FAIRFAX COUNTY, VIRGINIA

FY 2017

ADOPTED BUDGET PLAN

(INCLUDES MULTI-YEAR BUDGET: FY 2017 - FY 2018)

OVERVIEW

www.fairfaxcounty.gov/budget

Fairfax County Board of Supervisors

Sharon Bulova, Chairman

Penelope A. Gross, Vice Chairman	Mason District
John C. Cook	Braddock District
John W. Foust	Dranesville District
Kathy L. Smith	Sully District
Pat Herrity	Springfield District
Catherine M. Hudgins	Hunter Mill District
Daniel G. Storck	Mount Vernon District
Jeffrey C. McKay	Lee District
Linda Q. Smyth	Providence District

Edward L. Long Jr.
County Executive

Robert A. Stalzer
Deputy County Executive

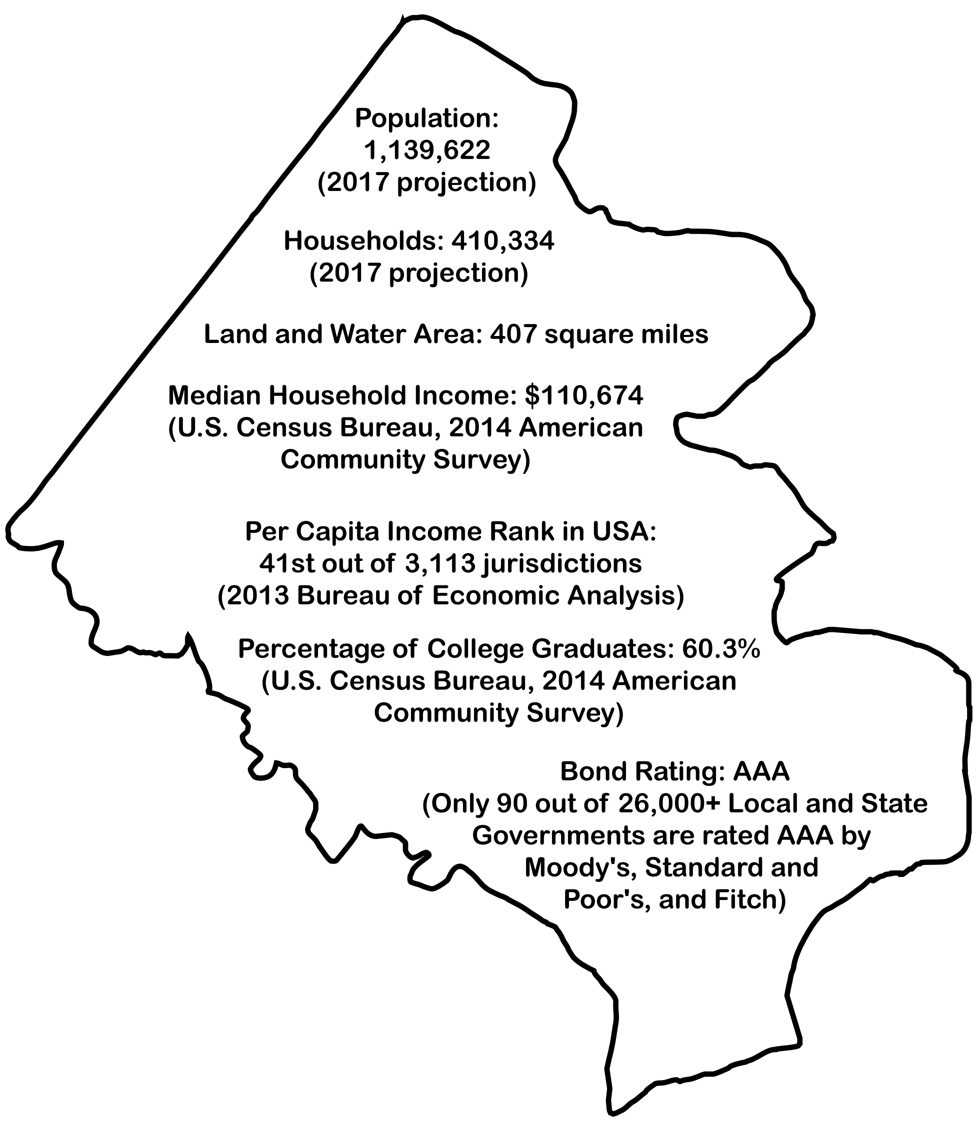
David J. Molchany
Deputy County Executive

Patricia D. Harrison
Deputy County Executive

David M. Rohrer
Deputy County Executive

Joseph M. Mondoro
Chief Financial Officer

Fairfax County, Virginia...At a Glance



Fairfax County, Virginia

Fiscal Year 2017
Adopted Budget Plan
(Includes Multi-Year Budget: FY 2017 – FY 2018)

Overview

1742

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

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

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

FARE FAC

1742

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Fairfax County

Virginia

For the Fiscal Year Beginning

July 1, 2015

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, 2015.

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 2017 Budget

July 1, 2015
Distribution of the FY 2017 budget development guide. Fiscal Year 2016 begins.

September - October 2015
Agencies forward completed budget submissions to the Department of Management and Budget (DMB) for review.

February 4, 2016
School Board adopts its FY 2017 Advertised Budget.

February 16, 2016
County Executive's presentation of the FY 2017 Advertised Budget Plan.

March 1, 2016
Board authorization for publishing FY 2017 tax and budget advertisement.

April 5, 6, and 7, 2016
Public hearings on proposed FY 2017 budget, *FY 2016 Third Quarter Review* and FY 2017-2021 Capital Improvement Program (with Future Years to 2026) (CIP).

April 19, 2016
Board action on *FY 2016 Third Quarter Review*. Board mark-up of the FY 2017 proposed budget.

April 26, 2016
Adoption of the FY 2017 budget plan, Tax Levy and Appropriation Ordinance by the Board of Supervisors.

May 26, 2016
School Board adopts its FY 2017 Approved Budget

June 30, 2016
Distribution of the FY 2017 Adopted Budget Plan. Fiscal Year 2016 ends.

July 1, 2016
Fiscal Year 2017 begins.

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

Board of Supervisors' Goals & Priorities

Adopted by the Board of Supervisors in December 2009. Reaffirmed by the Board of Supervisors in February 2012.

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

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

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

✓ **<u>A clean, sustainable environment</u>**
Fairfax County will continue to protect our drinking water, air quality, stream valleys and tree canopy through responsible environmental regulations and practices. We will continue to take a lead in initiatives to address energy efficiency and sustainability and to preserve and protect open space for our residents to enjoy.

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

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

✓ **<u>Efficient transportation network</u>**
Fairfax County makes it a priority to connect People and Places. We will continue to plan for and invest in transportation improvements to include comprehensive bicycle and pedestrian initiatives, bus and para transit, road and intersection improvements and expansion of Metrorail and VRE.

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

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

Fairfax County Vision Elements

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

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

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

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

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

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

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

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

FOR ADDITIONAL INFORMATION

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

Web Access: The Fairfax County budget is also available for viewing on the web at:

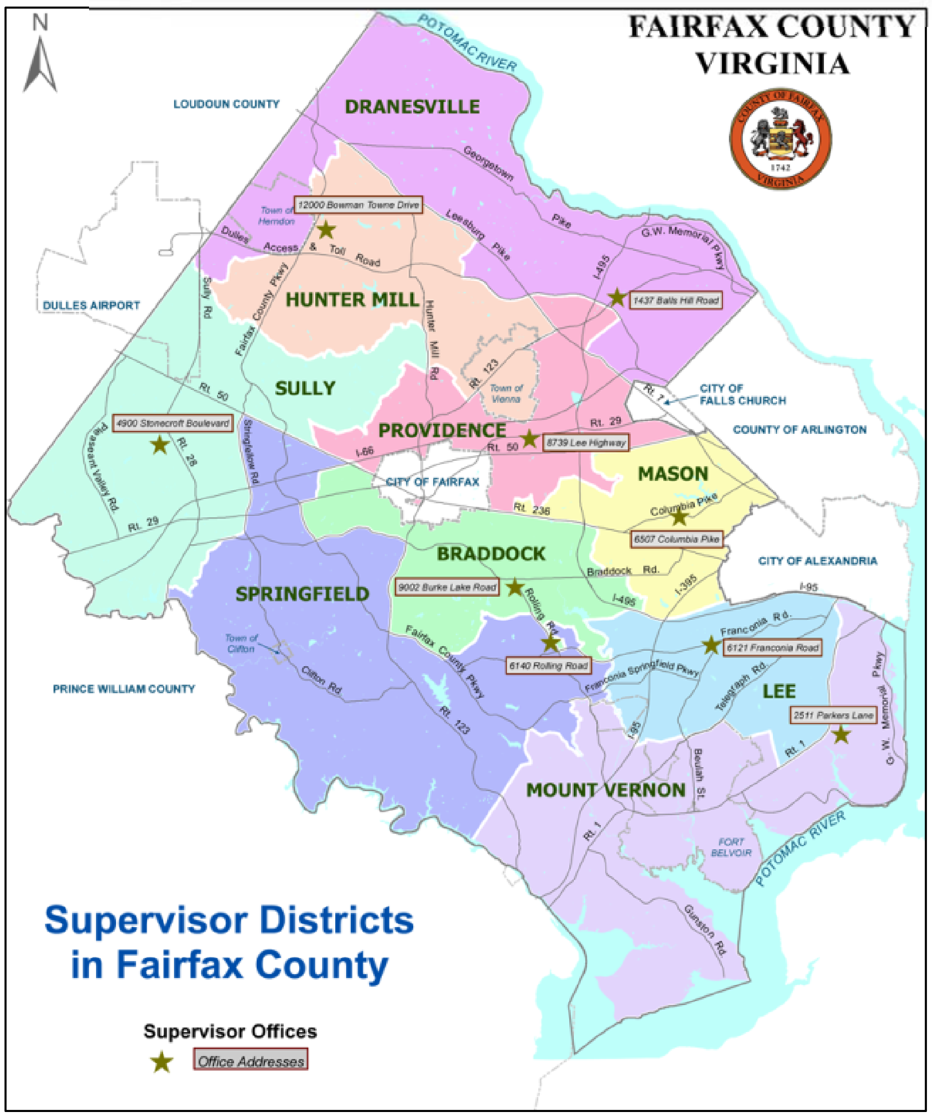
http://www.fairfaxcounty.gov/budget

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

Fairfax County Government

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

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



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

County Organization

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

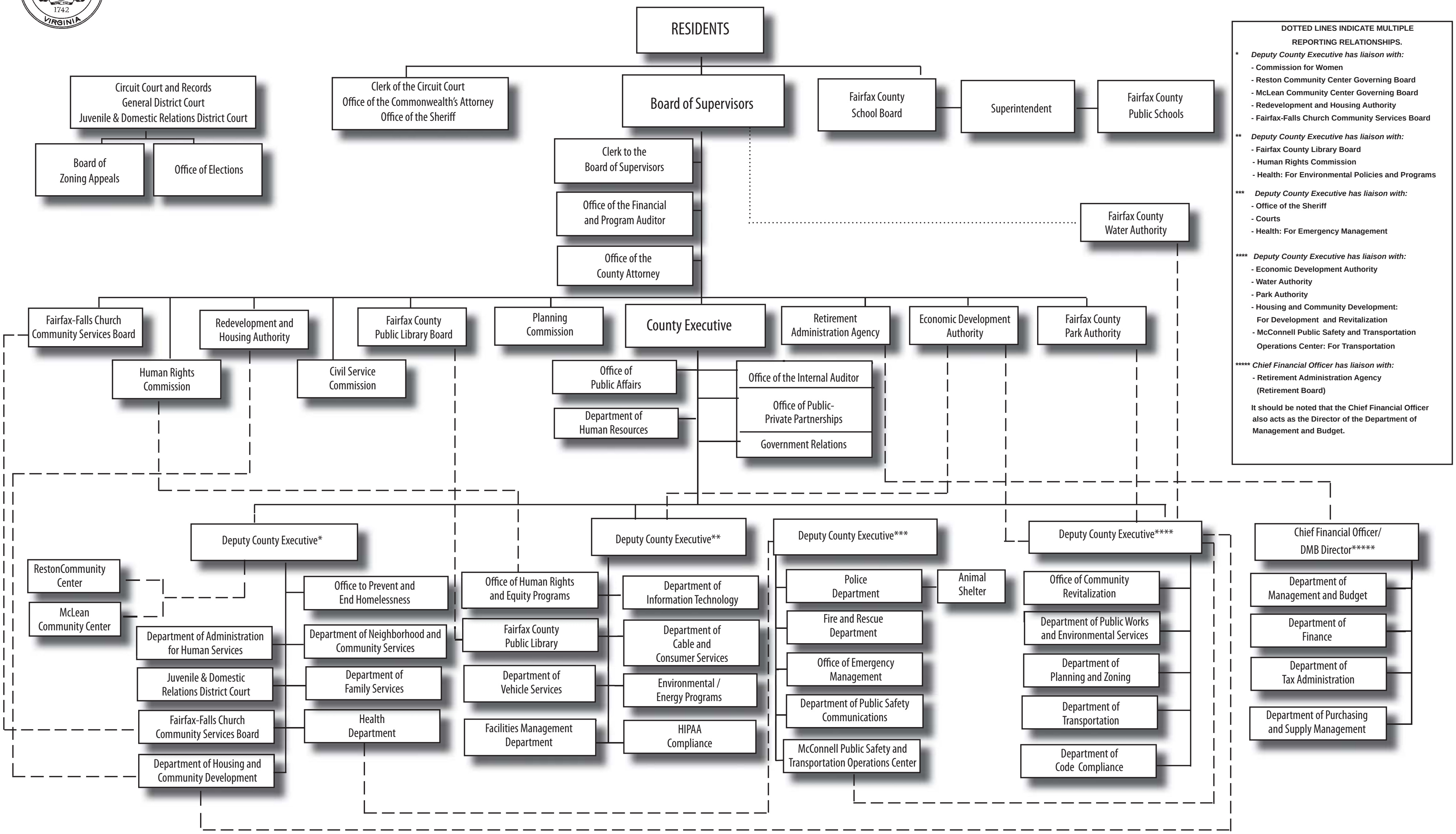
The Board of Supervisors appoints a County Executive to act as the administrative head of the County. The County Executive serves at the pleasure of the Board of Supervisors, carries out the policies established by the Board of Supervisors, directs business and administrative procedures, and recommends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

