555,249	\$7,073,182	\$3,946,353	\$6,819,736	\$3,782,456

PROGRAM AREA:	New Purchase	Replacement Purchase	Lease/ Purchase	New Facility Purchase	Total
<u>Legislative-Executive</u>					
<u>Functions/ Central Services</u>					
Department of Information Technology	\$164,000	\$30,000	\$0	\$0	\$194,000
<u>Public Safety</u>					
Police Department	0	262,902	0	1,873,685	2,136,587
Fire & Rescue Department	355,145	41,930	23,000	110,000	530,075
<u>Public Works</u>					
Stormwater Management	0	241,397	0	0	241,397
<u>Health & Welfare</u>					
Department of Family Services	35,000	0	0	0	35,000
Department of Administration for Human Services	0	27,837	0	0	27,837
Health Department	0	60,000	0	0	60,000
<u>Parks, Recreation & Cultural</u>					
Park Authority	197,000	200,000	0	0	397,000
<u>Community Development</u>					
Department of Transportation	0	0	160,560	0	160,560
Total General Fund	\$751,145	\$864,066	\$183,560	\$1,983,685	\$3,782,456

OTHER FUNDS APPROPRIATED - CAPITAL EQUIPMENT

FY 1997 Actual	FY 1998 Actual	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Adopted Budget Plan
\$15,889,997	\$12,120,484	\$22,349,077	\$27,408,729	\$18,266,456	\$19,924,775	\$43,410,764	\$18,409,240

FUND CATEGORY:	New Purchase	Replacement Purchase	Lease/ Purchase	New Facility Purchase	Total
<u>Other Funds - Appropriated</u>					
100 County Transit Systems	\$0	\$0	\$1,347,904	\$0	\$1,347,904
105 Cable Communications	0	250,000	0	0	250,000
109 Refuse Collection & Recycling Operations	0	463,000	0	0	463,000
110 Refuse Disposal	105,000	1,710,230	0	0	1,815,230
111 Reston Community Center	0	141,555	0	0	141,555
113 McLean Community Center	28,986	25,324	0	0	54,310
114 I-95 Refuse Disposal	0	375,000	0	0	375,000
401 Sewer Operation and Maintenance	10,000	711,784	0	0	721,784
503 Department of Vehicle Services	300,033	11,665,326	0	0	11,965,359
504 Document Services Division	0	55,000	0	0	55,000
505 Technology Infrastructure	400,000	820,098	0	0	1,220,098
Total Other Funds - Appropriated	\$844,019	\$16,217,317	\$1,347,904	\$0	\$18,409,240
Combined Total of General Fund and Other	\$1,595,164	\$17,081,383	\$1,531,464	\$1,983,685	\$22,191,696

FY 2003 Adopted Capital Equipment Funding Summary

OTHER FUNDS NON - APPROPRIATED - CAPITAL EQUIPMENT

FY 1997 Actual	FY 1998 Actual	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Adopted Budget Plan
\$350,474	\$761,707	\$993,556	\$767,629	\$1,389,759	\$1,216,049	\$752,365	\$988,749

FUND CATEGORY:	New Purchase	Replacement Purchase	Lease/ Purchase	New Facility Purchase	Total
<u>Other Funds - Non - Appropriated</u>					
170 Park Revenue Fund	\$202,500	\$494,500	\$0	\$0	\$697,000
703 NOVARIS	0		281,749	0	281,749
940 FCHRA General Operating	0	10,000	0	0	10,000
Total Other Funds - Non-Appropriated	\$202,500	\$504,500	\$281,749	\$0	\$988,749
TOTAL ALL FUNDS	\$1,797,664	\$17,585,883	\$1,813,213	\$1,983,685	\$23,180,445

FAIRFAX COUNTY
FY 2001 - FY 2003 County Funded Programs for School Related Services

	FY 2001 Actual	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan
General Fund Transfers/Debt Service				
General Fund Transfer to School Operating Fund	\$988,000,908	\$1,079,911,756	\$1,156,477,500	\$1,167,861,517
Debt Service on Schools' Debt	95,250,687	105,528,408	110,306,798	113,604,781
Subtotal	\$1,083,251,595	\$1,185,440,164	\$1,266,784,298	\$1,281,466,298
Library				
Homework Support Services Program	\$124,137	\$0	\$0	\$0
Subtotal	\$124,137	\$0	\$0	\$0
Police Department				
School Resource and School Education Officers	\$4,348,434	\$4,700,590	\$5,101,013	\$5,101,013
Security for activities such as proms and football games	129,268	130,562	134,048	134,048
School Crossing Guards	1,400,403	1,502,804	1,516,116	1,516,116
Subtotal	\$5,878,105	\$6,333,956	\$6,751,177	\$6,751,177
Fire Department				
Fire safety programs for pre-school through middle school aged students	\$93,600	\$100,620	\$102,960	\$102,960
Subtotal	\$93,600	\$100,620	\$102,960	\$102,960
Health Department				
Clinic Room Aides Program (184/114.56 SYE) and limited-term staffing funding	\$4,614,615	\$4,744,772	\$4,991,766	\$4,491,766
Public Health Nurses (52/52.0 SYE)	2,983,087	3,125,398	3,402,945	3,402,945
Subtotal	\$7,597,702	\$7,870,170	\$8,394,711	\$7,894,711
Community Services Board (CSB) - Alcohol and Drug Services				
School Based Prevention and Early Intervention Substance Abuse Programs	\$310,471	\$437,707	\$475,151	\$475,151
Subtotal	\$310,471	\$437,707	\$475,151	\$475,151
Community Services Board (CSB) - Mental Health Services				
Consultation with teachers, special education staff, and principals regarding emotionally disturbed pre-school children	\$9,546	\$16,036	\$17,084	\$17,084
Adolescent Day Treatment Services	331,927	420,610	444,581	444,581
Services for children with pervasive developmental and/or severe emotional disorders	202,231	363,967	353,329	353,329
Shelter for youth who run away from home; work with schools to avoid interruption of schooling	175,112	181,416	187,167	187,167
Adolescent Residential Services (Fairfax House) for boys aged 13-17	665,477	719,982	841,680	0
Therapeutic services in non-categorical pre-school program	0	60,731	63,555	63,555
Subtotal	\$1,384,293	\$1,762,742	\$1,907,396	\$1,065,716
Department of Family Services				
Net Cost of the School-Age Child Care (SACC) Program (includes general services and services for special needs clients partially offset by program revenues)	\$5,352,195	\$5,641,230	\$6,178,528	\$6,070,908
Head Start Program-General Fund (Higher Horizons, Gum Springs, Schools' contract)	5,408,400	5,445,702	5,526,716	5,514,716
Head Start Federal Grant Funding (Local Cash Match) ¹	473,223	798,987	629,471	629,471
Comprehensive Services Act (special education programs not in FCPS)	12,958,686	14,044,403	14,044,403	13,681,000
County contribution to Schools for SACC space	500,000	500,000	500,000	500,000
Subtotal	\$24,692,504	\$26,430,322	\$26,879,118	\$26,396,095
Department of Information Technology				
Public Service Communication System ²	\$0	\$0	\$1,580,268	\$1,580,268
Subtotal	\$0	\$0	\$1,580,268	\$1,580,268
Department of Community and Recreation Services				
After School Program	\$112,000	\$112,000	\$112,000	\$112,000
Field maintenance ³	708,770	849,792	680,000	680,000
Therapeutic recreation	25,886	28,660	29,054	28,205
Match for field development	781,692	0	0	0
Subtotal	\$1,628,348	\$990,452	\$821,054	\$820,205
Fairfax County Park Authority				
Maintenance of Fairfax County Public Schools' athletic fields	\$678,047	\$849,117	\$1,100,000	\$800,000
Match for field development	781,692	862,537	300,000	300,000
Subtotal	\$1,459,739	\$1,711,654	\$1,400,000	\$1,100,000
TOTAL: County Funding for School Related Services	\$1,126,420,494	\$1,231,077,787	\$1,315,096,133	\$1,327,652,581

¹ This includes Local Cash Match funding for the Federal Head Start and Parent/Child Services.

² This multi-year project will replace the twenty year old two-way communication radio system for the Fairfax County Public School Transportation Department (school buses) as well as County non-public safety agencies. The completed system will provide call coverage to over 90 percent of the County, up from 60 percent, and will increase the call capacity of the system, eliminating frequent unavailability/busy signals currently being experienced by many users.

³ This includes athletic field lighting, maintenance, and other upgrade requirements.

FAIRFAX COUNTY
FY 2001 - FY 2003 Additional County Funded Programs for General Youth Services

	FY 2001 Actual	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan
Additional - County Funded Youth Programs				
Family Services - Net cost of services for children excluding SACC and Head Start	\$12,060,075	\$14,408,122	\$17,561,872	\$15,881,748
Juvenile and Domestic Relations District Court - Residential Services	2,666,513	2,660,068	2,810,882	2,760,882
Department of Community and Recreation Services - Therapeutic recreation	517,728	573,203	581,081	564,106
Department of Community and Recreation Services - Teen Centers	1,180,582	1,237,340	1,251,785	1,187,884
Department of Community and Recreation Services - Community Centers	937,003	1,142,573	1,176,029	1,142,509
Department of Community and Recreation Services - Net cost extension/community education	30,181	32,500	34,450	34,450
Youth Sports Subsidy	191,960	195,000	195,000	195,000
Youth Sports Scholarship	39,131	50,000	50,000	50,000
Subtotal: Additional County Funded Programs for General Youth Services (Non-School)	\$17,623,173	\$20,298,806	\$23,661,099	\$21,816,579
TOTAL: County Funded Programs for Youth (Includes Both School and Non-School Programs)	\$1,144,043,667	\$1,251,376,593	\$1,338,757,232	\$1,349,469,160