The Fairfax County Board of Supervisors

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

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

ORGANIZATION OF FAIRFAX COUNTY GOVERNMENT



BOARDS, AUTHORITIES AND COMMISSIONS

Appeal Groups

Board of Building and Fire Prevention Code Appeals
Board of Equalization of Real Estate Assessments
Board of Zoning Appeals[1]
Civil Service Commission
Human Rights Commission

Management Groups

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

Regional Agencies to which Fairfax County Contributes

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

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

BOARDS, AUTHORITIES AND COMMISSIONS

Advisory Groups

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

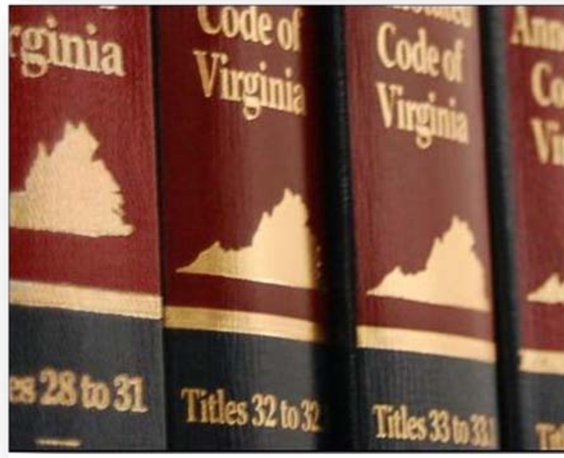
BOARDS, AUTHORITIES AND COMMISSIONS

Advisory Groups

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

THE BUDGET

Each year, Fairfax County publishes sets of budget documents or fiscal plans: the Advertised Budget Plan and the Adopted Budget Plan. Submission and publication of the budget is contingent upon criteria established in the Code of Virginia. The County prepares and approves an annual budget in compliance with sound financial practices, generally accepted accounting principles, and the provisions of the Code of Virginia which control the preparation, consideration, adoption, and execution of the County budget. As required by the Code of Virginia (§ 15.2-2503), the County Executive must submit to the Board of County Supervisors a proposed budget, or fiscal plan, on or before April 1 of each year for the fiscal year beginning July 1. A budget is balanced when projected total funds available equal total disbursements, including established reserves. All local governments in the Commonwealth of Virginia must adopt a balanced budget as a requirement of state law no later than by July 1. The Advertised Budget Plan is the annual budget proposed by the County Executive for County general government operations for the upcoming fiscal year, which runs from July 1 through June 30. The Advertised Budget Plan is based on estimates of projected expenditures for County programs and it provides the means for paying for these expenditures through estimated revenues. According to the Code of Virginia, the Board of Supervisors must approve a tax rate and adopt a budget for informative and planning purposes no later than the beginning of the fiscal year (July 1). Following extensive review, deliberation and public hearings to receive input from County residents, the Board of Supervisors formally approves the Adopted Budget Plan typically in late April in order to satisfy the requirement that the Board of Supervisors approve a transfer to the Fairfax County School Board by May 15, or within 30 days of receiving state revenue estimates from the state, whichever is later. The transfer amount has traditionally been included in the Board's Adopted Budget, requiring that the Board adopt the budget on or before May 15, not July 1 as the Code allows.



The Code of Virginia controls the preparation, consideration, adoption, and execution of the County's budget.

The County's budget serves as the documentation of the financial, policy, and service decisions that the Board of Supervisors has authorized for the fiscal year. This document contains some of the best sources of information on County governmental programs and services, as well as key financial information for policy makers and managers.

How to Read the Budget

The County's Budget Documents

Financial Decisions: The budget provides an estimate of the costs that will be incurred if programs are carried out as planned and the public and private revenues available to finance these activities (through sources such as state and local taxes, fees, and grants). The appropriation ordinance adopted by the Board of Supervisors legally authorizes the expenditure of public monies and becomes the approved financial plan for the upcoming fiscal year.

Policy Decisions: The budget reflects decisions made by the County Executive, department directors, and agency heads to prioritize and allocate resources toward providing services that help us achieve common goals efficiently and effectively. As a management tool, the budget also establishes accountability for the effective and efficient operation of programs and activities and to locate responsibility for the delivery of City services.

Service Decisions: The budget describes the services or lines of business carried out by each departmental program within the County. Each budget narrative, which is organized by Program Area in Volume 1 and Fund groupings in Volume 2, provides a map detailing what each department does with their personnel and other resources, for whom or what these activities are undertaken, and how the County benefits from its funding of these discrete programs and services. Performance data are associated with each activity and help to quantify levels of service, program effectiveness and efficiency, and quality in terms of results, value, and outcomes.

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

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

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

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

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

The County's budget is online at
www.fairfaxcounty.gov/budget

Capital Improvement Program – The County also prepares and publishes a 5-year Capital Improvement Program (CIP) – separate from the budget – which is also adopted by the Board of Supervisors and published as a separate document. The CIP specifies capital improvements and construction projects which are scheduled for funding over the next five years in order to maintain or enhance the County's capital assets and delivery of services. In addition, the CIP also describes financing instruments or mechanisms for those projects. Financial resources used to meet priority needs as established by the CIP are accounted for in the Capital Project Funds. The primary type of operating expenditure included in the budget relating to the CIP is funding to cover debt service payments for General Obligation Bonds or other types of debt required to fund specific CIP projects. In addition, the cost of opening and operating new facilities is closely linked to the CIP.

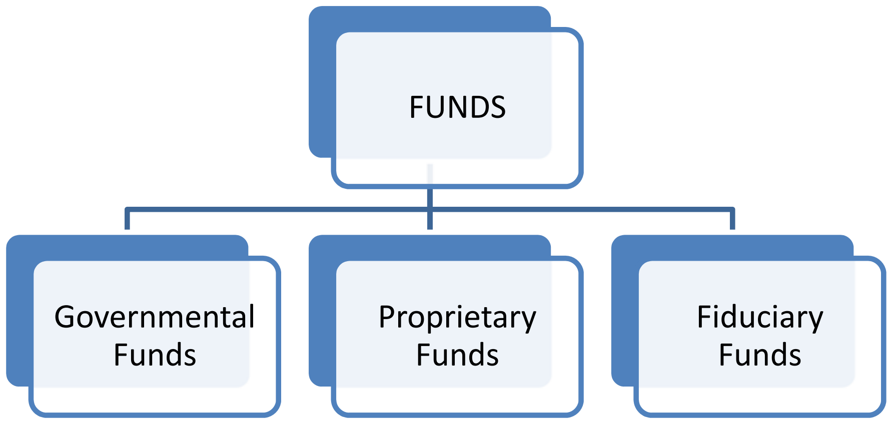
BASIS OF ACCOUNTING AND BUDGETING

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

The budget must comply with the Code of Virginia and regulatory requirements. Fairfax County is required to undergo an annual financial audit by independent auditors. Thus, the budget outlines the required information to serve legal and financial reporting requirements. The budget is prepared and organized within a defined basis of budgeting and financial structure to meet regulatory and managerial reporting categories of expenditures and revenues.

How to Read the Budget

The Commonwealth of Virginia requires that the County budget be based on fund accounting, which is a system that matches the sources of revenue (such as taxes or service fees) with the uses (program costs) of that revenue. Therefore, the County budgets and accounts for its revenues and expenditures in various funds. Financially, the County budget is composed of three primary fund types: Governmental Funds (General Fund, Debt Service Fund, Special Revenue Funds and Capital Project Funds), Proprietary Funds (Enterprise Funds and Internal Service Funds), and Fiduciary Funds (Trust Funds and Agency Funds).



Accounting Basis

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

The County's budget is prepared in accordance with "Generally Accepted Accounting Principles" (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB) and the Auditor of Public Accounts of the Commonwealth of Virginia (APA). These principles are also used to prepare the County's audited *Comprehensive Annual Financial Report* (CAFR). The County's budget applies two different accounting methods depending on the nature of the fund.

- The modified accrual basis of accounting is used to prepare the budgets of the General, Special Revenue, and Capital Projects Funds. Under this method of accounting, revenues are recognized in the period that they become measurable and available. With respect to real and personal property tax revenue and other local taxes, the term "available" is limited to collection within 45 days of the fiscal year-end. Federal and State reimbursement-type grants are recorded as revenue when related eligible expenditures are incurred.

- The accrual basis of accounting is used to prepare the budget and financial statements of the Proprietary Funds. Under this method of accounting, revenues are recognized when earned and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash, regardless of when the related cash flows take place.

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 long-term liabilities.

Proprietary, pension and non-expendable trust funds utilize the full accrual basis of accounting which requires that revenues be recognized in the period in which service is given and that expenses be recorded in the period in which the benefit is received. A description of the fund types is provided:

- **General Fund Group:** The largest fund in the General Fund Group, the General Fund, is the County's primary operating fund, and it is used to account for all revenue sources and expenditures which are not required to be accounted for in other funds. Revenues are derived primarily from real estate and personal property taxes as well as other local taxes, federal and state distributions, license and permit fees, charges for services, and interest from investments. A significant portion of General Fund revenues are transferred to other funds to finance the operations of the County's public schools, Community Services Board (CSB), and debt service, among others. The General Fund group also includes funds which are primarily funded through transfers from the General Fund.

- **Debt Service Funds:** The debt service funds are used to account for the accumulation of resources for, and the payment of, the general obligation debt service of the County and for the debt service of the lease revenue bonds and special assessment debt. Included in this fund type is the School Debt Service Fund as the County is responsible for servicing the general obligation debt it has issued on behalf of Fairfax County Public Schools (FCPS).

- **Capital Project Funds:** These funds are used to account for financial resources to be used for the acquisition or construction of any major capital facilities (other than those financed by Proprietary Funds), and are used to account for financial resources used for all general construction projects other than enterprise fund construction. The Capital Project Funds account for all current construction projects, including improvements to and the construction of schools, roads and various other projects.

- **Special Revenue Funds:** These funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

- **Proprietary Funds:** These funds account for County activities, which operate similarly to private sector businesses. Consequently, these funds measure net income, financial position, and changes in financial position. The two primary types of Proprietary Funds are Internal Service Funds and Enterprise Funds. Internal Service Funds are used to account for the provision of general liability, malpractice, and workers' compensation insurance, health insurance for County employees and retirees, vehicle services, the County's print shop operations, and technology infrastructure support that are provided to County departments or agencies on an allocated cost recovery basis. The Fairfax County Integrated Sewer System reflects the only enterprise funds of the County. These funds are used to account for the financing, construction, and operations of the countywide sewer system.

- **Fiduciary Funds:** These funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments, and/or other funds or in a trustee capacity. Agency Funds are used to account for monies received, held, and disbursed on behalf of developers, welfare recipients, the Commonwealth of Virginia, the recipients of certain bond proceeds, and certain other local governments. Also included in Fiduciary Funds are Trust Funds, which include the funds used to account for the assets held in trust by the County for the employees and beneficiaries of its defined pension plans – the Employees' Retirement System, the Police Officers Retirement System, and the Uniformed Retirement System, as well as assets held to meet the County's Other Post-Employment Benefit obligations.