FAIRFAX COUNTY

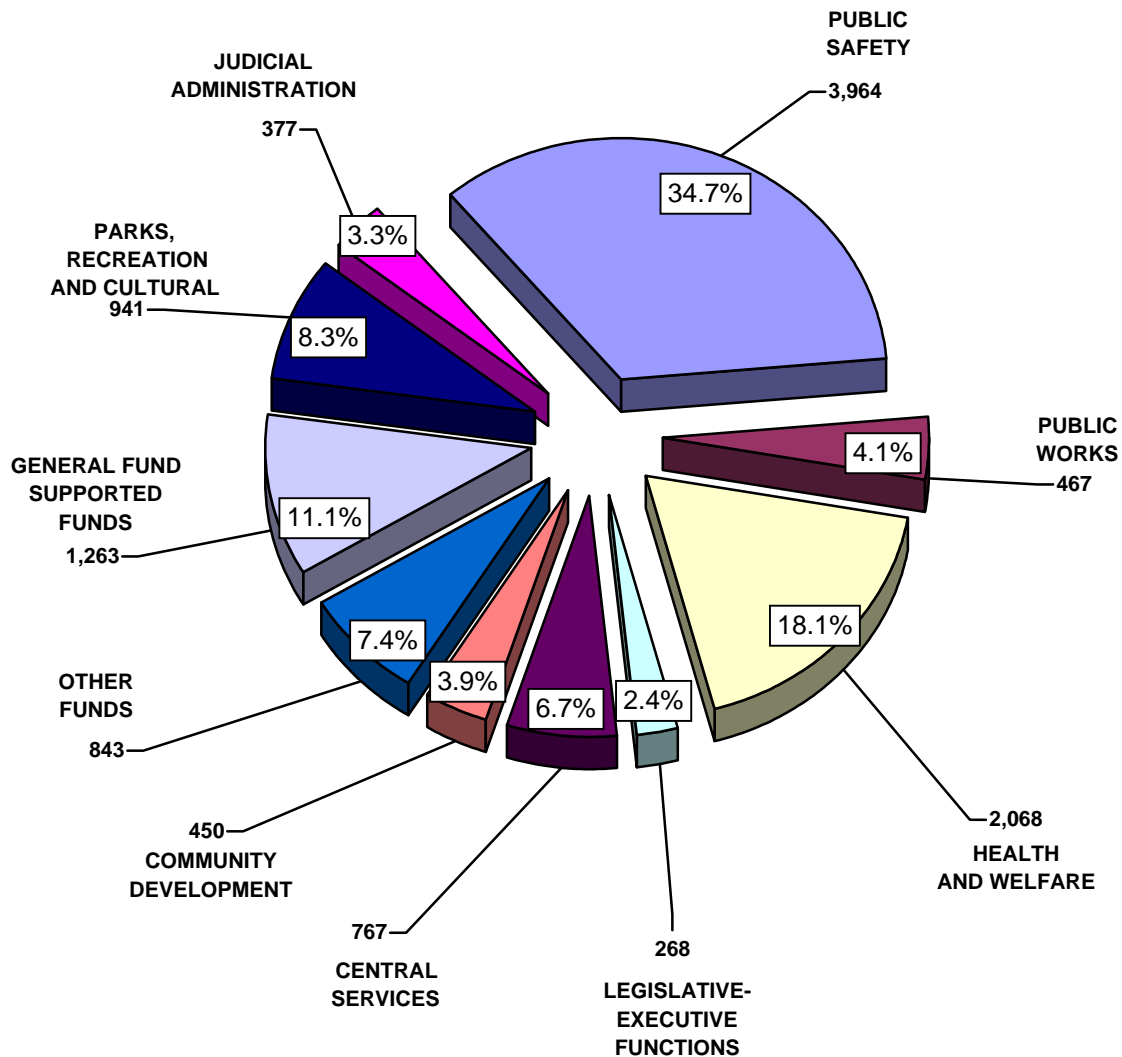
FY 2001 - FY 2003 Additional County-Administered Programs for School-Related Services

Funding can be Federal, State, Local, or a Combination Thereof
(Actual Direct County Funding is Minimal)

	FY 2001 Actual	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan
Community Services Board (CSB) - Alcohol and Drug Services				
Prevention/Early Intervention (P/EI) at Centreville High, Chantilly High, and Mountain View (Previously Federal HIDTA Grant) and supervision of these services	\$44,061	\$65,976	\$53,794	\$53,794
P/EI at Devonshire School Suspension Program (Federal Block Grant) and supervision of these services	59,136	63,108	61,370	61,370
Case Management Services at the Recovery School (Federal Block Grant) and supervision of these services	32,643	34,442	33,542	33,542
Consultation/Education to fifteen school/community coalitions (Federal/County)	32,093	34,442	33,542	33,542
Housing and Community Development - Drug Elimination Grant services at West Potomac High and other South County schools (Grant funding available through June 28, 2002)	49,326	0	0	0
Violence Prevention and Junior Girl Power Groups throughout Fairfax County (County funded and Federal Direct pass through grant)	110,893	117,775	90,914	90,914
Substance Abuse Early Intervention Programs in County middle and high schools (FCPS and County funded)	92,553	124,048	127,588	127,588
Middle School Promising Programs (FY 2002 is the first year of a three-year State Incentive Grant. FY 2003 funding has not been included as grant year is not concurrent with the County's fiscal year)	0	120,000	0	0
Communities That Care (CTC) Survey	0	0	65,000	65,000
Youth Empowerment Strategies for Community Youth Violence and Substance Abuse Prevention in elementary schools (Federal pass-through grant ends June 30, 2002)	25,998	7,875	0	0
Family Services¹				
Head Start Federal Grant Funding	2,973,286	4,779,023	3,414,064	3,414,064
Early Head Start Federal Grant Funding	1,678,979	3,245,862	1,873,929	1,873,929
Head Start State Block Grant Funding	332,103	384,178	384,178	384,178
Subtotal: County-Administered Programs	\$5,431,071	\$8,976,729	\$6,137,921	\$6,137,921
GRAND TOTAL	\$1,149,474,738	\$1,260,353,322	\$1,344,895,153	\$1,355,607,081

¹ It should be noted that these expenditures/budgets are by fiscal year. They contain multiple program years in each fiscal year and therefore do not correlate to annual awards for these grants.

FY 2003 REGULAR POSITIONS ALL FUNDS



TOTAL REGULAR POSITIONS = 11,408

General Fund Supported Funds include: Fund 106, Fairfax-Falls Church Community Services Board; Fund 141, Elderly Housing Programs; Fund 500, Retiree Health Benefits; Fund 501, County Insurance; Fund 503, Department of Vehicle Services; Fund 504, Document Services Division; Fund 505, Technology Infrastructure Services.

Other Funds include: Fund 105, Cable Communications; Fund 109, Refuse Collection; Fund 110, Refuse Disposal; Fund 111, Reston Community Center; Fund 112, Energy Resource Recovery; Fund 113, McLean Community Center; Fund 114, I-95 Refuse Disposal; Fund 116, Forest Integrated Pest Management Program; Fund 117, Alcohol Safety Action Program; Fund 142, Community Development Block Grant; Fund 145, HOME Investment Partnership Grant; Fund 401, Sewer Bond Operation and Maintenance; Fund 601, Fairfax County Employees' Retirement System.

Summary of Position Changes FY 1991 - FY 2003

Authorized Positions - All Funds

	From	To	Abolished	New Facilities	Other Changes	Other Reviews	Total Change
FY 1991 to FY 1992	11,164	11,124	(153)	41	20	52	(40)
FY 1992 to FY 1993	11,124	10,628	(588)	0	13	79	(496)
FY 1993 to FY 1994	10,628	10,685	(88)	62	56	27	57
FY 1994 to FY 1995	10,685	10,870	(157)	94	131	117	185
FY 1995 to FY 1996	10,870	11,016	(49)	60	76	59	146
FY 1996 to FY 1997	11,016	10,782	(477)	150	(14)	107	(234)
FY 1997 to FY 1998	10,782	10,802	(56)	4	43	29	20
FY 1998 to FY 1999	10,802	10,911	(35)	26	41	77	109
FY 1999 to FY 2000	10,911	11,108	(17)	106	26	82	197
FY 2000 to FY 2001	11,108	11,317	0	25	107	77	209
FY 2001 to FY 2002 Revised*	11,317	11,385	(2)	14	39	17	68
FY 2002 Revised to FY 2003	11,385	11,408	(48)	70	1	0	23
Total	11,164	11,408	(1,670)	652	539	723	244

In addition, a total of 168 project positions have been abolished since FY 1991, resulting in a total of 1,838 abolished positions. This results in a net increase of 76 positions through the FY 2003 Adopted Budget Plan. As of the FY 2002 Adopted Budget Plan the net increase was 36 and as of the *FY 2002 Revised Budget Plan* was 53 due to additions at the *FY 2001 Carryover Review* (4), the School Resource Officers (6) noted below, and the *FY 2002 Third Quarter Review* (7).

*Additional Police positions for the COPS School Resource Officers (6) have been included in the FY 2002 Revised Budget based on Board item from November 19, 2001.

Summary of Position Changes

FY 2003 Position Actions Total Change - 23 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES/PUBLIC SAFETY			70
	Family Services	New and expanded SACC sites	22
	Police	Sully Police Station	25
	Police	Transfer of Animal Shelter function	19
	Animal Shelter	Transfer of Animal Shelter function to Police	(19)
	Fire and Rescue	Full time Hazardous Materials Unit	23
WORKLOAD RELATED			1
	McLean Community Center	Performance Arts support position	1
ABOLISHMENTS			(48)
	Finance	E-Government Initiative	(1)
	Human Resources	Division head	(1)
	Purchasing	Processing purchasing transactions	(2)
	Management and Budget	Special Projects	(2)
	Tax Administration	Personnel Property Division	(6)
	Information Technology	Strategic planning, Human Services IT support and PRISM support/modifications	(3)
	Circuit Court	Mediation program	(1)
	Sheriff	Vacant positions to be determined	(3)
	DPWES/Business	IT Support and Development	(2)
	Planning and Support		
	DPWES/Capital	Special Projects and Citizen Response	(3)
	Facilities		
	DPWES/Stormwater Management	Flooding and Snow emergency response	(2)
	Family Services	Deputy Director	(1)
	Administration for	Assistant Buyer and Computer Systems	(2)
	Human Services	Analyst	
	Community and Recreation Services	FASTRAN scheduling	(1)
	Fairfax County Park Authority	Computer program analysis, RECPAC support and to be determined	(3)
	DPWES/Land Development	Plan processing and review	(10)
	Planning and Zoning	Land use applications, public facility review, processing of building permits and special projects	(4)
	Community Services Board	Support position as result of Fairfax House closure	(1)

Summary of Position Changes

FY 2002 Position Actions Total Change - 68 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES			14
	Family Services	New and expanded SACC sites	12
	Community and Recreation Services	Expanded Groveton Senior Center	2
PUBLIC SAFETY			17
	Sheriff	Inmate Janitorial Supervision in ADC Expansion	5
	Sheriff	LIDs Clerk for State Reporting	1
	Fire and Rescue	Additional Tanker staffing	9
	Fire and Rescue	Staff requirements for an expanded South County apparatus shop	2

Summary of Position Changes

FY 2002 Position Actions Total Change - 68 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
WORKLOAD RELATED			20
	County Executive	Elimination of 1 Assistant to the County Executive position	(1)
	Finance	Financial Management	1
	DPWES/Capital Facilities	Elimination of Streetlight and Bus Shelter project management position	(1)
	Housing and Community Development	Revitalization	3
	Community and Recreation Services	Senior Social Day Program	2
	Community and Recreation Services	Transfer of positions associated with Leisure Enterprises and the Employee Fitness Center to the Park Authority	(6)
	Park Authority	Transfer of positions associated with Leisure Enterprises and the Employee Fitness Center to from Community and Recreation Services	6
	Tax Administration	Real Estate Appraisers to improve ratio of parcels per appraiser	3
	Systems Management for Human Services	Coordination of Continuum of Care Process	2
	Information Technology	Security for Information Processing Systems	2
	Health	Community Health Care Network	1
	General District Court	Probation Counselor I	1
	Vehicle Services	Fleet Maintenance	4
	CSB/Mental Retardation	Support for new graduates of County Schools	1
	CSB/Mental Health	Case workers for JDC/LSC	2

Summary of Position Changes

FY 2002 Position Actions Total Change - 68 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			17
	Electoral Board and General Registrar	Conversion of Exempt Limited term Positions in response to National Voter Registration Act workload	2
	DPWES/Business Planning and Support	Transfer of position from Land Development for better alignment of duties	1
	DPWES/Stormwater Management	Transfer of position from Land Development for Stormwater design issues and creation of two new positions for Perennial Streams Mapping	3
	DPWES/Land Development	Transfer of position to Stormwater Management	(1)
	DPWES/Land Development	Transfer of position to Business Planning and Support	(1)
	Community and Recreation Services	Transfer of position to Health	(1)
	Administration for Human Services	Transfer of position from Juvenile and Domestic Relations for better alignment of duties	1
	Health	Transfer of position from Community and Recreation Services for the Senior+ Program	1
	Juvenile and Domestic Relations	Transfer of position to Administration for Human Services	(1)
	Police	School Resource Officers	6
	Police	Conversion of COPS More grant positions	7
POSITION POOL CHANGES			0
	Human Resources	Training staff	2
	Public Affairs	Citizen Hotline	1
	System Management for Human Services	Assistant for Human Services Deputy County Executive	1
	Police	Criminal Intelligence Unit crime analysts	2
	Wastewater Treatment	Identified for realignment	(6)

Summary of Position Changes

FY 2001 Position Actions Total Change - 191 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES			25
	Family Services	New and expanded SACC sites	12
	Health	Herndon Harbor House Adult Day Care Facility	9
	Family Services	SACC Pilot in Middle Schools	3
	Family Services	Herndon Harbor House Adult Day Care Facility	1
PUBLIC SAFETY			38
	Fire and Rescue	Building Inspections	9
	Police	Public Safety Communication Assistants	7
	Police	Alarm Ordinance	6
	Police	Animal Control officers	4
	Police	Central Record clerical support	3
	Police	Victim Services Section	2
	Fire and Rescue	Fiscal Administrator and Accountant	2
	Police	Child Abuse Section	1
	Police	Information Technology support	1
	Animal Control	Education/Fundraising position	1
	Animal Control	Secretarial support	1
	Fire and Rescue	Women's Program officer	1

Summary of Position Changes

FY 2001 Position Actions Total Change - 191 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
WORKLOAD RELATED POSITIONS			69
CSB/Alcohol and Drug		Prevention Resiliency Program in County Schools	8
Information Technology		County Internet, Enterprise Services Manager and Help Desk	7
DPWES/Land Development		Site Inspectors	7
Housing and Community Development		Financial Management support as recommended by external auditor	5
Park Authority		Maintenance staff for Athletic Fields	5
Health		Public Health Nurses for County Schools	5
Juvenile and Domestic Relations		Probation Counselors and Secretary for Domestic Relations, East County Probation Office and Less Secure Facility	5
Administration for Human Services		IT Positions for workload requirements	5
Transportation		Accounting, Transit Operations, Proffers workload	5
CSB/Mental Retardation		Individuals with Disabilities Education Act (IDEA) Service Provision	3
Systems Management for Human Services		Faith in Action coordinator and support	2
Health		Healthy Families	2
CSB/Mental Retardation		Support for new graduates of County Schools	1
Juvenile and Domestic Relations		IT Strategist and Coordinator	1
Circuit Court		Land Records workload	1
Internal Audit		Audit Finding for enhanced audit capacity	1
Transportation		Senior Transportation Initiative	1
McLean CC		Theater cashier	1
Electoral Board		Secretary	1
Human Rights		Human Rights Specialist	1
Family Services		Healthy Families	1
CSB/Alcohol and Drug		Wrap Around Substance Abuse Treatment	1

Summary of Position Changes

FY 2001 Position Actions Total Change - 191 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			77
	County Executive	Transfer of Environmental Coordinator from DPWES/Business Planning and Support	1
	Telecommunications and Consumer Services	Transfer of position to Information Technology	(1)
	DPWES/Business Planning and Support	Transfer of positions to County Executive and Land Development	(10)
	DPWES/Land Development	Transfer of positions from Business Planning and Support	9
	Park Authority	Master Gardener	1
	Library	Transfer of positions to Information Technology	(12)
	Family Services	SACC positions for Spring Hill Recreation Center and Churchill Road Elementary SACC Expansions	6
	Family Services	Conversion of Gum Springs Contract Positions to Merit status	18
	Administration for Human Services	Transfer of positions to Information Technology and Juvenile and Domestic Relations	(6)
	Information Technology	Transfer of positions from Telecommunications and Consumer Services, Libraries and Human Services Administration	18
	Juvenile and Domestic Relations	Transfer of position from Human Services Administration	1
	Police	Conversion of Merit Grant position from COPS More Grant	1
	CSB/Mental Health	Residential Services	1
	Police	School Resource Officers	14
	Police	COPS UHP	36

Summary of Position Changes

FY 2001 Position Actions Total Change - 191 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
POSITION POOL CHANGES			0
	County Executive	Language Coordinator, Auditor, Network Analyst	3
	Office for Women	Management Analyst IV	1
	Finance	Financial management	2
	Human Resources	Administrative Aide for training staff	1
	Public Affairs	Support Staff (Conversion of Limited Term)	1
	DPWES/Business Planning and Support	Information Technology Training Program	1
	DPWES/Capital Facilities	Streetlight and Bus Shelter project management	1
	DPWES/Land Development	Inspection services information system replacement project	1
	Planning and Zoning	Trail Planner	1
	Housing and Community Development	Information Technology Training Program	1
	Park Authority	Park Foundation Director	1
	Tax Administration	Identified for realignment	(6)
	Family Services	Senior Transportation Initiative	1
	Administration for Human Services	Identified for realignment - Specifically for Information Technology	(3)
	Information Technology	Information Technology positions to support Human Services Administration	3
	Circuit Court	Language Interpreter	1
	Police	Program and Procedures Coordinator	1
	Sheriff	Information Technology	2
	Refuse Collection	Identified for realignment	(2)
	ASAP	Identified for realignment	(1)
	Wastewater Treatment	Identified for realignment	(10)

Summary of Position Changes

FY 2000 Position Actions Total Change - 197 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES / PUBLIC SAFETY			106
	Comm & Rec	Sully Senior Center	2
	Public Library	New Great Falls Community Library	5
	Family Services	New and Expanded SACC Centers	25
	Family Services	Expanded Franconia/Springfield Family Center	1
	Sheriff, CSB/MH	Expansion of Adult Detention Center	10
	Fire & Rescue	New North Point Station	33
	CSB/Mental Health	New Stevenson Road Adult Care Facility	2
	Police	Support for Central Records Section	3
	Police	School Resource Officers	10
	Police	Officers for "Mixing Bowl"	12
	Sheriff	Support for Live-Scan Fingerprinting and Mug Shot Systems, Emergency Clinic Services for Inmates	3
WORKLOAD / REDIRECTED POSITIONS			9
	Purchasing	Efficiencies	(1)
	Human Resources	Outreach Recruitment Program	1
	Family Svs, Health	Healthy Families Fairfax	3
	Health	Public School Nurses	5
	Information Tech	Increased Workload in Network Services	3
	Circuit Court	Expansion of Differentiated Case Tracking System for Chancery Cases	4
	Police	Transfer of Animal Shelter Cost Center	(17)
	Animal Shelter	Create Animal Shelter Agency	17
	CSB/M Retardation	Support for New Special Education Graduates	1
	CSB/Alcohol & Drug	Substance Abuse Counselors for Schools	3
	CSB/Alcohol & Drug	Convert HIDTA Grant Position to Regular	1
	County Insurance	Claims/Rehabilitation Specialist	1
	Cable	Installation of Institutional Network	4
	Sewers and Solid Waste	Streamlining of Processes, Productivity Increases, and Automation	(16)

Summary of Position Changes

FY 2000 Position Actions Total Change - 197 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			82
	Electoral Board	Voting Machine Supervisor	1
	Juvenile Court	Substance Abuse Screening	4
	General District Court	Clerical Specialist and relief workers	5
	CSB/Mental Health, Mental Retardation and Alcohol & Drug	Support for additional State funded activities, case managers, Schools ADS position, ADS Youth Initiative and MH/ADS Medical Services Unit	42
	Transportation	Photo Red Light Program	3
	Police	COPS Universal Hiring Grant additional Police Officers	25
	Family Services	Administrative Adjustment	(1)
	Human Resources	Administrative Adjustment	1
	Telecom	Massage Ordinance	1
	Police	School Resource Officer	1

Summary of Position Changes

FY 2000 Position Actions Total Change - 197 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
POSITION POOL CHANGES			0
	Program Partnerships	Program Support	3
	Equity Programs	Alternative Dispute Resolution program	1
	Purchasing and Supply Management	Procurement Card Program	1
	Utilities Planning and Design	Engineer Positions	2
	Planning & Zoning	Planners for the backlog of zoning application processing	2
	Family Services	Identified for realignment - Specifically for CSB	(1)
	Information Technology	Program Analysts for Tax Project and Database Administrator for Enterprise Systems	6
	Tax Administration	Identified for realignment - Specifically for DIT	(6)
	Health Department	Adjustment for Human Services Reorganization	3
	Circuit Court	Support for Automated Systems	2
	Fire and Rescue	Engineer Positions	2
	CSB	Child Specific Team Coordinator	1
	Refuse Collection	Identified for realignment	(8)
	Refuse Disposal	Identified for realignment	(4)
	I-95 Solid Waste	Identified for realignment	(1)
	Gypsy Moth	Identified for realignment	(1)
	Wastewater Treatment	Identified for realignment	(1)
	Systems Engineering	Identified for realignment	(2)
	Technology Infrastructure Services	Data Center Maintenance	1

Summary of Position Changes

FY 1999 Position Actions Total Change - 109 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(35)
	Sewers	Streamlining of Processes, Productivity Increases, and Automation	(28)
	Various	County Executive Reorganization	(7)
NEW FACILITIES			26
	Family Services	Shrevewood and Chesterbrook Child Care Ctrs	6
	Facilities Mgmt.	Support Adult and Juvenile Detention Centers	3
	Comm & Rec Svs	Bailey's Community Center Expansion	1
	Public Library	Kingstowne & Great Falls Community Libraries	15
	Health	West County Middle School Clinic Room Aide	1
WORKLOAD/PROGRAMMATIC			41
	County Executive	Assistants to the County Executive	2
	County Executive	Information Systems Auditor - Office of Internal Audit	1
	Health Department	Health Inspectors	4
	Health Department	Public Health Nurses and Support for Respite and Bathing Program	4
	Health Department	Environmental Health Specialists	4
	Juvenile Court	Intake and Probation Services Support	6
	Police	Warden, Naturalist IV and Support for Public Safety Communications Center	4
	Police	Gang Investigation Unit	8
	CSB/M Retardation	Support for New Graduates of County Schools	1
	Human Rights	Investigator	1
	Site Development	Urban Foresters II	5
	Family Services	Child Protective Services Supervisor for Hotline	1