Accounting Standards

During FY 2017 the County will continue to use the Governmental Accounting Standards Board's (GASB) Statement Number 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, financial reporting model, otherwise known as GASB 34. These standards changed the entire reporting process for local governments, as they require new entity-wide financial statements, in addition to current fund statements and other additional reports such as management discussion and analysis. Infrastructure values are now reported, and various changes in accounting have been implemented. It should be noted that, beginning in FY 2008, the County's financial statements were required to implement GASB Statement Number 45 for post-employment benefits including health care, life insurance, and other non-retirement benefits offered to retirees. This standard addresses how local governments account for and report their costs related to post-employment healthcare and other non-pension benefits, such as the County's retiree health benefit subsidy. Historically, the County's subsidy was funded on a pay-as-you-go basis. GASB 45 required that the County accrue the cost of these post-employment benefits during the period of employees' active employment, while the benefits are being earned, and disclose the unfunded actuarial accrued liability in order to accurately account for the total future cost of post-employment benefits and the financial impact on the County. This funding methodology mirrors the funding approach used for pension/retirement benefits. The County decided to follow guidance provided by GASB 45 and established a trust fund as part of the FY 2008 Adopted Budget Plan to pre-fund the cost of post-employment healthcare and other non-pension benefits. For further details please refer to the Fund 73030, OPEB Trust Fund, narrative in Volume 2.

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

Budgetary Basis

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

The budget is controlled at certain legal and managerial/administrative levels. The Code of Virginia requires that the County adopt a balanced budget. The adopted Supplemental Appropriation Resolution places legal restrictions on expenditures at the agency or fund level. Managerial budgetary control is maintained and controlled at the fund, department, superior commitment item (Compensation, Benefits, Operating Expenses, etc.), or Funded Program (project) level. It should be noted that funding information included in the budget volumes consolidates superior commitment items into four primary categories: Personnel Services, Operating Expenses, Capital Equipment, and Recovered Costs. Personnel Services include regular pay, fringe benefits (for non-General Fund agencies only), and extra compensation. Operating Expenses are the day-to-day costs involved in the administration of an agency. Capital Equipment reflects items that have a value of more than $5,000 and an expected life of more than one year, and Recovered Costs are reimbursements from other County agencies for specific services that have been provided.

There are also two built-in provisions for amending the adopted budget – the *Carryover Review* and the *Third Quarter Review*. During the fiscal year, quarterly budget reviews are the primary mechanism for revising appropriations. Once approved, the budget can be amended by a supplemental appropriation resolution. A supplemental appropriation ordinance amends the budget for grant programs to reflect actual revenue received and to make corresponding balancing adjustments to grant program expenditures. A supplemental appropriation ordinance may, therefore, either increase or reduce the County's total budget from the original approved budget appropriation. The budget for any fund, agency, program grant, or project can be increased or decreased by formal Board of Supervisors action (budget and appropriation resolution). According to the Code of Virginia any budget amendment which involves a dollar amount exceeding one percent of total expenditures from that which was originally approved may not be enacted without the County first advertising the amendment and without conducting a public hearing. The advertisement must be published at least once in a newspaper with general County circulation at least 7 days prior to the public hearing. It should be noted that, any amendment greater than 1.0 percent of expenditures requires that the Board advertise a synopsis of the proposed changes. After obtaining input from residents at the public hearing, the Board of Supervisors may then amend the budget by formal action.

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

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

In addition, the County's Department of Management and Budget is authorized to transfer budgeted amounts between superior commitment items, grants, or projects within any agency or fund. The budget process is controlled at the superior commitment item 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 superior commitment item level appropriations are not released until additional appropriations are available.

DEPARTMENTS AND PROGRAM AREAS

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

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

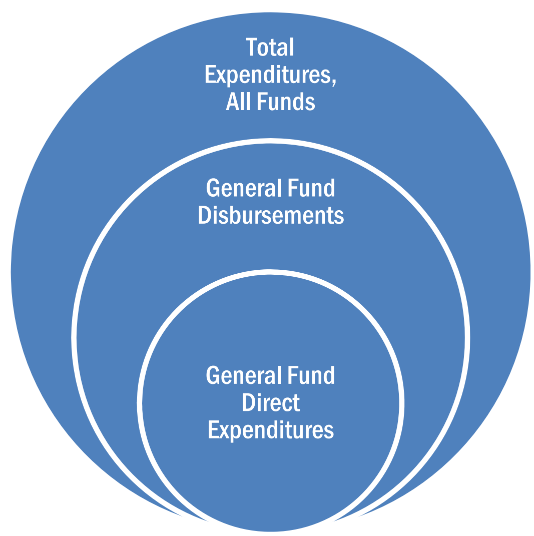
While most of the information in the budget is focused on an agency or fund, there are several summary schedules that combine different sources of information such as General Fund receipts and expenditures, County position schedules, and other summary schedules.

COUNTY EXPENDITURES AND REVENUES

County Expenditures

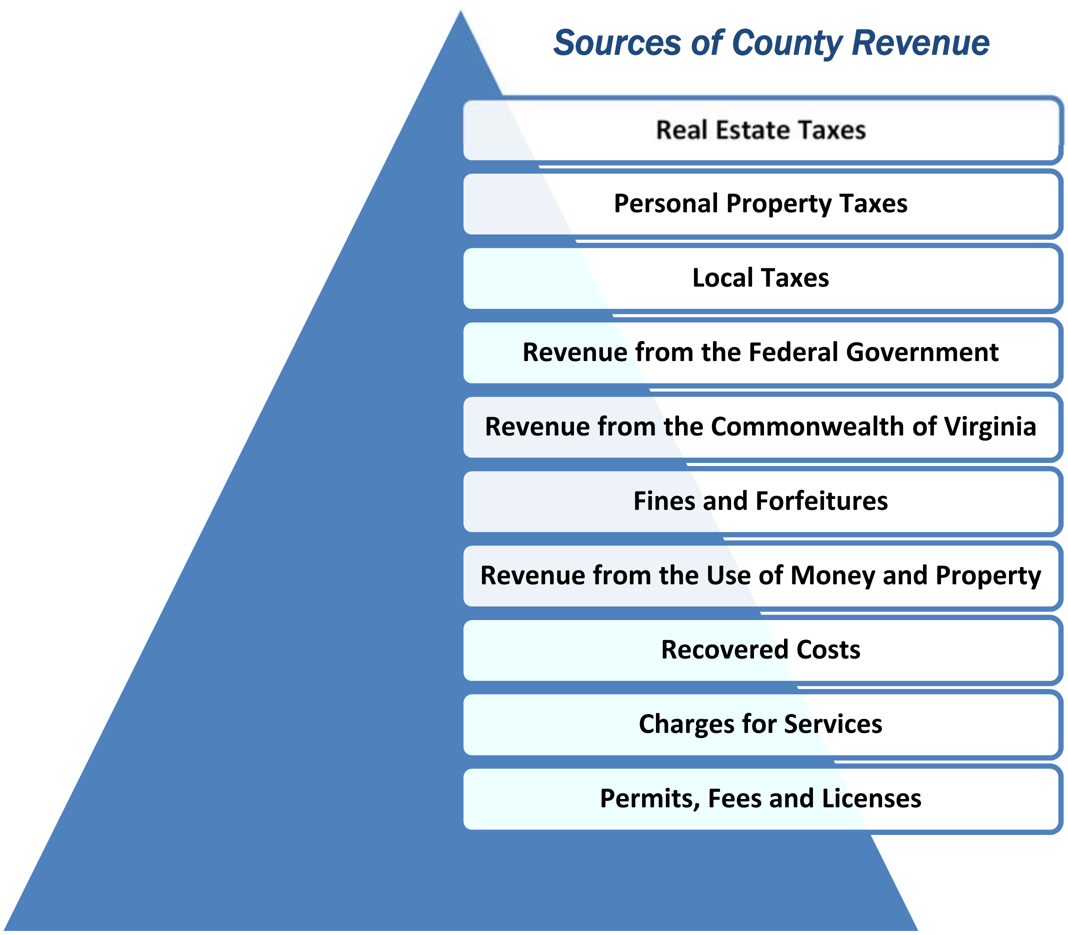
Expenditures for Fairfax County services and programs can be categorized as three concentric circles. Each circle encompasses the funds inside it:

- In the smallest circle are the General Fund Direct Expenditures that support the day-to-day operations of most County agencies.
- The second largest circle is General Fund Disbursements. This circle includes General Fund Direct Expenditures as well as General Fund transfers to other funds, such as the Fairfax County Public Schools, Metro transportation system, and the County's debt service. The transfer of funding to the County Public Schools, including debt service, accounts for 52.7 percent of the County's disbursements in FY 2017.
- The largest circle is Total Expenditures. It represents expenditures from all appropriated funds.



County Revenues

The General Fund portion of Total Revenues consists of several major components, the two largest being Real Estate Tax revenues and Personal Property Tax revenues. In FY 2017, these categories are estimated to account for 64.8 percent and 14.8 percent of the total General Fund revenues, respectively. Please note that a portion of the Personal Property Taxes is paid to the County by the state. These funds are included in the aforementioned Personal Property Tax total, rather than in Revenue from the Commonwealth. Local Taxes, which include Local Sales Tax receipts, Consumer Utility Taxes, and Business Professional and Occupational License Taxes, comprise approximately 12.7 percent of General Fund revenues in FY 2017. The remaining revenue categories, including Revenue from the Federal Government, Fines and Forfeitures, Revenue from the Use of Money and Property, Revenue from the Commonwealth, Recovered Costs, Charges for Services, and Permits, Fees and Regulatory Licenses make up 7.7 percent of the total. Total Revenues consist of all revenues received by all appropriated funds in the County. Total Revenues include all General Fund revenues, as well as sewer bond revenue, refuse collection and disposal fees, and revenue from the sale of bonds.



FINANCIAL STRUCTURE

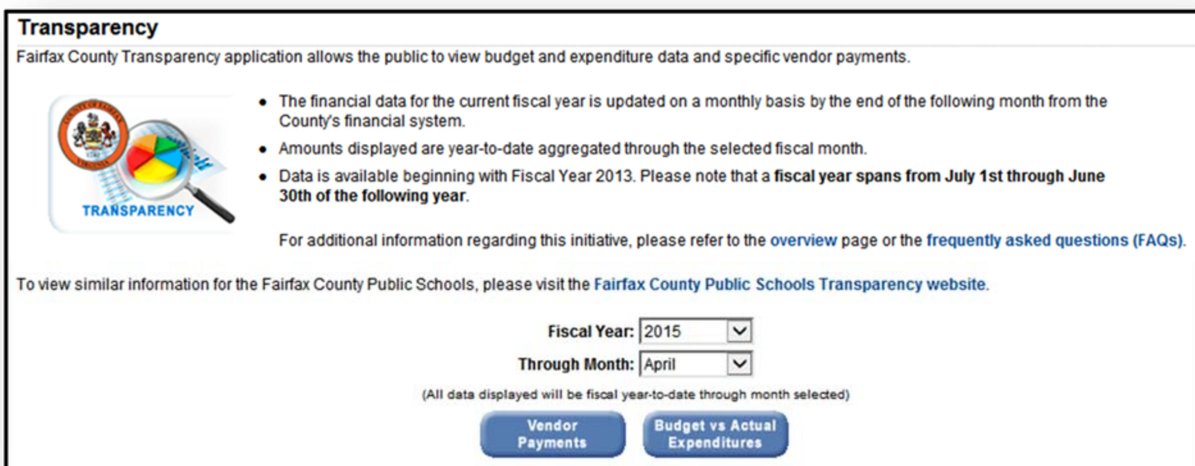
Fund/Fund Type Title	Purpose	Revenue	Budgeting Basis	Accounting Basis
GOVERNMENTAL FUNDS				
General Fund (Volume 1)	Accounts for the cost of general County government.	Primarily from general property taxes, other local taxes, revenue from the use of money and property, license and permit fees, and state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