Summary of Position Changes

FY 1999 Position Actions Total Change - 109 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR (TRANSFERS NOT INCLUDED)			77
	County Executive	Director for 6 new Computer Learning Centers	1
	CSB/Alcohol & Drug	Hope Day Treatment	8
	Building Code Svs	Design Review Workload	11
	Police	Parking Guards	7
	McLean Center	Efficiency	(1)
	CSB/Mental Health, Alcohol & Drug	Dual Diagnosis Facility	15
	Family Services	Child Medical Care Program	5
	Police	Universal Hiring Grant	25
	Police	Photo Red Light Program	6

Summary of Position Changes

FY 1998 Position Actions Total Change - 20 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(56)
Major Actions	Solid Waste	Reduced Workload due to Closure of Landfill	(13)
	Sewers	Adjusted Workload - Upgrade of Lower Potomac Pollution Control Plant	(34)
	Cable	Reduced Workload due to New Technology	(1)
	FMD, Human Resources, DMB, Comm & Rec, CSB/Mental Health	KPMG Recommendations	(8)
NEW FACILITIES			4
	Family Services	SACC for Fox Mill, Franconia Elementary Schools	4
WORKLOAD/PROGRAMMATIC			43
Public Safety:	Sheriff	Mt. Vernon and Mason Lock-up Programs	14
	Fire	Auto Mechanics for Aging/Growing Vehicle Fleet	2
	Police	Motorcycle Officers and Increased Public Safety Center Staff	13
Other Major Actions:	Public Affairs	Internet Supervision	1
	Commonwealth Attorney	State-reimbursed Positions to Address Increased Domestic Relations Felony cases	5
	Design Review	Urban Foresters	2
	Juvenile Court	Additional Probation Counselors and Conversion of Grant Positions Supporting Detention Release Program	6
OTHER CHANGES DURING FISCAL YEAR			29
	Various	Position Reductions to Achieve \$438,276 Savings	(18)
	Human Rights	Fair Housing Program	1
	CSB/Mental Health	State Funded Residential Services	2
	Ec. Dev. Authority	Planners for Increased Workload	7
	DEM	Engineers for Increased Workload	4
	Health	Discontinue Medical Exam Unit	(1)
	Police	Grant Funded COPS Program	25
	Information Tech	Transfer from Schools to Support Purchasing System	3
	CSB/M Retardation	Increased Case Management Services	5
	Juvenile Court	Increased Workload	1

Summary of Position Changes

FY 1997 Position Actions Total Change - (234) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(477)
	Tax Admin	Close Branch Offices	(26)
	Public Safety	Workload Redistribution	(58)
	FMD/Housing	Privatize Custodial Contracts	(55)
	Libraries	Close 4 Mini-branches	(10)
	Div. Of Solid Waste	Planned Closure of Landfill. Upgrade of Lower Potomac Pollution Control Plant	(22)
	Public Works	Capital Projects Schedule	(12)
	Various	Lines of Business Modifications/Eliminations, Consolidations, Org. Efficiencies	(294)
NEW FACILITIES			150
	Sheriff	Adult Detention Center Expansion	68
	Juvenile Court	Juvenile Detention Center Expansion	61
	OFC	1 New and 7 Expanded SACC Centers	20
	Recreation	"The Pit" Teen Center in Reston	1
WORKLOAD/PROGRAMMATIC			(14)
	Housing	Transferred to Non-Appropriated Funds	(14)

Summary of Position Changes

FY 1997 Position Actions Total Change - (234) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			107
	CSB/Alcohol & Drug	New Generations and CSAT Grant to Regular	19
	OFC	Day Care Teachers for Virginia Initiative for Employment not Welfare (VIEW)	9
	Various	Downsize Medical Unit, Page Staff, Clearing Crews	(7)
	Reston Center	Senior Citizens Educational Center Staff	2
	Document Services	County/Schools Consolidation of Print Shop	7
	Transportation	Reinstate Planner Based on RPPD Workload	1
	Parks	Transfer Information Officer to Trust Fund. State Co-operative Position to Extension Services	0
	FMD	Custodians for Public Safety Secured Areas	10
	Com./Rec Svs	Restore Services to Community Centers	3
	Circuit Court	Service Realignment Associated with Consolidation with Judicial Operations	2
	Police	Crossing Guards, Impound/Wrecker Section, Universal Hiring Grant	37
	Fire	Rehabilitation Positions Converted from Exempt Limited Term	14
	Aging	Human Services Redesign Grant to Regular	6
	Commonwealth Attorney	State-reimbursed Positions for Increased Domestic Relations Felony Cases	4

Summary of Position Changes

FY 1996 Position Actions Total Change - 146 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(49)
Major Actions	Public Works	Capital Project Schedules	(11)
	Parks	Adjusted Workload - Planning and Land Management, Facility Development	(18)
	Various	Agency Efficiency Efforts	(12)
	Refuse Disposal	Planned Closure of Landfill to Municipal Solid Waste	(8)
NEW FACILITIES			60
	Fire & Rescue	West Centreville Fire Station	27
	Juvenile Court	Expand Boys' Probation House from 12 to 22 Beds	7
	Various	2 Schools - SACC Centers, Crossing Guards, Clinic Room Aides	25
	Recreation	Braddock Community Center	1
WORKLOAD/PROGRAMMATIC			76
Public Safety:	Police	Officers to Expand Community Policing - Grant Funding COPS AHEAD	25
	Sheriff	Workload due to Increased Inmate Population	12
Other Major Actions:	CSB	Stonegate Drug and Alcohol Treatment Program - Previously Grant Funded	8
	Circuit Court	State Mandated Fines and Costs Program	5
	OFC	2 Additional SACC Centers	4
	Various	Workload Adjustments	11
	Health	5 Public Health Nurses, North County Affordable Health Care	11
OTHER CHANGES DURING FISCAL YEAR			59
	Tax Admin, Sheriff	TARGET II Program Converted from Exempt Limited Term, Offset by Revenues	36
	Juvenile Court	Increased Workload	8
	Police	Crossing Guards for 2 New Schools, Polygraph Operator - Public Safety Academy	3
	Sheriff	Applicant Screening/Training for Public Safety Academy	8
	CSB	Psychiatrists	3
	Retirement	Replace Contracted Investment Consulting Services	1

Summary of Position Changes

FY 1995 Position Actions Total Change - 185 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(157)
	EMTA	Privatization of West Ox Garage	(70)
	Public Works	Capital Projects Schedule	(41)
	Various	Human Services Redesign - Admin. Functions	(27)
	Other	Agency Reorganizations and Adjusted Workload	(19)
NEW FACILITIES			94
	Fire & Rescue	Kingstowne Fire Station	23
	Libraries	Chantilly Regional and Herndon Community Libraries	28
	Health, Police	2 Schools - Clinic Room Aides, School Crossing Guards	7
	OFC	6 New SACC Centers	32
	Judicial Operations	4 New Courtrooms	2
	Parks	Green Spring Gardens Park	2
WORKLOAD/PROGRAMMATIC			131
Public Safety:	Police	56 Officers, 5 TARGET Positions	61
	Fire & Rescue	33 Advanced Life Support Positions, 1 Volunteer Training Coordinator	34
	Sheriff	Community Diversion Program - Previously Grant	18
	Juvenile Court	Increased Workload in Probation Services	5
Other Actions:	CSB	Comply with Federally Mandated Waiver Program Standards	7
	Health	Chesapeake Bay Preservation Ordinance, Public Health Nurses for Schools	5
	Assessments	Support Litigation of Assessments Appeals	5
	Other	Workload adjustments	19
	Housing	Transfer SF 175, County Assisted Rental Housing Positions to Non-Appropriated Subfund	(23)

Summary of Position Changes

FY 1995 Position Actions Total Change - 185 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
OTHER CHANGES DURING FISCAL YEAR			117
	OFC	New SACC Center	5
	Juvenile Court	Outreach Detention Program	4
	Police	Communication Assistants for Public Safety Center, Emergency Services Section, Crime "Hot Spots"	28
	EMTA	West Ox Positions Restored	53
	CSB	Psychiatrists and Federal Substance Abuse Treatment Grant	5
	Various	Human Services Redesign Efforts	(10)
	Various	Workload Adjustments	38
	Sheriff	Redesign Community Diversion Program	(6)

Summary of Position Changes

FY 1994 Position Actions Total Change - 57 Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(88)
	CSB	Mental Retardation Privatization, Mental Health Redesign	(27)
	County Executive	Graduate Management Intern Program	(13)
	Public Works	Capital Projects Schedule	(11)
	Refuse Collection	Roadside Litter and Newspaper Collection	(8)
	Sewers	Closing of Little Hunting Creek Plant	(7)
	Police	Privatization of Government Center Security	(5)
	EMTA	Reduced Requirement for School Buses	(11)
	Various	Agency Efficiencies	(6)
NEW FACILITIES			62
	CSB	Crossroads - 70 Bed Facility	24
	CSB	New Beginnings - 30 Bed Facility, Social Detoxification Program	35
	OFC	SACC Center for New School, Serves 30 Children	2
	Libraries	Sunday Hours, Centreville Regional Library	1
WORKLOAD/PROGRAMMATIC			56
	Fire & Rescue	EMS Relief Personnel	15
	DEM	Workload Requirements	9
	Circuit Court, Jud. Operations	Court Workload Requirements	6
	Various	Planning and Development Redesign (Corporate Land Development System)	17
	Auditor	Initiate Financial Program Auditor on behalf of the Board of Supervisors	3
	Sheriff, Jud. Ops.	Support 2 New Judges	5
	Reston	Teen Partnership Proposal	1
OTHER CHANGES DURING FISCAL YEAR			27
	Fire & Rescue	Hazardous Materials Bureau	7
	OFC	Expand SACC Center	1
	CSB/Alcohol & Drug	Adolescent Day Treatment	3
	County Attorney	Enhance Tax Assessment Litigation	9
	Comp Planning	Corporate Land Development System	7

Summary of Position Changes

FY 1993 Position Actions Total Change - (496) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(588)
	Various	Reduction in General Government Agencies	(84)
	Fire & Rescue	48 Firefighters and other Positions due to the Elimination of Citizen CPR Program	(52)
	Police	19 School Crossing Guards, Admin Support, Cadets, Planning & Research	(30)
	Consumer Affairs	Downsize Agency by 1/2	(11)
	FMD	Custodial, Planning and Engineering Function	(13)
	Public Works	Defer Projects	(39)
	OFC	SACC Support, Public Information Officers, Provider Training	(12)
	Parks	Transfer to Fund 940, Historic Preservation, Grounds Maintenance, Marketing	(60)
	Libraries	Systemwide Reductions	(50)
	DEM	Inspections, Enforcement, Technical Support, Urban Forestry	(53)
	OCP	Environmental, Commercial Revitalization, Heritage Resources, Publications	(40)
	Transportation	Administration, Planning	(13)
	EMTA	Defer Maintenance or Increase Downtime due to Abolishing Vacant Positions	(48)
	CSB/ Mental Health	Administrative Support	(15)
	Other	Reductions	(68)