Additional Budget Resources

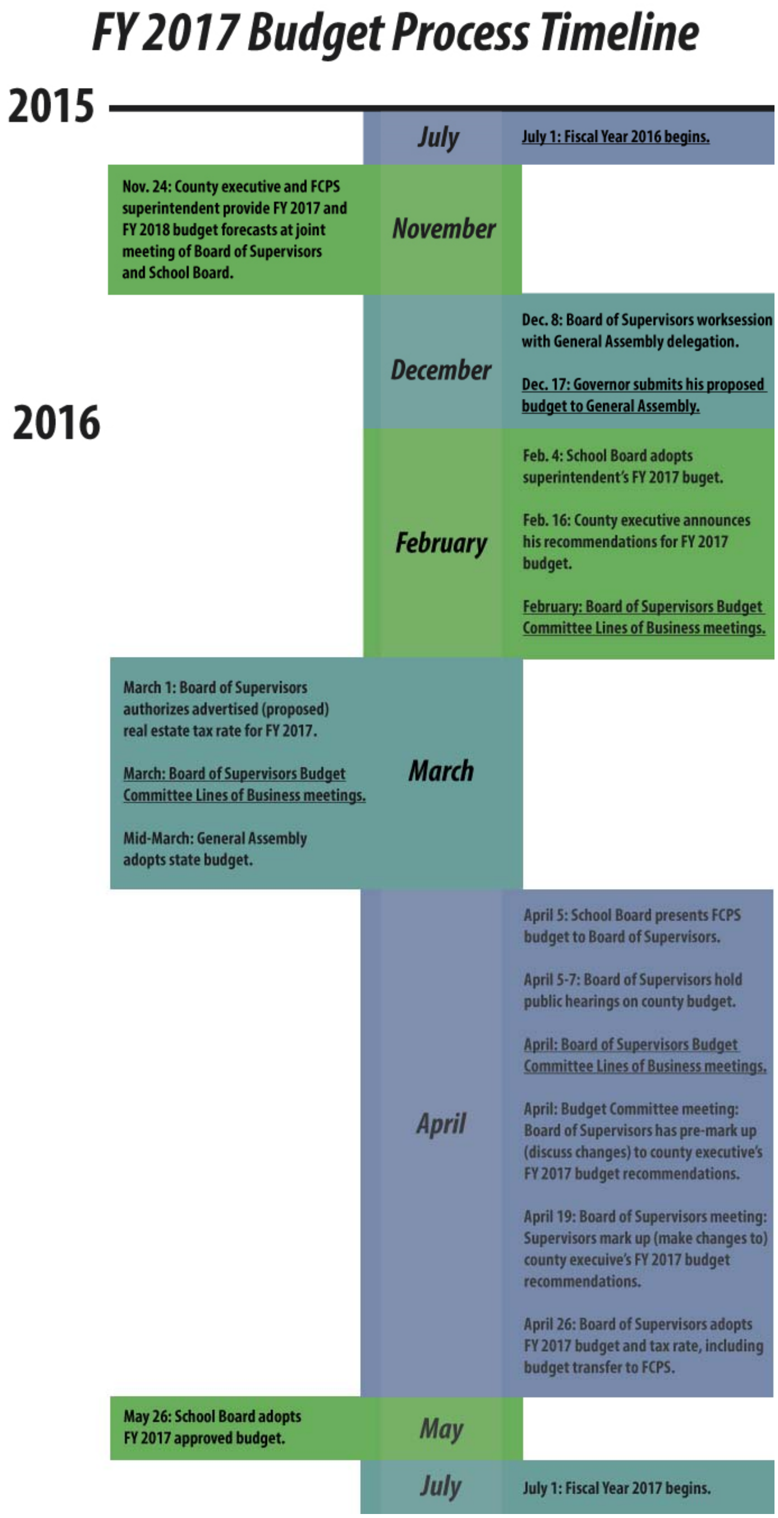
In addition to the availability online of all of the County's published budget volumes, additional budgetary information including quarterly reviews, budget calendars, economic data, and historical files is available on the Department of Management and Budget's website at www.fairfaxcounty.gov/dmb/.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

Transparency Website

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



THE BUDGET CYCLE



The Code of Virginia (Sections 15.2-516 and 2503) requires that the County Executive submit a proposed budget to the Board of County Supervisors no later than April 1 for the upcoming fiscal year. Sections 15.2-2506, 58.1-3007, and 58.1-3321 of the Code of Virginia govern the public notice requirements that guide the County's budget review and public comment period. After receipt of the proposed budget, the first action by the Board of Supervisors (BOS) is to authorize the advertisement of the proposed tax and levy rates. Once the proposed rate is advertised, the BOS can adopt lower tax and levy rates, but cannot, without additional advertisement, adopt higher rates. The timing of the advertisement is tied to the amount of increased revenue anticipated by the proposed rate. The Code of Virginia also requires the BOS to hold public hearings on the proposed budget and the proposed tax and levy rates to collect public comment. 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 County's budget has two major elements: the operating budget and the capital budget. The operating budget includes all projected expenditures not included in the capital budget, including the operating transfer to Fairfax County Public Schools (FCPS). The operating budget funds the service delivery of County programs. Excluding the General Fund Transfer to FCPS, the largest expenditure category is employee compensation.

Fairfax County follows a series of policies, including its Ten Principles of Sound Financial Management, (see the *Long-Term Financial Tools and Policies* section in this volume) and approved practices to guide the development of the annual budget. For examples, these policies govern practices for the following:

- Capital Improvement Program
- Cash Management
- Debt Management
- Fund Balances
- Procurement
- Property Tax Collection
- Real Property Assessments
- Replacement Schedules
- Reserves
- Revenues
- Risk Management

By adhering to these policies and practices, the County promotes and ensures a consistent approach to budgeting that allows the Board of Supervisors and the community to compare the proposed budget to previous budgets.

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.

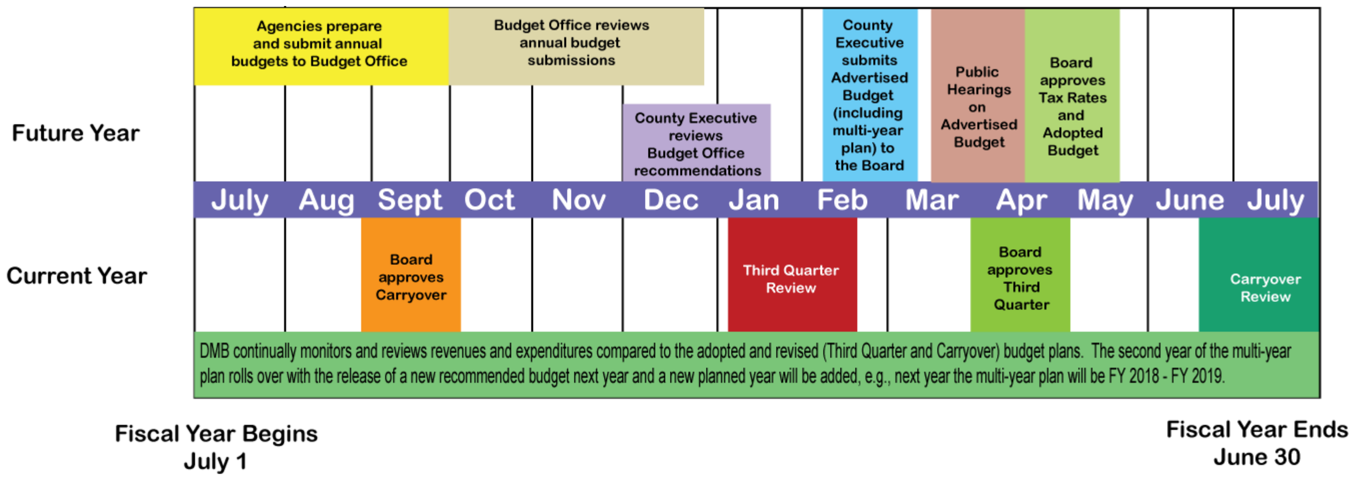
The annual Fairfax County budget process is an ongoing cyclical process simultaneously looking at two fiscal years (current and future). The budget year officially starts on July 1; however, the budget process itself is a continuum which involves both the current year budget and the next fiscal year's budget. Changes to the current year budget are made at the *Third Quarter Review* and the *Carryover Review*. The *Carryover Review* closes out the previous year in addition to revising the expenditure level for the current year. These changes must be approved by the Board of Supervisors. During the fiscal year, quarterly reviews of revenue and expenditures are undertaken by the Department of Management and Budget, and any necessary adjustments are made to the budget. On the basis of these reviews, the Board of Supervisors revises appropriations. Public hearings are held prior to Board action when potential appropriation increases are greater than 1.0 percent of expenditures.

Citizen involvement and understanding of the budget are a key part of the review process. The County Executive presented the FY 2017 Advertised Budget Plan (including the FY 2017 – FY 2018 Multi-Year Budget) on February 16, 2016. Public hearings for the County Executive's FY 2017 Advertised Budget Plan and the FY 2017 – FY 2021 Advertised Capital Improvement Program (CIP) were held on April 5, 6 and 7, 2016 at the Government Center. The mark-up of the FY 2017 budget was held on Tuesday, April 19, 2016, and the Board of Supervisors formally adopted the FY 2017 Adopted Budget Plan on Tuesday, April 26, 2016.

Budget Process

The chart below illustrates the roles, responsibilities, and tasks in which both County staff and the Board of Supervisors engage during the course of a typical fiscal year. These efforts include budget adjustments for the current fiscal year, budget development for the next fiscal year, and budgetary projections for the following fiscal year.

Current Year and Future Budget Year



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chairman@fairfaxcounty.gov

SHARON BULOVA
CHAIRMAN

May 24, 2016

Dear Fairfax County residents and corporate neighbors,

I am pleased to present to you the Fiscal Year 2017 Adopted Budget Plan. This year's budget will invest in valued County services such as education, public safety and human services. During the budget process, our Board heard from thousands of residents advocating for an increase in revenue to address our community's needs. This budget will provide a needed **"Booster Shot"** to support our excellent School System and to ensure the quality services our residents expect and rely upon.

The Budget as amended by the Board of Supervisors on April 19, 2016 and formally adopted on April 26, results in some changes to the Advertised Budget that I believe are both fiscally responsible and responsive to the needs of the community. In summary, the **FY 2017 Adopted Budget Plan:**

- Increases our current tax rate from $1.09 to $1.13.

- Provides an additional $33.6 million in funding to our Fairfax County Public Schools for a total increase of $104 million, a more than 5 percent increase over the FY 2016 Budget. School funding will account for 52.7% of our General Fund Budget. The increase is possible due to a portion (one cent) of the real estate tax rate increase, as well as funds that were available through a reallocation from the third quarter review of the current FY 2016 budget. The Board of Supervisors also worked closely with the Virginia General Assembly during its 2016 session, which increased funding to FCPS by $16.8 million.

- Supports public safety priorities. The Board approved $7.5 million to fund recommendations from the Ad-Hoc Police Practices Review Commission. This includes $3.89 million for the Diversion First program and $1.2 million in salary supplements for District Court staff and the Office of the Public Defender. These investments show the commitment our Board has made to enhance public safety services and I look forward to continuing to work with the community to make our Police Department a national model.

- Addresses many of our community's needs within environmental, public safety and human services arenas.

- Consists of $13.63 million in reductions from the current FY 2016 Budget, found partly through the County's Lines of Business process.

The **FY 2017 Adopted Budget Plan** is the result of much hard work and advocacy from my colleagues on the Board of Supervisors, the School Board, our General Assembly delegation, County staff, and local residents. I believe this budget provides an overall boost that will ensure Fairfax County's excellent quality of life.

Adopting the budget is the most important thing our Board does throughout the year. When we adopt the budget we are investing in our community's priorities and it has been critical to have the community at the table with us. Thank you to everyone who called, emailed and testified at town hall meetings and budget public hearings to share your views and guidance on the budget. I believe an informed and engaged community is a well-served community and this budget is a reflection of what our Board heard from the community this year.

Sincerely,

Sharon Bulova

FY 2017

Adopted Budget Plan

Adopted Budget Summary

FY 2017 Fairfax County Budget Facts

Disbursements

- **General Fund Direct Expenditures** total $1.47 billion, an increase of $20.4 million, or 1.40 percent, over the *FY 2016 Revised Budget Plan.* It is an increase of $64.6 million, or 4.58 percent, over the FY 2016 Adopted Budget Plan.
- **General Fund Disbursements** total $4.01 billion, an increase of $101.4 million, or 2.59 percent, over the *FY 2016 Revised Budget Plan*, and an increase of $193.0 million, or 5.05 percent, over the FY 2016 Adopted Budget Plan. These figures include the transfers for School Operating, Debt Service and Construction.
- **The County General Fund transfer for School operations in FY 2017** is $1.91 billion, a 4.8 percent increase over the FY 2016 Adopted Budget Plan. In addition, $189.9 million is transferred to School Debt Service and $13.1 million is transferred to School Construction. The total County transfer to support School Operating, Debt Service and Construction is $2.12 billion, or 52.7 percent, of total County disbursements.
- **Expenditures for All Appropriated Funds** total $7.47 billion.
- General Fund Support for **Information Technology (IT) Projects** is increased by $2.07 million to $4.77 million.
- **General Fund Supported Capital Construction** totals $19.54 million, which is a decrease of $2.50 million.

Tax Base

- **Total FY 2017 General Fund Revenue** is $4.01 billion, an increase of $186.0 million, or 4.86 percent, over the *FY 2016 Revised Budget Plan*.
- **One Real Estate Penny** is equivalent to approximately $23.3 million in tax revenue.
- **One Personal Property Penny** is equivalent to approximately $1.2 million in tax revenue.
- **The Mean Residential Assessed Property Value** is $527,648, an increase of $8,514, or 1.6 percent, over the FY 2016 value of $519,134. On average, residential annual Real Estate tax bills will increase $303.86 in FY 2017 based on the adopted Real Estate Tax rate of $1.13 per $100 of assessed value.
- **The Commercial/Industrial percentage** of the County's Real Estate Tax base is 18.89 percent, an increase of 0.22 percentage points over the FY 2016 level of 18.67 percent.
- **The Main Assessment Book Value** of all real property is projected to increase $6.8 billion, or 2.98, percent over FY 2016.
- **Real Estate and Personal Property Taxes** (including the Personal Property portion being reimbursed by the Commonwealth) account for approximately 79.7 percent of General Fund Revenues.

Population and Positions

- **Fairfax County's population** is projected to be 1,130,875 in CY 2017. This is an increase of 38.2 percent over the 1990 census count of 818,584.
- **Authorized Positions** for all funds are increasing by a net 53 to 12,438 positions. The **ratio of authorized positions per 1,000 residents** is 11.02 in FY 2017.

Tax Rates

- **Real Estate Tax rate** increases from $1.090 to $1.130 per $100 of assessed value.
- **Personal Property Tax Rate** remains at $4.57 per $100 of assessed value.
- **Stormwater Services District Levy** for County stormwater operating/capital projects increases from $0.0250 to $0.0275 per $100 of assessed value.
- **Leaf Collection Rate** remains at $0.015 per $100 of assessed value.
- **Refuse Collection Rate** for County collection districts remains at $345 per household and the **Refuse Disposal Rate** remains at $62 per ton.
- **Solid Waste Ash Disposal Rate** increases from $24.50 to $25.50 per ton in FY 2017.
- **Integrated Pest Management Program,** a countywide Special Tax, remains at $0.001 per $100 of assessed value.
- The special Real Estate Tax rate collected on all properties within Small District 1, Dranesville, for the **McLean Community Center** remains at $0.023 per $100 of assessed value, and the rate collected on all properties within Small District 5, Hunter Mill, for the **Reston Community Center** remains at $0.047 per $100 of assessed value.
- **Sewer Service Rate** increases from $6.65 to $6.68 per 1,000 gallons of water consumption and the **Sewer Availability Charge** for new single family homes remains at $7,750 per unit. The **Sewer Base Charge** increases from $20.15 to $24.68 per quarter.
- **Commercial Real Estate Tax rate** for County transportation projects remains at $0.125 per $100 of assessed value. This tax is levied on all commercial and industrial properties in the County.
- A special Real Estate Tax rate collected on all properties within the **Tysons Service District** remains at $0.05 per $100 of assessed value.

Budget Development Process

Throughout the fall of 2015, the County Executive formulated the Advertised budget plan utilizing guidance provided by the Board of Supervisors, input received from the community, information provided by agency staff, and analysis from the Department of Management and Budget. The FY 2017 Advertised Budget Plan was released by the County Executive on February 16, 2016, beginning a two-month period during which the Board closely examined the budget, asked additional budget questions of staff, and gathered community feedback. Public hearings on the budget took place April 5-7, 2016. On April 8, 2016, the County Executive submitted the FY 2017 Add-On Package to the Board. The Add-On package includes recommended adjustments to the Advertised budget based on updated information received since the Advertised budget was developed. Utilizing this additional information and feedback received as part of public hearings, the Board marked-up, or recommended adjustments to, the budget on April 19, 2016 and adopted the budget on April 26, 2016.

BOARD OF SUPERVISORS' PRIORITIES

- **A Quality Educational System**
- **Safe Streets and Neighborhoods**
- **A Clean, Sustainable Environment**
- **Livable, Caring and Affordable Communities**
- **A Vibrant Economy**
- **Efficient Transportation Network**
- **Recreational and Cultural Opportunities**
- **Affordable Taxes**

The FY 2017 budget also featured a multi-year budget plan for the General Fund. During budget development, staff utilized a two-year framework in developing the FY 2017 budget, taking into consideration the economic outlook for FY 2018 and the impact of FY 2017 decisions on the next fiscal year. This comprehensive approach allowed for more informed decision-making by the County Executive and the Board of Supervisors. For all adjustments made to the FY 2017 Advertised Budget Plan, including those adjustments recommended by the County Executive in the Add-On Package and those made by the Board, the impact to the projected FY 2018 budget was clearly delineated. The updated FY 2018 projected budget is outlined in the section entitled *Multi-Year Budget: FY 2017 and FY 2018* in this volume.

Concurrent with the development of the budget, the County embarked on the 2016 Lines of Business (LOBs) Process. This multi-phased process will help position the Board of Supervisors to develop and approve a sustainable financial plan to invest in the County's future success.

County Budget in Brief

On April 26, 2016, the Fairfax County Board of Supervisors adopted the fiscal year 2017 budget, which begins on July 1, 2016 and runs through June 30, 2017. The approved General Fund disbursement budget totals $4,012,539,820, an increase of $101,406,983, or 2.59 percent, over the *FY 2016 Revised Budget Plan*, and an increase of $192,991,600, or 5.05 percent, over the FY 2016 Adopted Budget Plan. The expenditure total for all Appropriated Funds is $7,471,661,174.

FY 2017 General Fund revenues are projected to be $4,010,962,074, an increase of $185,984,041, or 4.86 percent, over the *FY 2016 Revised Budget Plan*, and an increase of $200,454,419, or 5.26 percent, over the FY 2016 Adopted Budget Plan. Please note this includes a 4 cent increase in the Real Estate Tax rate to $1.13 per $100 of assessed value.

COUNTY CORE PURPOSE

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

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

Adopted Budget Summary

In summary, the budget approved by the Board:

- Provides a County General Fund transfer to the Public School Operating Fund of $1,913,518,902 reflects an increase of $88,365,557, or 4.84 percent over the FY 2016 Adopted Budget Plan. In addition, the County's transfer for School Debt Service is $189,870,099, an increase of $2,712,622 over the FY 2016 level, and the County transfer for School Construction is $13,100,000, maintaining the transfer at the level approved by the Board of Supervisors as part of the *FY 2015 Carryover Review*. The combined transfer for School Operations, Debt Service and Construction is $2.12 billion, which represents 52.7 percent of total County General Fund Disbursements.

- Increases the Real Estate Tax rate 4 cents to $1.13 per $100 of assessed value. Combined with rising residential assessments, the average homeowner will experience an increase in their tax bill of approximately $304.

- Utilizes no one-time funding in order to balance the budget.

- For General County employees, a 1.33 percent market rate adjustment (MRA) and an average 2.00 percent performance and longevity increase, both effective July 2016 are funded. The performance and longevity increases are based on the new compensation program approved by the Board of Supervisors in Fall 2014. Employees are eligible for graduated performance increases, based on where they fall on the pay scale (starting at 3.00 percent at the bottom of the pay scale to 1.25 percent for employees within 25 percent of the top of the scale). Employees reaching 20 or 25 years of service receive a 4.00 percent longevity increase instead of the performance increase.

- For uniformed public safety employees, a 1.33 percent MRA as well as merit increments and longevity increases for all eligible employees on their anniversary dates are funded. Public Safety employees who have reached a length of service (15 and 20 years) milestone and have reached the top step of their pay scale are eligible for longevities. Approximately 45 percent of uniformed public safety employees are eligible for a 5.00 percent merit or longevity increase each year.

FY 2017 Adopted Budget Overview

(Amounts shown are in millions over the FY 2016 Adopted Budget Plan)

Additional Resources	
Increase generated by increases in Real Estate Assessments and all other Revenue Categories	$107.22
Increase resulting from 4 Cent Real Estate Tax Increase	$93.23
Total Increase in Revenues	**$200.45**
Net Impact of Transfers In	0.34
Total Available	**$200.79**
How Additional Resources Were Spent	
Increase in transfers to Fairfax County Public Schools for Operations, Debt Service and School Construction	$104.18
County Requirements	$78.64
Employee Compensation	$41.02
Human Services Requirements	$13.58
Community Development Requirements	$3.77
Public Safety Requirements	$18.41
Cost of County Operations	$9.03
Capital/Debt Service Requirements	$6.46
Reductions/Savings	($13.63)
Total Disbursements (Not Including Revenue Stabilization Reserve)	**$182.82**
Reserve Adjustments	$17.97
Total Uses	**$200.79**
Available Balance	**$0.00**

More information regarding adjustments included in the FY 2017 budget is provided on the following pages.

FY 2017 Budget Highlights

General Fund Revenue

FY 2017 General Fund revenues are projected to be $4,010,962,074, an increase of $2,847,887 over the FY 2017 Advertised Budget Plan. The increase is primarily due to additional revenue from the Commonwealth and the Federal Government.

The FY 2017 revenue represents an increase of $185,984,041, or 4.86 percent, over the *FY 2016 Revised Budget Plan*, which contains the latest FY 2016 revenue estimates, and an increase of $200,454,419, or 5.26 percent, over the FY 2016 Adopted Budget Plan. The net increase is primarily the result of a $166.2 million increase over the *FY 2016 Revised Budget Plan* in Real Estate Tax revenue due to a rise in FY 2017 real estate assessments and an increase in the Real Estate Tax rate from $1.09 to $1.13 per $100 of assessed value. Most other County revenue categories are projected to experience moderate growth over FY 2016.

On the County's real estate front, residential home values continued to increase in 2015. Based on information from the Metropolitan Regional Information System (MRIS), the average sales price of homes sold in Fairfax County rose a modest 1.1 percent from $538,280 in 2014 to $544,055 in 2015. The average 2015 home selling price is just barely higher than the previous peak value of $543,271 achieved in 2005. MRIS also reported that 14,850 homes sold in the County in 2015, up 9.6 percent over 2014. Homes that sold during 2015 were on the market for an average of 52 days, 7 days longer than the 2014 level of 45 days. Overall, residential equalization reflects a 1.64 percent increase in FY 2017, compared to a 3.39 percent increase in FY 2016. After falling a slight 0.60 percent in FY 2016, non-residential values increased 2.87 percent in FY 2017. Office Elevator properties, the largest component of the non-residential tax base at 34.5 percent, experienced a 3.42 percent increase in FY 2017 after declining 4.67 percent in FY 2016. New construction increased the real estate tax base by 1.04 percent in FY 2017.

The General Fund Revenue Overview in the FY 2017 Overview volume has much more detail on General Fund revenues.

General Fund Disbursements

The approved General Fund disbursement budget totals $4,012,539,820, an increase of $101,406,983, or 2.59 percent, from the *FY 2016 Revised Budget Plan,* and an increase of $192,991,600, or 5.05 percent, over the FY 2016 Adopted Budget Plan. The increase over the Adopted budget is based on FY 2017 increased funding of $104.18 million for Fairfax County Public Schools for Operating, Debt, and Construction and $78.64 million for County requirements, discussed in more detail below.

Increases in the budget fall into the following main categories:

- Fairfax County Public School (FCPS) Requirements
- County Requirements
- Reserve Requirements

Fairfax County Public School (FCPS) Requirements $104.18 million

The General Fund transfer to the Public School Operating Fund reflects a 4.84 percent increase over the funding level in the FY 2016 Adopted Budget Plan. The County General Fund transfer to Fairfax County Public Schools (FCPS) underscores the paramount importance that education has in our community and this funding is consistent with the percentage allocated to FCPS over the past few years. The proposed County General Fund transfer for school operations, infrastructure and debt service totals $2.12 billion in FY 2017, an increase of $104,178,179, or 5.18 percent, over the FY 2016 Adopted Budget Plan. Within this amount, the transfer for School operations is $1.91 billion, an increase of $88.37 million; the transfer in support of School debt service is $189.87 million, an increase of $2.71 million; and there is an increase of $13.1 million in baseline support for School construction.

The County also provides additional support for the Schools in the amount of $84.8 million for programs such as Head Start, School Health, Behavioral Health Services, School Resource Officers, School Crossing Guards, after-school programming, field maintenance and recreational programs, among others.

County Requirements $78.64 million

The most significant changes for non-School Disbursements include:

Employee Compensation (Pay and Benefits) - $41.02 million

♦ **1.33% Market Rate Adjustment**

Funding of $15.38 million is included for the full-year impact of a 1.33 percent Market Rate Adjustment (MRA) increase effective July 2016 for all employees. The MRA provides a guide to the amount of pay structure adjustment needed to keep County pay rates competitive with the market. It is based on a calculation approved by the Board of Supervisors and includes the following components:

- Consumer Price Index (CPI) for the Washington-Baltimore area. The U.S. Department of Labor's Bureau of Labor Statistics prepares this index. The CPI closely monitors changes in the cost of living. The CPI represents 40 percent of the index.

- Employment Cost Index (ECI). The U.S. Department of Labor's Bureau of Labor Statistics prepares the ECI. The ECI measures the rate of change in employee compensation (wages and salaries). The index used by the County measures changes in employee compensation for "Civilian" workers. This includes private sector, state, and local government employees. Federal employees are not included in this index. The ECI represents 50 percent of the index.

- Federal Wage Adjustment for the Washington-Baltimore area. The Federal Office of Personnel Management prepares this wage adjustment. Fairfax County will use the most current approved wage adjustment in budget calculations. However, because of the timing of the approval of the Federal Wage Adjustment and Fairfax County's budget cycle, Fairfax County will use the wage adjustment from the previous January. The Federal Wage Adjustment represents 10 percent of the index.

♦ **General County Performance/Longevity Increases**

Funding of $11.73 million is included for the General County employee pay increases included in the budget which reflects the new performance and longevity program for all eligible General County employees approved by the Board of Supervisors in Fall 2014 and implemented in

FY 2016. The funding reflects increases effective July 2016 for graduated performance increases, based on where employees are on the pay scale, and the 4 percent longevity increases provided to employees who reach 20 or 25 years of service. In FY 2017, all employees reaching 20 or 25 years of service as of June 30, 2016 will receive a 4 percent increase. Employees receiving a longevity award do not also receive a performance award. The performance increases range from 3 percent for employees within 15 percent of the bottom of the pay scale to 1.25 percent for employees within 25 percent of the top of the pay scale. The average increase in FY 2017 is 2 percent.