Summary of Position Changes

FY 1993 Position Actions Total Change - (496) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
NEW FACILITIES	None		0
 WORKLOAD/PROGRAMMATIC			13
	Health	Dementia and Respite Care - Previously Grant Funded	8
	Judicial Operations	New Judge and Differentiated Case Tracking	4
	CSB/ M Retardation	Services for New Special Education Graduates	1
 OTHER CHANGES DURING FISCAL YEAR			79
	DEM	Workload and Chesapeake Bay Ordinance	15
	Libraries	Re-Open 6 Mini-libraries	9
	Various	TARGET II	24
	CSB, DCA	Convert Grant Positions to Regular	14
	OFC	New SACC Center, Expand Resource Center	7
	Police	Enhanced Revenue Collection	6
	Health	Abolish State Co-operative Positions	(12)
	Various	Workload Adjustments	16

Summary of Position Changes

FY 1992 Position Actions Total Change - (40) Regular Merit Positions

<u>Type of Position</u>	<u>Agency</u>	<u>Explanation</u>	<u># of Positions</u>
ABOLISHMENTS			(153)
Major Actions	DEM	Agency Downsizing due to Existing Workload	(151)
	CSB	Reductions in Administrative Support Staff	(2)
NEW FACILITIES			41
	Various	New Government Center (Communications, FMD, CCC, Police)	39
	Health	2 New Schools - Clinic Room Aides	2
WORKLOAD/PROGRAMMATIC			20
	Various	TARGET Program, Offset by Revenues	15
	County Attorney	To represent Schools, Billed to Schools	1
	Reston & McLean	Community Center Staff, No General Fund Im	4
OTHER CHANGES DURING FISCAL YEAR			52
	DHD	State Funded Benefits Program, Child Protective Services, Medicaid Processing	32
	Bd. of Supervisors	New Sully District	3
	Sheriff	Double-bunking of Pre-Release Center	10
	General Dist. Court	Pre-Trial Release Program	3
	CSB/Alcohol & Drug	Federal War on Drugs	4

FY 2003 POSITION CHANGES DETAIL

As part of the \$28.8 million Reductions to County Agencies and Funds approved by the Board of Supervisors to allow for a two-cent real estate tax rate reduction and to provide additional funding for the Fairfax County Public School system a total of 48 /48.0 SYE positions were eliminated. The details of these reductions are included by Fund, Program Area and Agency below. An additional 2/2.0 SYE positions proposed by the County Executive in the FY 2003 Advertised Budget Plan for the Little River Glen Adult Day Care Program were not approved by the Board of Supervisors to help meet the required funding reduction.

New positions are included in the Police Department, Fire and Rescue Department, Department of Family Services and Mclean Community Center. The details of the 71/71.54 SYE new positions are also detailed below by Fund, Program Area and Agency as well.

GENERAL FUND

Legislative-Executive/Central Services

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
Finance	0/0.0 SYE	(1/1.0) SYE	0/0.0 SYE

Funding reduction of \$65,056 and 1/1.0 SYE Network Analyst impacting the agency's ability to implement e-government improvement efforts. Total reduction of \$65,056 includes \$52,500 in Personnel Services and \$12,556 in Operating Expenses.

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
Human Resources	0/0.0 SYE	(1/1.0) SYE	0/0.0 SYE

Funding reduction of \$74,457 and 1/1.0 Personnel Analyst IV impacting the agency's ability to address Special Project requests.

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
Purchasing and Supply Management	0/0.0 SYE	(2/2.0) SYE	0/0.0 SYE

Funding reduction of \$81,700 and 2/2.0 SYE positions. These reductions include the elimination of 1/1.0 SYE Administrative Assistant III and 1/1.0 SYE Supply Clerk and will impact the agency's ability to process transactions in a timely manner, and will also increase workload for administrative and warehouse staff.

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
Management and Budget	0/0.0 SYE	(2/2.0) SYE	0/0.0 SYE

Funding reduction of \$132,562 and 2/2.0 SYE Budget Analysts II, impacting the agency's ability to address Special Project requests.

FY 2003 POSITION CHANGES DETAIL

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
Tax Administration	0/0.0 SYE	(6/6.0) SYE	0/0.0 SYE

Funding reduction of \$208,563 and 6/6.0 SYE positions. These reductions include the elimination of 3/3.0 SYE Administrative Assistants IV and 3/3.0 SYE Administrative Assistants III and will impact the agency's ability to provide efficient customer service.

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
Information Technology	0/0.0 SYE	(3/3.0) SYE	0/0.0 SYE

Funding reduction of \$190,292 and 3/3.0 SYE positions. These reductions include the elimination of 2/2.0 SYE Programmer Analyst II and 1/1.0 SYE Management Analyst IV and will impact the agency's ability to address Special Project requests.

Judicial Administration

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
Circuit Court	0/0.0 SYE	(1/1.0) SYE	0/0.0 SYE

Funding reduction of \$33,000 and 1/1.0 SYE Court Clerk I impacting the agency's ability to provide information to Citizens.

Public Safety

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
Police	25/25.0 SYE	19/19.0 SYE	0/0.0 SYE

Funding of \$985,031 is required for the transfer of 19/9.0 SYE positions including 1/1.0 SYE Director, 1/1.0 SYE Volunteer Services Coordinator, 1/1.0 SYE Administrative Assistant III, 5/5.0 SYE Administrative Assistants II, 2/2.0 SYE Animal Caretakers II and 9/9.0 SYE Animal Caretakers I resulting in the merger of the Animal Shelter into the Police Department.

Funding of \$5,942,418 is required for 25/25.0 SYE positions to complete staffing the new Sully District Police Station anticipated to open in January 2003. The positions include 1/1.0 SYE Police Captain, 1/1.0 SYE Police Lieutenant, 8/8.0 SYE Police Second Lieutenants, 6/6.0 SYE Police Sergeants, 6/6.0 SYE Police Citizen Aides II, 1/1.0 SYE Crime Analyst, 1/1.0 SYE Administrative Assistant III and 1/1.0 SYE Administrative Assistant II. This funding includes \$1,403,137 in Personnel Services (\$1,377,316 in Regular Salaries and \$25,821 in Shift Differential), \$2,222,618 in Operating Expenses, \$1,873,685 in Capital Equipment and \$442,978 in Fringe Benefits.

Total funding of \$6,927,449 includes \$2,179,910 in Personnel Services, \$2,430,876 in Operating Expenses, \$1,873,685 in Capital Equipment and \$442,978 in Fringe Benefits. In addition revenues of \$328,775 are also transferred from the Animal Shelter.

FY 2003 POSITION CHANGES DETAIL

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
Sheriff	0/0.0 SYE	(3/3.0) SYE	0/0.0 SYE

Funding reduction of \$172,000 and 3/3.0 SYE. These reductions include the elimination of 2/2.0 SYE Probation Counselors II and 1/1.0 Management Analyst III and will impact the agency's ability to provide contact and guidance for inmates as they transition from incarceration to the community.

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
Fire and Rescue	23/23.0 SYE	0/0.0 SYE	0/0.0 SYE

Funding of \$1,774,166 is required for 23/23.0 SYE positions to provide dedicated staffing and specialized equipment for the County's Hazardous materials Response Unit, enabling the elimination of cross assigning staff to perform this function. The positions include 3/3.0 SYE Fire Sergeants, 18/18.0 SYE Fire Technicians, and 2/2.0 SYE Instrument Technicians III.

Total funding of \$1,774,166 includes \$1,042,734 in Personnel Services, \$209,095 in Operating Expenses, \$142,950 in Capital Equipment and \$379,387 in Fringe Benefits.

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
Animal Shelter	0/0.0 SYE	(19/19.0) SYE	0/0.0 SYE

Funding of \$985,031 is decreased based on the transfer of 19/19.0 SYE positions as detailed above.

Public Works

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
DPWES, Business Planning and Support	0/0.0 SYE	(2/2.0) SYE	0/0.0 SYE

Funding reduction of \$105,962 and 2/2.0 SYE positions. These reductions include the elimination of 1/1.0 SYE Programmer Analyst IV and 1/1.0 SYE Administrative Assistant III will impact the agency's ability to provide large-scale IT projects, planning and budgeting resources, contract administration and assistance and promotion in the design, development, and delivery of mandatory and essential technical and non-technical training.

FY 2003 POSITION CHANGES DETAIL

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
DPWES, Capital Facilities	0/0.0 SYE	(3/3.0) SYE	0/0.0 SYE

Funding reduction of \$153,515 and 3/3.0 SYE. These reductions include the elimination of 1/1.0 SYE Engineer III, 1/1.0 SYE Management Analyst II and 1/1.0 SYE Administrative Assistant I and will impact the agency's ability to have flexibility to absorb any further increase in workload and will result in increased response time to citizens and customers.

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
DPWES, Stormwater Management	0/0.0 SYE	(2/2.0) SYE	0/0.0 SYE

Funding reduction of \$67,882 and 2/2.0 SYE Laborer III and will impact the agency's ability to provide a efficient response time during flooding and snow events, and will extend schedules for routine maintenance.

Health and Welfare

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
Family Services	22/22.54 SYE	(1/1.0) SYE	0/0.0 SYE

The agency received new positions as well as the loss of a position as part of the Board of Supervisor's reductions explained in the introduction.

Funding of \$1,494,391 is required to support 22/22.54 SYE Day Care Center Supervisor and Day Care Center Teacher positions associated with five new rooms at existing school year SACC centers and transitioning five existing school year SACC centers to a year round schedule.

Total funding of \$1,494,391 includes \$928,636 in Personnel Services (\$890,623 in Regular Salaries and \$38,013 in Extra Pay), \$304,818 in Operating Expenses, \$35,000 in Capital Equipment, and \$225,937 in Fringe Benefits. Revenue of \$1,120,794 is anticipated to support this program for a net cost of \$373,597.

Funding reduction of \$90,347 and 1/1.0 SYE Deputy Director impacting the agency's ability to give additional work to the Management Staff and Agency Director because the additional workload will need to be absorbed by the remaining Managers, along with their ongoing responsibilities.

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
Administration for Human Services	0/0.0 SYE	(2/2.0) SYE	0/0.0 SYE

Funding reduction of \$182,465 and 2/2.0 SYE positions. These reductions include the elimination of 1/1.0 SYE Assistant Buyer and 1/1.0 Computer Systems Analyst III and will impact the agency's ability to effectively plan and execute changes recommend by DHR and DMB during their Workforce Planning session.

FY 2003 POSITION CHANGES DETAIL

Parks, Recreation and Cultural

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
Community and Recreation Services	0/0.0 SYE	(1/1.0) SYE	0/0.0 SYE

Funding reduction of \$51,423 and 1/1.0 SYE Transit Scheduler II and will impact the agency's ability to give additional assignments to the remaining staff due to increased workload from redistribution of duties.

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
Parks	0/0.0 SYE	(3/3.0) SYE	0/0.0 SYE

Funding reduction of \$127,851 and 3/3.0 SYE positions. These reductions include the elimination of 1/1.0 SYE Administrative Assistant II, 1/1.0 SYE Programmer Analyst III, 1/1.0 SYE Laborer I, and will impact the agency's ability to perform computer program analysis, provide administrative support to the RecPAC program, and provide area management services at Pak Authority facilities and athletic fields.

Community Development

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
DPWES/Land Development	0/0.0 SYE	(10/10.0) SYE	0/0.0 SYE

Funding reduction of \$414,434 and 10/10.0 SYE positions. These reductions include the elimination of 1/1.0 SYE Engineering Technician, 1/1.0 SYE Senior Plumbing Inspector, 1/1.0 SYE Administrative Assistant II, 2/2.0 SYE Combination Inspectors, 2/2.0 SYE Engineers II, 1/1.0 SYE Engineering Technicians III, 1/1.0 SYE Engineering Aide, 1/1.0 SYE Administrative Assistant I, and will impact the agency's ability to provide efficient plan processing, increase delays in issuing building and occupancy permits and conducting residential inspections.

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
Planning and Zoning	0/0.0 SYE	(4/4.0) SYE	0/0.0 SYE

Funding reduction of \$272,384 and 4/4.0 SYE positions. These reductions include the elimination of 1/1.0 SYE Administrative Assistant, 1/1.0 SYE Programmer Analyst III, 2/2.0 SYE Planners II and will impact the agency's ability to undertake new planning initiatives and reduce staff's ability to provide assistance to applicants in helping to resolve issues.

FY 2003 POSITION CHANGES DETAIL

GENERAL FUND SUPPORTED

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
106, Community Services Board	0/0.0 SYE	(1/1.0) SYE	0/0.0 SYE

Funding reduction of \$40,292,1/1.0 SYE position and redeployment of 9/9.0 SYE positions elsewhere in the CSB system as part of the closing of Fairfax House. This action is part of the \$28.8 million Reductions to County Agencies and Funds approved by the Board of Supervisors to allow for a two-cent real estate tax rate reduction and to provide additional funding for the Fairfax County Public School System.

OTHER FUNDS

Agency	New Facilities/ Public Safety	Redirected Positions	Workload Adjustments
113, McLean Community Center	0/0.0 SYE	0/0.0 SYE	1/1.0 SYE

Funding of \$35,000 is required for an additional 1/1.0 SYE Recreation Specialist I position. This position will provide support to the Performing Arts program due to increases in programs and citizen participation.

Total funding of \$35,000 includes \$28,000 in Personnel Services and \$7,000 for Fringe Benefits.

**FY 2003 ADOPTED POSITION SUMMARY
(GENERAL FUND)**

#	Agency Title	FY 2001		FY 2002								FY 2003				Inc/Dec Positions	Inc/Dec SYE		
		Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Third Quarter Positions	Third Quarter SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE			Adopted Positions	Adopted SYE
Legis - Exec Functions/Central Services																			
01	Board of Supervisors	78	78.00	78	78.00	0	0.00	0	0.00	0	0.00	78	78.00	78	78.00	78	78.00	0	0.00
02	Office of the County Executive	50	50.00	49	49.00	0	0.00	0	0.00	0	0.00	49	49.00	49	49.00	49	49.00	0	0.00
04	Department of Cable Communications and Consumer Protection	29	29.00	29	29.00	0	0.00	0	0.00	0	0.00	29	29.00	29	29.00	29	29.00	0	0.00
06	Department of Finance	72	72.00	73	73.00	0	0.00	0	0.00	0	0.00	73	73.00	73	73.00	72	72.00	(1)	(1.00)
11	Department of Human Resources	69	69.00	69	69.00	0	0.00	2	2.00	0	0.00	71	71.00	71	71.00	70	70.00	(1)	(1.00)
12	Department of Purchasing and Supply Management	59	59.00	59	59.00	0	0.00	0	0.00	0	0.00	59	59.00	59	59.00	57	57.00	(2)	(2.00)
13	Office of Public Affairs	11	11.00	11	11.00	0	0.00	1	1.00	0	0.00	12	12.00	12	12.00	12	12.00	0	0.00
15	Electoral Board and General Registrar	22	22.00	22	22.00	2	2.00	0	0.00	0	0.00	24	24.00	24	24.00	24	24.00	0	0.00
17	Office of the County Attorney	64	64.00	64	64.00	0	0.00	0	0.00	0	0.00	64	64.00	64	64.00	64	64.00	0	0.00
20	Department of Management and Budget	41	41.00	41	41.00	0	0.00	0	0.00	0	0.00	41	41.00	41	41.00	39	39.00	(2)	(2.00)
37	Office of the Financial and Program Auditor	2	2.00	2	2.00	0	0.00	0	0.00	0	0.00	2	2.00	2	2.00	2	2.00	0	0.00
41	Civil Service Commission	2	2.00	2	2.00	0	0.00	0	0.00	0	0.00	2	2.00	2	2.00	2	2.00	0	0.00
57	Department of Tax Administration	324	324.00	327	327.00	0	0.00	0	0.00	0	0.00	327	327.00	327	327.00	321	321.00	(6)	(6.00)
70	Department of Information Technology	217	217.00	219	219.00	0	0.00	0	0.00	0	0.00	219	219.00	219	219.00	216	216.00	(3)	(3.00)
Total Legis - Exec Functions/Central Services		1,040	1,040.00	1,045	1,045.00	2	2.00	3	3.00	0	0.00	1,050	1,050.00	1,050	1,050.00	1,035	1,035.00	(15)	(15.00)
Judicial Administration																			
80	Circuit Court and Records	162	162.00	162	162.00	0	0.00	0	0.00	0	0.00	162	162.00	162	162.00	161	161.00	(1)	(1.00)
82	Office of the Commonwealth's Attorney	37	36.50	37	36.50	0	0.00	0	0.00	0	0.00	37	36.50	37	36.50	37	36.50	0	0.00
85	General District Court	19	19.00	20	20.00	0	0.00	0	0.00	0	0.00	20	20.00	20	20.00	20	20.00	0	0.00
91	Office of the Sheriff	159	158.50	164	163.50	0	0.00	(4)	(4.00)	0	0.00	160	159.50	163	162.50	159	158.50	(1)	(1.00)
Total Judicial Administration		377	376.00	383	382.00	0	0.00	(4)	(4.00)	0	0.00	379	378.00	382	381.00	377	376.00	(2)	(2.00)
Public Safety ¹																			
04	Department of Cable Communications and Consumer Protection	15	15.00	15	15.00	0	0.00	0	0.00	0	0.00	15	15.00	15	15.00	15	15.00	0	0.00
31	Land Development Services	167	167.00	167	167.00	0	0.00	0	0.00	0	0.00	167	167.00	167	167.00	160	160.00	(7)	(7.00)
81	Juvenile and Domestic Relations District Court	306	301.50	306	301.50	0	0.00	(1)	(1.00)	0	0.00	305	300.50	305	300.50	305	300.50	0	0.00
90	Police Department	1,747	1,653.16	1,747	1,653.16	0	0.00	8	8.00	7	7.00	1,762	1,668.16	1,799	1,705.16	1,806	1,712.16	44	44.00
91	Office of the Sheriff	378	377.50	379	378.50	0	0.00	4	4.00	0	0.00	383	382.50	380	379.50	381	380.50	(2)	(2.00)
92	Fire and Rescue Department	1,263	1,263.00	1,274	1,274.00	0	0.00	0	0.00	0	0.00	1,274	1,274.00	1,274	1,274.00	1,297	1,297.00	23	23.00
96	Animal Shelter	19	19.00	19	19.00	0	0.00	0	0.00	0	0.00	19	19.00	0	0.00	0	0.00	(19)	(19.00)
Total Public Safety		3,895	3,796.16	3,907	3,808.16	0	0.00	11	11.00	7	7.00	3,925	3,826.16	3,940	3,841.16	3,964	3,865.16	39	39.00
Public Works																			
08	Facilities Management Division	183	183.00	183	183.00	0	0.00	0	0.00	0	0.00	183	183.00	183	183.00	183	183.00	0	0.00
25	Business Planning and Support	35	35.00	35	35.00	0	0.00	1	1.00	0	0.00	36	36.00	36	36.00	34	34.00	(2)	(2.00)
26	Office of Capital Facilities	131	131.00	130	130.00	0	0.00	0	0.00	0	0.00	130	130.00	130	130.00	127	127.00	(3)	(3.00)
29	Maintenance & Stormwater Management	122	122.00	122	122.00	3	3.00	0	0.00	0	0.00	125	125.00	125	125.00	123	123.00	(2)	(2.00)
Total Public Works		471	471.00	470	470.00	3	3.00	1	1.00	0	0.00	474	474.00	474	474.00	467	467.00	(7)	(7.00)