♦ **Public Safety Merit/Longevity Increases**
Funding of $8.50 million is included for public safety pay increases which reflect merit and longevity increases for all eligible public safety employees. The funding reflects the full-year impact of merit and longevity increases provided to uniformed employees in FY 2016 and the partial-year costs for merit and longevity increases provided to uniformed employees in FY 2017 since all increases are effective on the employee's anniversary date. Merit increases are awarded to public safety employees as they progress through the pay scale. Public safety employees who have reached a length of service (15 and 20 years) milestone and have reached the top step of their pay scale are eligible for longevities. Merit and longevity increases are each 5 percent for public safety employees. In any given year between 40 and 50 percent of public safety employees are eligible for one or the other.

♦ **Elimination of Step 8 Hold in Uniformed Public Safety as Directed by the Board**
Funding of $0.53 million is associated with the elimination of the two-year hold at Step 8 in the Uniformed Public Safety Pay Plans as directed by the Board of Supervisors as part of the *FY 2015 Carryover Review*. Elimination of the Step 8 hold will allow for more consistent merit increment increases during an employee's career and will still maintain the 20-year career progression through the public safety pay scales. Funding included in FY 2017 represents the partial-year impact, as increases are awarded on an employee's anniversary date. The full-year impact is estimated at $1.1 million, and additional funding will be included in FY 2018.

♦ **Other Salary Adjustments**
A net increase of $0.39 million is associated with the full-year impact of salary adjustments for the Board of Supervisors, Board of Zoning Appeals, and Planning Commission approved as part of the FY 2016 Adopted Budget Plan; increases for specific job classes identified in the County's benchmark class survey; and increases to pay supplements for Constitutional Officers approved by the Board of Supervisors on January 12, 2016.

♦ **Retirement Funding**
The FY 2017 budget includes an increase of $3.63 million in employer contributions to the retirement systems. Of this amount, an increase of $3.58 million is for fiduciary requirements associated with the County's retirement systems and as a modest investment to strengthen our funding ratios. This increase includes a change to the amortization schedule to increase the amortization of the unfunded actuarial accrued liability from 95 percent to 97 percent, funding the next step toward meeting the County's policy to include amortization of 100 percent of the unfunded liability in the actuarially determined contributions for each of the systems by FY 2020. Although each system posted positive investment returns in FY 2015, all three systems were below the 7.5 percent assumed rate of return. The Employees' system returned 0.5 percent, the Uniformed system was up 1.5 percent, and the Police Officers system returned 3.4 percent. The

FY 2015 investment results, contribution levels, and liability experience affected the funding ratios as demonstrated in the table below. This table displays plan fiduciary net position as a percentage of the total plan liability as published in the County's Comprehensive Annual Financial Report (CAFR) and as required under new GASB requirements. It should be noted that since these calculations utilize asset figures as of a point in time (not smoothed as under previous methodologies), the funding ratios calculated are subject to volatility based on market returns.

	June 30, 2014	June 30, 2015
Employees'	78.3%	74.2%
Uniformed	85.2%	81.0%
Police Officers	86.8%	84.8%

The remaining increase of $0.05 million is due to a reduction in the Social Security offset for service-connected disability retirees from 15 percent to 10 percent. This is the first year of a 3-year plan to eliminate the offset as directed by the Board of Supervisors. The employer contribution rates for the Employees' and Uniformed systems are required to increase due to this change, resulting in an increase of $0.05 million. In addition, the retirement system funding strategy approved by the Board of Supervisors as part of the adoption of the FY 2016 Adopted Budget Plan requires that the increase in the liability of the systems as a result of this benefit enhancement be funded with a one-time increase in General Fund contributions. As part of the *FY 2016 Third Quarter Review*, the Board of Supervisors approved a one-time increase of $1.99 million to fund this increase in liability.

- **Health Insurance and Other Benefits**
  A net increase of $0.86 million is primarily due to the full-year impact of calendar year 2016 premium increases and costs associated with a projected 7 percent premium increase for all health insurance plans, effective January 1, 2017. It should be noted that these premium increases are budgetary projections only, and final premium decisions will be made in the fall based on updated claims experience. Increases related to health insurance are partially offset by projected savings in fringe benefits based on year-to-date experience.

Public Safety - $18.41 million and 52 Positions

- **Diversion First /Ad-Hoc Police Commission/ Court Employee Salary Supplements**
  Funding of $7.50 million represents the first year of a multi-year strategy requiring increased staffing and funding to implement recommendations from the Ad-Hoc Police Commission, including the Diversion First program. Costs of more than $35 million and 150 positions are currently estimated, including both one-time and recurring costs. The Board's Public Safety Committee identified the following allocations:

  - Diversion First: Through the collaborative work of the Human Services system and the Public Safety agencies, strategies are being developed to decrease the use of arrest and detention of people experiencing mental health and/or substance abuse or other behavioral health crises by improving access to timely treatment. Coordination with the judicial system, including the courts and public defenders, is an essential component of this work. As part of Diversion First, 19/19.0 FTE positions and $3.89 million are allocated to the Office of the Sheriff, the Police

Department, the Fire and Rescue Department, the Fairfax-Falls Church Community Services Board and the General District Court. Funding of $1.20 million has also been allocated to provide salary supplements, including the associated fringe benefit costs, to eligible General District Court and Office of the Public Defender state employees, as well as eligible employees in the Juvenile and Domestic Relations District Court to support judicial services including Diversion First.

- Ad-Hoc Police Commission: The commission reviewed the Police Department's use of force, communications, recruitment-diversity-applicant vetting, investigations, and handling of mental health issues. Recommendations, many of which were already being implemented, were presented to the Board on October 27, 2015, and include strategies such as institutionalization of independent oversight and the use of body cameras. An amount of $2.41 million is held in reserve pending identification of specific priorities.

♦ **New South County Police Station**

An increase of $3.14 million is required for the first year of a multi-year strategy to fully fund the opening of a new police station and animal shelter in South County approved by a Public Safety bond referendum in November of 2015. Initial estimates indicate that 70 additional positions will be required to fully staff this station when it opens in Spring 2021 and the FY 2017 funding supports 15/15.0 FTE positions to begin the process. Based on the large number of staff required, and the significant lead time (18-24 months) associated with hiring and training new recruits, it is important to begin this process now. It is anticipated that funding and staff will be added in each of the next 4-5 years. This phased-in approach will allow the department to most effectively hire and train new recruits, as well as ensure that current staffing estimates are accurate.

♦ **Police Patrol Officers**

An increase of $2.90 million supports 14/14.0 FTE positions to fund additional Patrol Officers and is consistent with the multi-year Public Safety Staffing Plan. Currently, most stations exceed the average Calls for Service (CFS) standard by at least 6,000 calls for service annually.

♦ **Police Polygraph Capacity**

Funding of $0.34 million is added to support 2/2.0 FTE polygraph positions based on a review of current workload and upcoming requirements. Polygraph positions in the Police Department are tasked with performing polygraph tests for all public safety applicants. Based on the approval of multiple positions within public safety agencies in recent years, current staffing levels are insufficient to meet workload requirements. These positions will allow public safety applications to be vetted within an acceptable timeframe.

♦ **Full-Year Funding for Fire and Rescue Staffing**

An increase of $2.20 million replaces the remaining costs associated with 31/31.0 FTE positions which were initially funded by two Board-approved SAFER (Staffing for Adequate Fire and Emergency Response) grants. The funding for the first SAFER grant, supporting 19/19.0 FTE positions, expired in November 2015, while the second grant, supporting 12/12.0 FTE positions expires in April 2016. Funding of $1.26 million was included in the FY 2016 Adopted Budget Plan to cover the partial-year costs associated with these positions and this FY 2017 adjustment covers the remaining costs. These positions, combined with an additional 18 positions added as part of the most recent SAFER award in September 2015 (for a total of 49 additional positions), enable the department to fulfill its goal of having a fourth person on the 14 ladder truck companies. Four-person truck staffing has enhanced the Fire and Rescue Department's (FRD) ability to complete time critical tasks thereby reducing life and property losses, as well as risk of firefighter injury or death.

- **Fire and Rescue Apparatus and Ambulance Replacement**
  An increase of $1.00 million is required as part of a multi-year plan begun in FY 2015 to increase annual contributions to the Large Apparatus Replacement Fund and Ambulance Replacement Fund. Additional contributions are required due to increasing vehicle costs, fleet growth, and flat contributions since FY 2007. Without additional funding, the replacement reserves will be depleted in the next few years. This funding is in addition to the dedication of grant funds, baseline funds and one-time contributions allocated to this effort. The entire fleet consists of 63 apparatus and 43 ambulances.

- **Volunteer-Owned Large Apparatus**
  Additional funding of $0.78 million is allocated to replace large apparatus owned by volunteer departments. Currently, out of the 12 volunteer departments in Fairfax County, six are not able to replace their large apparatus. Of the 106 front-line vehicles career FRD staff operates daily for emergency response, 30 are owned by volunteer departments. These vehicles are operated 24-hours a day/7 days a week with career personnel as part of the minimum staffing calculation. Without these vehicles, FRD does not have the apparatus available to provide the current level of emergency response coverage.

- **Fire SCBA Replacement**
  An increase of $0.93 million supports the first year of a seven-year lease purchase agreement associated with replacing 800 pieces of Self-Contained Breathing Apparatus (SCBA) equipment. SCBA is a breathing device worn by firefighters to provide breathable air in a toxic environment. The current equipment was purchased in 2001, and upgraded in 2007, with an expected five-year technical life. The department delayed purchasing replacement equipment in anticipation of the 2013 edition of the National Fire Protection Association (NFPA) Standard 81 on Open-Circuit SCBA for Emergency Services. The current equipment cannot be retrofitted to achieve compliance with the new NFPA standards and, as a result, it needs to be replaced.

- **Human Trafficking Grant**
  Due to expiration of federal funding, 2/2.0 FTE grant positions (one human trafficking detective and one task force crime analyst) are being converted to merit status in the Police Department and funding of $0.33 million is added to continue critical work associated with the Northern Virginia Human Trafficking Task Force.

- **Other Adjustments**
  Other adjustments, including the termination of a Juvenile and Domestic Relations District Court agreement with the District of Columbia, one-time expenses, and changes associated with the *FY 2015 Carryover Review* result in a net funding reduction of $0.71 million.

Capital Construction and Debt Service - $6.46 million

The FY 2017-FY 2021 Capital Improvement Program (CIP) continues the progress made in recent years and is focusing on a fall 2016 referendum that includes $85 million for Human Services/Community Development, $107 million for Parks and $120 million for Metro. The total CIP is $9.50 billion. The total bond program within the CIP is $1.86 billion (includes both General Obligation and Economic Development Authority bonds), and the CIP bond program is managed within the County's debt ratios. CIP highlights include developing a 10-year plan for funding turf field replacements; a plan for allocating the future balances from the Capital Sinking Reserve Fund; and enhancing communication of the collaborative efforts underway on Public-Private Partnership and Joint Venture Projects.

The increase in funding for Capital Construction and Debt Service is $6.46 million. The FY 2017 funding meets debt service requirements, supports the Paydown Program for critical infrastructure requirements, and continues to respond to recommendations of the Infrastructure Finance Committee (IFC) (a joint committee of the County and School Boards). A strong program is essential to the sustainability of County services and is designed to meet existing and anticipated future needs. Reinvestment in County facilities is critical to avoid deterioration and obsolescence. During the height of the economic crisis, contributions did not keep pace with the County's needs, so it is critical that we make significant strides in funding essential requirements now.

- **Capital Construction**
  Capital Construction is primarily financed by the General Fund, general obligation bonds, fees, and service district revenues. General Fund support in FY 2017 totals $19,541,876. This includes an amount of $13,034,427 for commitments, contributions and facility maintenance and $6,507,449 for Capital Paydown projects. The Paydown Program has been redesigned at the request of the Board of Supervisors to exclude those projects that are on-going maintenance projects or annual contributions. Paydown now includes infrastructure replacement and upgrades, ADA compliance, athletic fields and other capital improvements. In addition, during their deliberations on the FY 2017 Advertised Budget Plan, the Board of Supervisors approved pre-funding an amount of $9,311,551 as part of the *FY 2016 Third Quarter Review*, eliminating the need for this funding in FY 2017. Therefore, the FY 2017 adopted capital construction program represents a decrease of $2,499,892 from the FY 2016 Adopted Budget Plan. Projects that were pre-funded as part of the *FY 2016 Third Quarter Review* include, ADA compliance at both Parks and County facilities, infrastructure replacement and upgrades projects at County facilities, design work associated with the Massey Building demolition and renovations required at the Burkholder Building, as well as funding to support planning efforts associated with the Massey complex and the future use of the original Mt. Vernon High School.

Adopted Budget Summary

Capital Construction/Paydown and General Fund Supported Summary[1]			
	FY 2016	**FY 2017**	**Change**
Infrastructure Replacement and Upgrades	$2,700,000	$1,408,449	($1,291,551)
ADA Compliance	$4,064,750	$0	($4,064,750)
Athletic Field Maintenance and Sports Projects	$5,635,338	$6,135,338	$500,000
Park Authority Infrastructure Maintenance	$1,682,076	$1,909,000	$226,924
Master Planning and Redevelopment	$0	$1,350,000	$1,350,000
On-Going Development Efforts, Infrastructure Maintenance and Revitalization	$2,994,735	$3,795,000	$800,265
Obligations and Payments	$4,429,869	$4,409,089	($20,780)
Environmental Initiatives	$535,000	$535,000	$0
Total	**$22,041,768**	**$19,541,876**	**($2,499,892)**

[1] Reflects General Fund support. Other funding sources such as dedicated revenue and bond funding is not included in these totals.

Infrastructure Replacement and Upgrades: Infrastructure Replacement and Upgrades support the long-term needs of the County's capital assets to maximize the life of County facilities, avoid their obsolescence, and provide for planned repairs, improvements and restorations. Fairfax County will have a projected FY 2017 facility inventory of over 9.2 million square feet of space (excluding schools, parks, housing and human services residential facilities). With such a large inventory, it is critical that a planned program of repairs and restorations be maintained. In addition, the age of a major portion of this inventory of facilities is reaching a point where major reinvestments are required in the building subsystems. In an effort to move closer to the annual funding goal of $15 million discussed with the IFC, an amount of $12,417,153 will support FY 2017 priority projects and is proposed to be funded using multiple funding sources. First, an amount of $5,000,000 is supported by the General Fund, including an amount of $3,591,551 that was funded as part of the *FY 2016 Third Quarter Review* and an amount of $1,408,449 that is included in the FY 2017 Adopted Budget Plan. Second, an amount of $2,810,000 will be supported by existing Public Safety bonds available in completed projects as a result of the favorable bid environment. These projects, all located at Public Safety/Courts facilities, are large upgrade projects with life spans in excess of 20 years and appropriately funded by bonds. Finally, an amount of $4,607,153 will be supported by the Capital Sinking Reserve Fund. The Capital Sinking Reserve Fund was established as a direct result of the IFC and has accumulated over the last two years based on the approval of funding at both the *FY 2014 Carryover Review* and the *FY 2015 Carryover Review*. The allocation of the Sinking Fund was approved as part of the *FY 2016 Third Quarter Review*. FMD projects requiring funding in FY 2017 will take advantage of the two prior years of funding in the Capital Sinking Reserve Fund, with an effort to reach close to the $15 million goal in General Fund support in future years.

Americans with Disabilities Act (ADA): During their deliberations on the FY 2017 Advertised Budget Plan, the Board of Supervisors approved pre-funding for the Americans with Disabilities Act (ADA) compliance projects as part of the *FY 2016 Third Quarter Review*. Funding in the amount of $4,370,000 included $2,370,000 for the continuation of Park Authority ADA improvements and $2,000,000 for the continuation of ADA improvements at County owned facilities required as part of the Department of Justice audit. No additional funding is included in FY 2017.

Athletic Field Maintenance and Sports Projects: FY 2017 funding in the amount of $7,610,338 is partially supported by a General Fund transfer of $6,135,338 and revenue generated from the Athletic Services Fee in the amount of $1,475,000. General Fund support is increased $500,000 and, when combined with additional revenue of $375,000 associated with an increase in the Athletic Services Fee, the total increase in FY 2017 is $875,000. The total annual contribution for turf field replacement will be $2.25 million as a result of this increase. Of this amount, $1,450,000 is funded from the General Fund and $800,000 is funded from the Athletic Services fee. The Athletic Services Fee for rectangular field users is recommended to increase from $5.50 to $8.00 per participant per sport and recommended to increase from $15 to $50 per team per tournament. Even with the proposed increase, the fee would remain in-line with other local jurisdictions.

This funding is necessary to meet the 10-year replacement cycle for the 63 fields in the County's turf field inventory. Synthetic turf fields provide even playing surfaces and increased safety; offer similar playing conditions to natural turf fields; need no watering or mowing; use no fertilizers or pesticides; can be used year-round and in most weather conditions; do not need to be taken offline to protect or re-sod the grass; and have a significant life cycle with reduced and easier maintenance requirements.

Park Authority Infrastructure Maintenance: FY 2017 funding in the amount of $1,909,000 has been included for maintenance of both facilities and grounds. This amount includes an increase of $226,924 over the FY 2016 Adopted Budget Plan. The Park facilities maintained with General Fund monies include but are not limited to: rental properties, historic properties, nature centers, maintenance facilities, sheds, shelters, and office buildings. Park priorities are based on the assessment of current repair needs including safety and health issues, facility protection, facility renewal and improved services. In addition, Park maintenance requirements are generated through scheduled preventative maintenance or from user requests for facility alterations. Without significant reinvestment in building and grounds, older facilities can fall into a state of disrepair and reduced functionality, resulting in increased future maintenance and repair costs. Preventative, replacement, and repair work is required for roofs, HVAC, electrical and lighting systems, fire alarm systems, and security systems. Adequate and regular funding is essential to the maintenance and repair of building stabilization, including capital renewal of over 567,053 square feet at non-revenue supported Park Authority structures and buildings.

Master Planning and Redevelopment: Additional funding of $1,350,000 has been included in FY 2017 for costs related to master planning and redevelopment efforts. Funding will support facility and space realignments that will maximize owned space, potentially reduce leased space, and facilitate hoteling of office space, as well as support concept planning for joint venture development projects.

On-Going Development, Infrastructure Maintenance and Revitalization - FY 2017 funding of $3,795,000, an increase of $800,265 over the FY 2016 Adopted Budget Plan, has been included for costs related to on-going development, infrastructure maintenance and revitalization throughout the County.

- Laurel Hill Property Management: Funding of $1,260,000, an increase of $175,265, is included to address only the most critical aspects of property management at Laurel Hill.

Laurel Hill was transferred to the County by the Federal government and includes approximately 2,340 acres of land and 1.48 million square feet of building space.

- Commercial Revitalization: Funding of $750,000 reflects no change from the FY 2016 Adopted Budget Plan and is included to continue routine and non-routine maintenance in five major revitalization areas (Annandale, Route 1, Springfield, McLean, and Baileys Crossroads).

- Reinvestment, Repair, and Emergency Maintenance of County Roads: Funding of $500,000, an increase of $350,000, supports the 43 miles of roadway service drives not maintained by VDOT. As part of the *FY 2014 Third Quarter Review*, funding was approved to build an accurate inventory and condition assessment of County-owned roads and service drives. The study identified an amount of $4 million in reinvestment funding requirements for the roadways with the most hazardous conditions, as well as $500,000 in FY 2017 for annual emergency repairs. Staff will prioritize funding for projects including emergency safety and road repairs. On-going road maintenance includes, but is not limited to, pothole repair, drive surface overlays, sidewalk and curb repairs, traffic and pedestrian signage, hazardous tree removal, grading, snow and ice control, replacement of substandard materials, patching of existing travelways, minor ditching and stabilization of shoulders, slopes and drainage facilities. It is anticipated that funding for the reinvestment programs for County roads will be funded over a 5 year period, with initial funding from the allocation of the Capital Sinking Fund, approved as part of the *FY 2016 Third Quarter Review*.

- Tyson's Corner and Silver Line Projects: Funding of $460,000 reflects no change from the FY 2016 Adopted Budget Plan and supports routine and non-routine maintenance. Routine maintenance services include landscaping, trash removal, snow removal, and stormwater facility maintenance.

- County Trails, Sidewalks and Pedestrian Bridges: An amount of $400,000, reflecting an increase of $100,000, is included for emergency and critical maintenance. The Department of Public Works and Environmental Services (DPWES) and the Fairfax County Department of Transportation are responsible for maintaining approximately 664 miles of walkways and 68 pedestrian bridges. On-going critical maintenance includes the correction of safety and hazardous conditions such as the deterioration of trail surfaces, the replacement and/or repair of guardrails and handrails, and the rehabilitation of pedestrian bridges. A recent study built an accurate inventory and condition assessment of County walkways and revealed that there are approximately 10 miles of trails in extremely poor condition requiring $3 million in reinvestment. It is anticipated that funding for the reinvestment programs for County walkways will be funded over a 3 year period, with initial funding from the allocation of the Capital Sinking Fund, approved as part of the *FY 2016 Third Quarter Review.*

- Other: Funding of $425,000, an increase of $175,000 over the FY 2016 Adopted Budget Plan, is included for the Developer Default Program, Emergency Directives Program, maintenance of geodetic survey control points, and conservation bond interest payments.

Obligations and Payments – Funding of $4,409,089 is included for costs related to annual contributions and contractual obligations. This is a small decrease of $20,780 from the FY 2016 Adopted Budget Plan. Specific projects include the County's annual capital contribution to the various college campuses within the Northern Virginia Community College system; the annual offset to school operating and overhead costs associated with the School-Age Child Care (SACC) Centers; and, the annual payment for the Salona Property.

Environmental Initiatives: Funding of $535,000 has been included for initiatives selected through a process supported by the Environmental Quality Advisory Council.

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

♦ **Debt Service**
In addition to requirements associated with School debt service, FY 2017 General Fund support of County debt service requirements is $136.75 million, an increase of $8,959,358 over the FY 2016 Adopted Budget Plan. The FY 2017 funding level supports debt service payments associated with existing and anticipated debt service requirements, including the $217.04 million in General Obligation bonds sold in January 2016. In addition and based on the Board's policy concerning reserves, the refunding savings of $13.1 million to be generated in FY 2017 from the Series 2015 B and Series 2015 C General Obligation refunding bond sales will be transferred to the Revenue Stabilization Fund. These savings are one-time and will help the County reach its revised reserve goals. During FY 2017 it is anticipated that a General Obligation bond sale of approximately $277.14 million will be conducted to fund cash requirements for on-going capital projects for School and County purposes. This bond sale estimate is consistent with the FY 2017-FY 2021 Adopted Capital Improvement Program (With Future Fiscal Years to 2026).

Human Services - $13.58 million and 4 Positions

♦ **Contract Rate Increases**
An increase of $3.41 million is required to support a contract rate increase for the providers of Human Services in the County, especially important for our non-profits. Services provided contractually are a critical part of the Human Services system with both for-profit and non-profit vendors partnering with the County to ensure that a broad array of services is available to the community. Each year individual contracts are let for the various services and program staff, and the community providers negotiate funding requirements. To keep pace with inflation and pay and benefits, periodic contract rate increases are funded to preserve current service delivery levels. This funding is spread between the Department of Family Services, the Health Department, the Office to Prevent and End Homelessness, the Department of Neighborhood and Community Services and the Fairfax-Falls Church Community Services Board and is based on an assumption of an approximate 2 percent increase, but actual adjustments are negotiated with individual providers. It should be noted that with associated revenues, the net cost of these contract rate adjustments is $2.94 million.

♦ **Public Assistance Eligibility Workers**
As previously approved by the Board of Supervisors as part of the *FY 2015 Carryover Review* and *FY 2016 Third Quarter Review*, an increase of $1.52 million is included to support full-year funding

for additional positions. These positions will continue to address the increase in public assistance caseloads in the Self-Sufficiency Division

- **Fairfax-Falls Church Community Services Board Intellectual Disability Graduates**
  An increase of $1.50 million in operating expenses supports 68 of the 91 June 2016 special education graduates of the Fairfax County Public Schools turning 22 years of age who are eligible for day support and employment services. These individuals do not currently have a funding source for services. Twenty-three graduates are already addressed. As a result of this funding, any of the 91 graduates seeking services will be served, thereby meeting the Board's commitment that all eligible graduates are served.

- **Health Resources**
  Funding of $1.10 million supports the Community Health Care Network (CHCN) and medically fragile students. CHCN funding of $0.75 million is based on anticipated expenses associated with the new contract to provide essential health care services in collaboration with Inova. Funding of $0.35 million is provided for medically fragile students in Fairfax County Public Schools to support increases in one-on-one nursing services.

- **Mobile Crisis Unit**
  Baseline funding of $0.80 million supports a second Mobile Crisis Unit providing crisis intervention and assessment services to individuals in psychiatric crisis. The second unit was added as part of the *FY 2015 Carryover Review*.

- **Consolidated Community Funding Pool**
  An increase of $0.53 million is included to support the community organizations providing Human Services in the County. FY 2017 is the first year of a new two-year funding cycle. The Consolidated Community Funding Advisory Committee (CCFAC) has organized the FY 2017/FY 2018 funding priorities according to four areas (Prevention, Crisis Intervention, Self-Sufficiency and Long-Term Supportive Services), and adopted corresponding outcome statements. The CCFAC also recommended target percentage ranges for each priority area, which are intended to be used as guidelines for applicants and for the Selection Advisory Committee. The Board of Supervisors approved these funding priorities on June 23, 2015.