**FY 2003 ADOPTED POSITION SUMMARY
(GENERAL FUND)**

#	Agency Title	FY 2001		FY 2002								FY 2003				Inc/Dec Positions	Inc/Dec SYE		
		Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Third Quarter Positions	Third Quarter SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE			Adopted Positions	Adopted SYE
Health and Welfare																			
05	Office for Women	8	7.50	8	7.50	0	0.00	0	0.00	0	0.00	8	7.50	8	7.50	8	7.50	0	0.00
67	Department of Family Services	1,194	1,136.36	1,206	1,152.79	0	0.00	0	0.00	0	0.00	1,206	1,152.79	1,228	1,175.33	1,227	1,174.33	21	21.54
68	Department of Administration for Human Services	199	197.50	199	197.50	0	0.00	1	1.00	0	0.00	200	198.50	200	198.50	198	196.50	(2)	(2.00)
69	Department of Systems Management for Human Services	79	78.50	81	80.50	0	0.00	1	1.00	0	0.00	82	81.50	82	81.50	82	81.50	0	0.00
71	Health Department	551	479.26	552	480.26	0	0.00	1	0.50	0	0.00	553	480.76	555	482.76	553	480.76	0	0.00
Total Health and Welfare		2,031	1,899.12	2,046	1,918.55	0	0.00	3	2.50	0	0.00	2,049	1,921.05	2,073	1,945.59	2,068	1,940.59	19	19.54
Parks, Recreation and Cultural																			
50	Department of Community and Recreation Services	98	98.00	96	96.00	0	0.00	(1)	(1.00)	0	0.00	95	95.00	95	95.00	94	94.00	(1)	(1.00)
51	Fairfax County Park Authority	386	383.50	392	389.50	0	0.00	0	0.00	0	0.00	392	389.50	392	389.50	389	386.50	(3)	(3.00)
52	Fairfax County Public Library	458	415.50	458	415.50	0	0.00	0	0.00	0	0.00	458	415.50	458	415.50	458	415.50	0	0.00
Total Parks, Recreation and Cultural		942	897.00	946	901.00	0	0.00	(1)	(1.00)	0	0.00	945	900.00	945	900.00	941	896.00	(4)	(4.00)
Community Development																			
16	Economic Development Authority	33	33.00	33	33.00	0	0.00	0	0.00	0	0.00	33	33.00	33	33.00	33	33.00	0	0.00
31	Land Development Services	141	141.00	141	141.00	(1)	(1.00)	(1)	(1.00)	0	0.00	139	139.00	139	139.00	136	136.00	(3)	(3.00)
35	Department of Planning and Zoning	142	142.00	142	142.00	0	0.00	0	0.00	0	0.00	142	142.00	142	142.00	138	138.00	(4)	(4.00)
36	Planning Commission	8	8.00	8	8.00	0	0.00	0	0.00	0	0.00	8	8.00	8	8.00	8	8.00	0	0.00
38	Department of Housing and Community Development	55	55.00	58	58.00	0	0.00	0	0.00	0	0.00	58	58.00	58	58.00	58	58.00	0	0.00
39	Office of Human Rights	19	19.00	19	19.00	0	0.00	0	0.00	0	0.00	19	19.00	19	19.00	19	19.00	0	0.00
40	Department of Transportation	58	58.00	58	58.00	0	0.00	0	0.00	0	0.00	58	58.00	58	58.00	58	58.00	0	0.00
Total Community Development		456	456.00	459	459.00	(1)	(1.00)	(1)	(1.00)	0	0.00	457	457.00	457	457.00	450	450.00	(7)	(7.00)
Total General Fund Positions		9,212	8,935.28	9,256	8,983.71	4	4.00	12	11.50	7	7.00	9,279	9,006.21	9,321	9,048.75	9,302	9,029.75	23	23.54

¹ As part of the FY 2003 Adopted Budget Plan, Agency 96, Animal Shelter was consolidated with Agency 90, Police Department.

**FY 2003 ADOPTED POSITION SUMMARY
(GENERAL FUND SUPPORTED AND OTHER FUNDS)**

Fund	FY 2001		FY 2002										FY 2003				Inc/Dec Positions	Inc/Dec SYE
	Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Third Quarter Positions	Third Quarter SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE	Adopted Positions	Adopted SYE		
General Fund Supported																		
106 Community Services Board																		
Central Services	11	11.00	11	11.00	0	0.00	1	1.00	0	0.00	12	12.00	12	12.00	12	12.00	0	0.00
Mental Health Services	423	410.85	425	414.85	0	0.50	(1)	(0.50)	0	0.50	424	415.35	424	414.85	423	414.35	(1)	(1.00)
Mental Retardation Services	150	149.00	151	150.50	0	0.00	0	0.00	0	0.00	151	150.50	151	150.50	151	150.50	0	0.00
Alcohol & Drug Services	302	299.50	302	300.00	0	0.00	0	0.00	0	0.00	302	300.00	302	300.00	302	300.00	0	0.00
<i>Total Community Services Board</i>	<i>886</i>	<i>870.35</i>	<i>889</i>	<i>876.35</i>	<i>0</i>	<i>0.50</i>	<i>0</i>	<i>0.50</i>	<i>0</i>	<i>0.50</i>	<i>889</i>	<i>877.85</i>	<i>889</i>	<i>877.35</i>	<i>888</i>	<i>876.85</i>	<i>(1)</i>	<i>(1.00)</i>
141 Elderly Housing Programs	15	15.00	15	15.00	0	0.00	0	0.00	0	0.00	15	15.00	15	15.00	15	15.00	0	0.00
500 Retiree Health Benefits	1	1.00	1	1.00	0	0.00	0	0.00	0	0.00	1	1.00	1	1.00	1	1.00	0	0.00
501 County Insurance Fund	13	13.00	13	13.00	0	0.00	0	0.00	0	0.00	13	13.00	13	13.00	13	13.00	0	0.00
503 Department of Vehicle Services	252	252.00	256	256.00	0	0.00	0	0.00	0	0.00	256	256.00	256	256.00	256	256.00	0	0.00
504 Document Services Division	20	20.00	20	20.00	0	0.00	0	0.00	0	0.00	20	20.00	20	20.00	20	20.00	0	0.00
505 Technology Infrastructure Services	66	66.00	66	66.00	0	0.00	4	4.00	0	0.00	70	70.00	70	70.00	70	70.00	0	0.00
Total General Fund Supported	1,253	1,237.35	1,260	1,247.35	0	0.50	4	4.50	0	0.50	1,264	1,252.85	1,264	1,252.35	1,263	1,251.85	(1)	(1.00)
Other Funds																		
105 Cable Communications	43	43.00	43	43.00	0	0.00	(4)	(4.00)	0	0.00	39	39.00	39	39.00	39	39.00	0	0.00
109 Refuse Collection & Recycling Ops	139	139.00	139	139.00	0	0.00	0	0.00	0	0.00	139	139.00	139	139.00	139	139.00	0	0.00
110 Refuse Disposal	134	134.00	134	134.00	0	0.00	0	0.00	0	0.00	134	134.00	134	134.00	134	134.00	0	0.00
111 Reston Community Center	38	37.11	38	37.11	0	0.00	0	0.00	0	0.00	38	37.11	38	37.11	38	37.11	0	0.00
112 Energy Resource Recovery Facility	9	9.00	9	9.00	0	0.00	0	0.00	0	0.00	9	9.00	9	9.00	9	9.00	0	0.00
113 McLean Community Center	29	23.75	29	24.25	0	0.00	0	0.00	0	0.00	29	24.25	30	25.25	30	25.25	1	1.00
114 I-95 Refuse Disposal	37	37.00	37	37.00	0	0.00	0	0.00	0	0.00	37	37.00	37	37.00	37	37.00	0	0.00
116 Forest Integrated Pest Management Program	8	8.00	8	8.00	0	0.00	0	0.00	0	0.00	8	8.00	8	8.00	8	8.00	0	0.00
117 Alcohol Safety Action Program	15	15.00	15	15.00	0	0.00	0	0.00	0	0.00	15	15.00	15	15.00	15	15.00	0	0.00
142 Community Development Block Grant	21	21.00	21	21.00	0	0.00	0	0.00	0	0.00	21	21.00	21	21.00	21	21.00	0	0.00
145 HOME Investment Partnership Grant	1	1.00	1	1.00	0	0.00	0	0.00	0	0.00	1	1.00	1	1.00	1	1.00	0	0.00
401 Sewer Bond Operations & Maintenance																		
Director of Waste Management	358	357.50	358	357.50	0	0.00	(6)	(6.00)	0	0.00	352	351.50	352	351.50	352	351.50	0	0.00
Line Maintenance Division	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Wastewater Treatment Division	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Systems Engineer & Monitoring Division	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
<i>Total Sewer Bond Operations & Maintenance</i>	<i>358</i>	<i>357.50</i>	<i>358</i>	<i>357.50</i>	<i>0</i>	<i>0.00</i>	<i>(6)</i>	<i>(6.00)</i>	<i>0</i>	<i>0.00</i>	<i>352</i>	<i>351.50</i>	<i>352</i>	<i>351.50</i>	<i>352</i>	<i>351.50</i>	<i>0</i>	<i>0.00</i>
601 Fairfax County Employees' Retirement	20	20.00	20	20.00	0	0.00	0	0.00	0	0.00	20	20.00	20	20.00	20	20.00	0	0.00
Total Other Funds	852	845.36	852	845.86	0	0.00	(10)	(10.00)	0	0.00	842	835.86	843	836.86	843	836.86	1	1.00
Total All Funds	11,317	11,017.99	11,368	11,076.92	4	4.50	6	6.00	7	7.50	11,385	11,094.92	11,428	11,137.96	11,408	11,118.46	23	23.54

**FY 2003 ADOPTED POSITION SUMMARY
(GENERAL FUND STATE POSITIONS)**

Agency Title	FY 2001		FY 2002										FY 2003					
	Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Third Quarter Positions	Third Quarter SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE	Adopted Positions	Adopted SYE	Inc/Dec Positions	Inc/Dec SYE
Circuit Court and Records	15	15.00	15	15.00	0	0.00	0	0.00	0	0.00	15	15.00	15	15.00	15	15.00	0	0.00
Juvenile and Domestic Relations District Court	42	42.00	42	42.00	0	0.00	0	0.00	0	0.00	42	42.00	42	42.00	42	42.00	0	0.00
General District Court	122	116.40	124	117.00	0	0.00	0	0.00	0	0.00	124	117.00	124	117.00	124	117.00	0	0.00
Total	179	173.40	181	174.00	0	0.00	0	0.00	0	0.00	181	174.00	181	174.00	181	174.00	0	0.00

**FY 2003 ADOPTED POSITION SUMMARY
(GRANT POSITIONS)**

Fund/ Agency Title	FY 2001		FY 2002										FY 2003				Inc/Dec Positions	Inc/Dec SYE
	Actual Positions	Actual SYE	Adopted Positions	Adopted SYE	Carryover Positions	Carryover SYE	Out of Cycle Positions	Out of Cycle SYE	Third Quarter Positions	Third Quarter SYE	Revised Positions	Revised SYE	Advertised Positions	Advertised SYE	Adopted Positions	Adopted SYE		
Fund 102, Federal/State Grant Fund																		
Office of the County Executive	1	1.00	1	1.00	0	0.00	0	0.00	0	0.00	1	1.00	1	1.00	1	1.00	0	0.00
DPWES/Capital Facilities	1	1.00	1	1.00	0	0.00	0	0.00	0	0.00	1	1.00	1	1.00	1	1.00	0	0.00
Department of Planning and Zoning	1	1.00	1	1.00	0	0.00	0	0.00	0	0.00	1	1.00	1	1.00	1	1.00	0	0.00
Office of Human Rights	3	3.00	3	3.00	0	0.00	0	0.00	0	0.00	3	3.00	3	3.00	3	3.00	0	0.00
Department of Transportation	7	7.00	6	6.00	0	0.00	0	0.00	0	0.00	6	6.00	6	6.00	6	6.00	0	0.00
Department of Family Services	176	173.50	175	168.12	3	3.00	19	23.13	0	0.00	197	194.25	191	188.25	197	194.25	0	0.00
Health Department	25	24.13	24	23.13	0	0.00	0	0.00	0	0.00	24	23.13	24	23.13	24	23.13	0	0.00
Circuit Court and Records	1	1.00	1	1.00	0	0.00	0	0.00	0	0.00	1	1.00	1	1.00	1	1.00	0	0.00
Juvenile and Domestic Relations Court	9	7.50	10	8.50	0	0.00	13	13.00	0	0.00	23	21.50	9	8.00	21	20.00	(2)	(1.50)
General District Court	8	8.00	9	9.00	0	0.00	0	0.00	0	0.00	9	9.00	9	9.00	9	9.00	0	0.00
Police Department	11	11.00	5	5.00	0	0.00	1	1.00	0	0.00	6	6.00	6	6.00	6	6.00	0	0.00
Office of the Sheriff	0	0.00	1	1.00	0	0.00	(1)	(1.00)	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Fire and Rescue	4	4.00	4	4.00	0	0.00	0	0.00	0	0.00	4	4.00	4	4.00	4	4.00	0	0.00
Total Federal/State Grant Fund	247	242.13	241	231.75	3	3.00	32	36.13	0	0.00	276	270.88	256	251.38	274	269.38	(2)	(1.50)
Fund 103, Aging Grants and Programs																		
Department of Community and Recreation Services	10	10.00	10	10.00	0	0.00	0	0.00	0	0.00	10	10.00	10	10.00	10.00	10.00	0	0.00
Department of Family Services	25	24.00	26	25.00	0	0.00	1	1.00	0	0.00	27	26.00	27	26.00	27.00	26.00	0	0.00
Total Aging Grants and Programs	35	34.00	36	35.00	0	0.00	1	1.00	0	0.00	37	36.00	37	36.00	37.00	36.00	0	0.00
Fund 106, Community Services Board																		
Mental Health Services	33	29.30	33	29.30	0	0.00	(1)	(1.00)	0	0.00	32	28.30	32	28.30	32.00	28.30	0	0.00
Mental Retardation Services	5	5.00	5	5.00	1	0.50	0	0.00	0	0.00	6	5.50	6	5.50	6.00	5.50	0	0.00
Alcohol & Drug Services	41	39.50	41	39.50	0	0.00	(1)	(1.00)	0	0.00	40	38.50	40	38.50	40.00	38.50	0	0.00
Total Community Services Board	79	73.80	79	73.80	1	0.50	(2)	(2.00)	0	0.00	78	72.30	78	72.30	78.00	72.30	0	0.00



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Glossary And Index

This section includes:

- ▶ *Glossary of Frequently Used Budget Terms (Page 276)*
- ▶ *Index of All Three Volumes (Page 285)*

GLOSSARY AND INDEX

GLOSSARY

Advertised Budget Plan -- A plan of financial operations submitted by the County Executive to the Board of Supervisors. This plan reflects estimated revenues, expenditures, transfers, and agency goals, objectives and workload data. In addition, sections are included to show major budgetary/financial policies and guidelines used in the fiscal management of the County. Also called the Executive Budget.

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, and agency goals, objectives and workload data. Sections are included to show major budgetary/financial policies and guidelines used in the fiscal management of the County.

Appropriation -- An authorization granted 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.

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.

Beginning Balance -- Unexpended funds from the previous fiscal year that may be used to make payments during the current fiscal year. This is also referred to as a carryover balance.

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. County debt, to which the full faith and credit of the County is pledged, is approved by voter referendum. The State Constitution mandates taxes on real property sufficient to pay the principal and interest of such bonds. The majority of bonds issued for County and School construction projects are known as general obligation bonds.

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."

Business Process Redesign (BPR) -- A methodology that seeks to improve customer service through the strategic use of information technology. BPR focuses on redesigning current processes, 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.

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 five thousand dollars. Equipment with a value of less than five thousand dollars is operating equipment.

GLOSSARY AND INDEX

Capital Improvement Program -- A five-year plan for public facilities which plans for 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 Projects Funds -- Funds, defined by the State Auditor of Public Accounts, consisting of funds to 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 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. Usually, 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.

Consolidated Community Funding Pool -- A separately-budgeted pool of County funding, located in Fund 118, 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. The FY 2003 awards represent the first year awards for the two-year funding period.

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 recommend by the CPRC.

Contributory Agencies -- Governmental and nongovernmental organizations that are supported in part by contributions from the County. Examples include the Northern Virginia Planning District Commission, the Northern Virginia Regional Park Authority, and the Arts Council of Fairfax County, and community agencies such as the Volunteer Center.

Cost Center -- Expenditure categories within a program area, which 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, Internal Audit and Office of Program Partnerships.

GLOSSARY AND INDEX

Debt Service Funds -- Funds, defined by the State Auditor of Public Accounts, consisting of funds to finance and account for the payment of principal and interest on 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.

Deficit -- Insufficient revenues or other available funds to fully fund expenditures and other disbursements during a fiscal year.

Derivatives -- Complex investments, which are largely unregulated, especially when compared with stocks and bonds. These are securities whose value are derived from some other variable, such as interest rates or foreign currencies, and can be used to reduce risk or increase returns. Fairfax County does not invest in derivatives.

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.

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.

Encumbrance -- 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.

Enterprise Funds -- Funds, defined by the State Auditor of Public Accounts, that account for operations that are financed and operated in a manner similar to private business enterprises. Costs of providing goods or services are financed or recovered, at least in part, through user charges. 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.

Expenditure -- A decrease in net financial resources. Expenditures include payments for current operating expenses, debt service and capital outlays.

Financial Forecast -- A computer-aided financial model that estimates all future revenues and disbursements based on assumptions of future financial and economic conditions.

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 Federal government's fiscal year begins October 1). The property tax rate in the County's FY 2003 Fiscal Plan applies to the calendar year beginning January 1, 2002. Expenditures are for the fiscal year beginning July 1, 2002.

GLOSSARY AND INDEX

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.

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, 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.

Fund -- 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 on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

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.

General Fund -- The primary tax and operating fund for County Governmental Activities and is used to account for all County revenues and expenditures which are not accounted for in other funds. 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, and County and School system debt service requirements.

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.

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 toward 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.

Input -- The value of resources used to produce an output. Input can be staff, budget dollars, work hours, etc.

Internal Service Funds -- Funds established to finance and account for services furnished by a designated County agency to other County agencies. An example is Fund 503, Department of Vehicle Services.

Line Item -- A specific expenditure category within an agency budget, e.g., rent, travel, motor pool services, postage, printing or office supplies.

Management by Objectives -- A method of management of County programs which measures attainment or progress toward pre-defined objectives. This method is evolving into a system that measures performance factors. See Performance Measurement.

GLOSSARY AND INDEX

Management Initiatives -- Changes to internal business practices undertaken by County Managers on their own initiative to improve efficiency, productivity and customer satisfaction.

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 termination of anticipated revenue sources.

Market Pay -- A compensation level that is competitive and consistent with the regional market. The County analyses 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. In FY 2003, the market index is 2.67 percent and all pay scales have been adjusted by this rate. In addition to the use of the index, the County Department of Human Resources conducts salary reviews of specific job classes both as a measure of the overall market and to review particular job classes with significant recruitment and retention issues. For FY 2003 budget, a total of 42 Core job classes were selected for the market study based on the occurrence of matching job classes in the Metro area, and availability of sufficient market data in the recruitment area. In addition, a total of 28 Supplemental Benchmark Classes, which are specialized in nature, were included in the market study based on high turnover and recruitment difficulties. Based on the recommendations of the study, employees in classes found to be below market will be moved to a higher pay grade. Position changes as a result of the market study are reflected in the Job Classification Table found in the Compensation Tab in Volume I of the **FY 2003 Adopted Budget Plan**.

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.

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 all ambulance calls within a 5-minute response time."

Operating Equipment -- Equipment that has a life expectancy of more than one year and a value of less than five thousand dollars. Equipment with a value greater than five thousand 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.

Outcome -- Qualitative consequences associated with a program service, e.g., reduction in fire deaths and percent of juveniles not reconvicted within 12 months.

Output -- Quantity or number of units produced. Outputs are activity-oriented, measurable and usually under managerial control.

GLOSSARY AND INDEX

Pay for Performance -- A system of pay and appraisal that is based on an employee's performance. An on-going dialogue between employees and supervisors regarding performance and expectations is essential to the successful implementation of this system. For FY 2003, the variable pay scale continues as a 12-point continuous scale (0, 2, 2.5, 3, 3.5, 4, 4.5, 5, 5.5, 6, 6.5 and 7 percent) so that pay raises can be tied more directly with the actual performance rating. Employees at the top of the pay range for their grade will be eligible to earn 3, 3.5, 4, 4.5, or 5 percent bonuses based on their actual performance rating score if the score falls near or at the top of the continuous scale.

Paydown Construction -- 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.

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. The County's performance measurement methodology links agency 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.

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 (PPTRA) -- Legislation approved by the Virginia General Assembly that phases out the Personal Property Tax on the first \$20,000 of the value for vehicles owned by individuals. In FY 2002, the PPTRA reduced the Personal Property Taxes paid by citizens by 70 percent 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. Due to the State's lower than anticipated General Fund revenue growth, the reimbursement rate is expected to remain at 70 percent in FY 2003.

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.

GLOSSARY AND INDEX

- 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. Staff-Year Equivalency (SYE) 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 staff-year equivalent (1/1.0 SYE). A half-time position would be indicated as one authorized position and .5 staff-year equivalents (1/.5 SYE).

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.
- An exempt position does not fall within the provisions of the Merit System Ordinance. It includes elected and appointed positions.
- A project position is established to accomplish a one-time project with a specified expiration date. It falls within all provisions of the Merit System Ordinance.
- An exempt limited term position or exempt part-time position is established to meet a temporary workload not exceeding 48 weeks. It does not fall within the provisions of the Merit System Ordinance.
- 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.
- State position is a position established and authorized by the State. These positions may be partially or fully funded by the State.
- 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.

Prime Interest Rate -- The rate of interest charged by banks to their preferred customers.

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.

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.

Real Property -- Real estate, including land and improvements (buildings, fences, pavements, etc.) classified for purposes of assessment.

GLOSSARY AND INDEX

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.

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. A minimum of 40 percent of non-recurring balances identified at the Carryover and Third Quarter Reviews are to be transferred to the Fund until a maximum balance of 3 percent of General Fund Disbursements is attained.

School Board Budget -- Includes the School Operating Fund, the School Food and Nutrition Services Fund, the School Debt Service Fund, the School Central Store, the School Insurance Fund, the School Construction Fund, the School Central Procurement Fund, the School Health 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.). The Board of Supervisors has not exercised its right to make any such changes.

School Board Transfer -- A transfer out of funds from the General Fund to the School Operating Fund. State law must approve this transfer 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.

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.

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 specified 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 services to specific taxing districts that are principally financed by special assessment tax levies in those districts.

Staff-Year Equivalency (SYE) -- This figure 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 staff-year equivalency (SYE) of one (1/1.0 SYE). In comparison, a position authorized for 20 hours per week would be indicated as one authorized position with a SYE of 0.5 (1/0.5 SYE).

GLOSSARY AND INDEX

Supplemental Appropriation Resolution -- Any appropriation resolution approved by the Board of Supervisors after the adoption of the budget for a given fiscal year.

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.

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 7 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 prior year actual expenditure data, (2) year-to-date expenditure status plus expenditure projections for the remainder of the year, (3) emergency requirements for additional, previously unapproved items, and (4) possible savings. Recommended funding adjustments are made 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.

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.

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.

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