- **Opportunity Neighborhoods - Regions 1 & 3**
  Funding of $0.44 million is included for Opportunity Neighborhoods (ON) to coordinate the efforts of community organizations, private providers, government agencies, schools and families to better ensure that children are physically, emotionally and socially prepared to learn and succeed in life. A key goal of ON is to align programming with the identified needs, interests, and gaps in services of a particular community by facilitating collective planning and action among community partners. Funding supports the continuation activities in Region 1, Mount Vernon, as well as the first phase expansion into Region 3, Reston. Since 2011, ON in Region 1 has been funded largely through grants from private organizations, the federal government, and the state. This funding has been exhausted, so additional funding is needed to sustain current activities in Region 1.

  One-time funding was included in the *FY 2015 Carryover Review* to support an assessment and thorough analysis of trends and needs in the Reston community. This assessment will inform the community as to which specific ON strategies and programming are needed in the neighborhood, as well as the expected programmatic goals and outcomes. FY 2017 funding will support the first phase of ON activities; however, it is anticipated that additional funding may be required to implement the full array of ON strategies and programming requirements that are identified once the assessment is complete.

- **Fairfax-Falls Church Community Services Board Support Coordinators**
  Funding of $0.43 million and 4/4.0 FTE positions supports individuals with intellectual and developmental disabilities. The addition of this funding and staff addresses compliance with current federal and state requirements, primarily those pursuant to the Department of Justice Settlement Agreement and implementation of Virginia's Medicaid Waiver reforms.

- **Other Adjustments**
  Other Human Services adjustments, totaling a net $3.85 million, are primarily associated with the recurring impacts associated with changes made during the *FY 2015 Carryover Review* and the *FY 2016 Third Quarter Review*. It should be noted that a number of these adjustments had offsetting revenues.

Cost of County Operations - $9.03 million and 14 Positions

- **Information Technology Projects**
  In FY 2017, funding of $6.81 million, which includes a General Fund transfer of $4.77 million, a transfer of $2.00 million from Fund 40030, Cable Communications, and interest income of $0.04 million, is provided for initiatives that meet one or multiple priorities established by the County's Senior Information Technology Steering Committee. The General Fund support reflects an increase of $2.07 million supporting projects that provide benefits for both citizens and employees and adequately balances new and continuing initiatives with the need for securing and strengthening the County's technology infrastructure. Funded projects will support initiatives in general County services, public safety, human services and enterprise technology security and infrastructure. Current priorities include completion of prior investments; enhanced county security; improved services and efficiency; and maintenance of a current and supportable technology infrastructure.

- **Information Security**
  Funding of $0.35 million and 2/2.0 FTE positions is included to protect the County against evolving cyber security challenges and to address electronic data requests initiated through Freedom of Information Act (FOIA), litigation, law enforcement, internal audit, and personnel investigations. The goal of the County's IT security program is to ensure:

    - Confidentiality of information;
    - Integrity of data, systems and operations;
    - Technical compliance with legal mandates;
    - Privacy; and,
    - Availability of information processing resources.

- **Absentee Voting and Electronic Poll Books Support**
  Funding of $0.17 million and 2/2.0 FTE positions are included to provide support for absentee voting, as well as technical requirements related to additional electronic poll books, the acceptance of online voter registrations, efforts associated with an online ballot delivery system and the purchase of new voting equipment.

- **Original Mount Vernon High School Maintenance**
  Funding of $1.10 million includes $0.26 million for 3/3.0 FTE maintenance positions to address general maintenance requirements and $0.84 million for utilities, custodial contracts, security, repair/maintenance, and grounds maintenance costs. Staff and the community will develop both short and long-term use plans.

- **Streetlight Utilities, Snow Removal and Landscaping**
  Funding of $0.76 million is required for the following:

  - Streetlight Utilities: Funding of $0.22 million is required for utility costs associated with anticipated streetlight installations by Virginia Dominion Power and Northern Virginia Electric Cooperative (NOVEC) in FY 2017.

  - Landscaping: Funding of $0.27 million enables more proactive landscaping and grounds maintenance services for approximately 150 County-owned facilities and properties.

  - Snow Removal: Funding of $0.27 million supports snow removal services at the Merrifield Center, a 200,000 square foot facility open 24/7 with an Emergency Room and a parking garage. The parking garage requires special chemicals and special equipment for snow removal due to the garage's concrete base and weight limitations. The garage, ambulance lanes and the pedestrian walkways must remain clear of all ice and snow on a continual basis. Funding will also provide for replacement snow removal equipment.

- **New Facility Maintenance**
  The FY 2017 budget includes funding of $0.62 million and 3/3.0 FTE maintenance positions at the new Public Safety Headquarters, as well as partial-year funding for utilities, custodial contracts, and security at new or expanded facilities including the Herndon Fire Station, Lorton VRE Parking Lot Expansion, Huntington Bus Operations Facility, and West Ox Bus Facility (Phase II).

- **Lease Costs**
  A net increase of $0.72 million is required for annual rent-based adjustments for the County's lease contracts, as well as requirements associated with the Sully Community Center.

- **Other Adjustments**
  A net increase of $3.24 million includes adjustments for Workers Compensation, infrastructure technology, community use fees, and elimination of the assumption that savings of $1.2 million will be generated in FY 2017 from the Incentive Reinvestment Initiative program. It should also be noted that an increase of 4/4.0 FTE positions supported by other funding sources, with no net cost to the General Fund, are included to support Wastewater and Stormwater operations.

Community Development - $3.77 million

- **Washington Metropolitan Area Transit Authority (WMATA) and CONNECTOR Support**
  General Fund support is increased $3.64 million to offset the loss of state aid and provide for WMATA operating subsidy and CONNECTOR requirements. It should be noted that the fuel savings discussed in the Reductions and Savings section that follows reflects CONNECTOR savings of $1 million, so net General Fund support is increased $2.64 million.

  The FY 2017 General Fund transfer to CONNECTOR of $34.9 million is increased $1.38 million, or a net of $0.38 million accounting for the fuel savings mentioned above. This is the first increase since FY 2013.

  The FY 2017 General Fund transfer to WMATA of $13.6 million, an increase of $2.26 million, is needed due to a reduction in the County portion of state aid balances at the Northern Virginia Transportation Commission (NVTC). This is the first increase since FY 2012.

- **Resident Curator Program**
  Full-year funding of $0.13 million is required to continue the Resident Curator Program, originally funded at the *FY 2015 Third Quarter Review*. A resident curator is defined as an individual working with a locality to preserve and maintain a publicly-owned or publicly-leased historic property in exchange for gaining use of the property.

Reductions and Savings – ($13.63) million and (17) Positions

- **OPEB Savings**
  Savings of $10.00 million are primarily due to the implementation of an Employer Group Waiver Plan (EGWP) for Medicare retiree prescription drug coverage. The EGWP is a standard Medicare Part D plan with enhanced coverage. By implementing an EGWP, the County is able to maximize prescription drug subsidies from the federal government and pharmaceutical manufacturers. This change has had a significant impact on the County's GASB 45 liability, as GASB accounting rules allow EGWP revenue to directly offset plan costs in the GASB valuation, impacting the actuarial accrued liability, whereas the previous model could not be reflected in the liability calculations. The funded ratio for the OPEB plan has increased from 39.7 percent to 70.0 percent as a result of this change.

- **Fuel Savings**
  Savings of $3.00 million in fuel is realized based on ongoing analysis of current costs and usage. In FY 2016, the budget was developed using an unleaded price of $2.62 per gallon and a diesel price of $2.67 per gallon. The FY 2017 budget estimates $1.94 per gallon for unleaded and $2.00 per gallon for diesel. These rates reflect an average decrease of $0.67 from the FY 2016 level and are based on the price of fuel in recent months.

- **Telecommunications Billing Process**
  Department of Information Technology savings of $0.20 million are based on efficiencies generated through the telecommunication billing process. This is the second phase of a multi-year process partially identified last year by employees in the Mission $avings initiative.

- **Redesign of Support in Financial Agencies**
  Savings of 2/2.0 FTE positions and $0.15 million are associated with efficiencies realized through the sharing of existing positions providing support services in the Departments of Finance, Management and Budget and Procurement and Material Management.

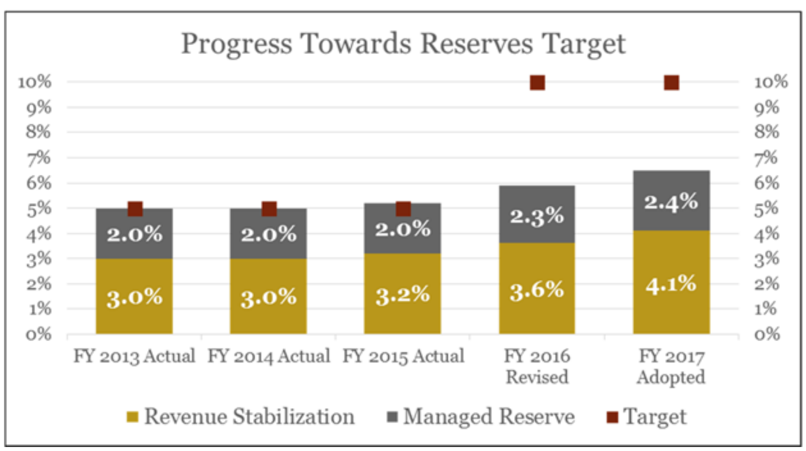
- **Mailroom and Archives Realignment**
  Savings of $0.13 million are associated with efficiencies realized through the use of shared resources in Document Services by shifting responsibilities for the functions of the mailroom and archives from the Department of Cable and Consumer Services and Fairfax County Public Library respectively, to the Department of Information Technology. Production and distribution coordination between the print shop and mailroom which are physically adjacent to each other and more focus on electronic data retention opportunities for the Archives by IT staff are anticipated outcomes of these realignments.

- **Reduction in Personnel Services**
  Annual review of flexibility in General Fund agencies as a result of existing staffing and salary levels generated savings of $0.15 million.

- **Abolishment of Long-Term Vacancies**
  Analysis of long-term vacancies requested by the Audit Committee resulted in the abolishment of 15/15.0 FTE positions. There are no savings associated with these position eliminations as these positions were held vacant due to insufficient funding in the agencies.

Not included in the Reductions/Savings total are revenues of $0.77 million attributed to the second-year phase-in of School-Age Child Care (SACC) fee increases. This increase is based on the staff work as part of the FY 2016 budget development process.

Reserve Requirements $17.97 million



Reserves require an additional $17.97 million and strengthening our reserves is a fiscally responsible strategy and an important component of our Aaa bond rating. As directed by the Board, 10 percent of FY 2017 Disbursement increases are to be held in reserve and there is an overall target set by the Board in FY 2016 of 10 percent. Totals in the Revenue Stabilization Reserve and Managed Reserve (MR) have increased from 5 percent in FY 2013 to 6.5 percent in FY 2017. These reserves are calculated against County requirements and transfers to Schools. It should be noted that the Economic Opportunity Reserve with a target of 1 percent of General Fund Disbursements will not be funded until the other two reserves reach their respective targets.

- **Revenue Stabilization Reserve**
  Contributions are increased $10.17 million and are made as a transfer from the General Fund. Per Reserve policy, refunding savings of $13.1 million are transferred to the Revenue Stabilization Reserve from the Debt Service Fund in FY 2017. The Revenue Stabilization Reserve is targeted to be 5 percent of General Fund Disbursements.

- **Managed Reserve**
  The Managed Reserve is increased $7.80 million in FY 2017 and is reflected in the General Fund. The target for this reserve is 4 percent of General Fund Disbursements.

Positions

The FY 2017 budget includes a net increase of 53 positions over the FY 2016 level, including 70 new positions for critical requirements offset by 17 positions included as part of reductions. New positions include 19 positions to support Diversion First, 15 positions associated with the first year of a multi-year plan to staff a new police station in South County, 16 positions to support staffing needs identified in the Public Safety Staffing Plan and polygraph needs, 6 positions to provide maintenance for new and existing facilities, and 4 positions to provide support coordination in the Community Services Board. The remaining 10 positions support a variety of initiatives and requirements such as absentee voting and information technology requirements, information technology security, stormwater and wastewater activities and the Human Trafficking Task Force. County positions in FY 2017 total 12,438. More information on County positions can be found in the *Compensation and Positions* section of this volume.

FY 2017 Budget: All Funds

As always, the focus is on the General Fund and its impact on residents and businesses, but it is important to recognize that there are other funds through which important services are provided to the community. All Fund Revenues in the FY 2017 Adopted Budget Plan total $7.96 billion. This County revenue total is an increase of $419.73 million, or 5.6 percent, over the FY 2016 Adopted Budget Plan. On the expenditure side, the FY 2017 Adopted Budget Plan totals $7.47 billion and reflects an increase of $341.79 million, or 4.79 percent, over the FY 2016 Adopted Budget Plan.

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

FY 2017 and FY 2018 MULTI-YEAR BUDGET PLAN: TAX AND FEE FACTS

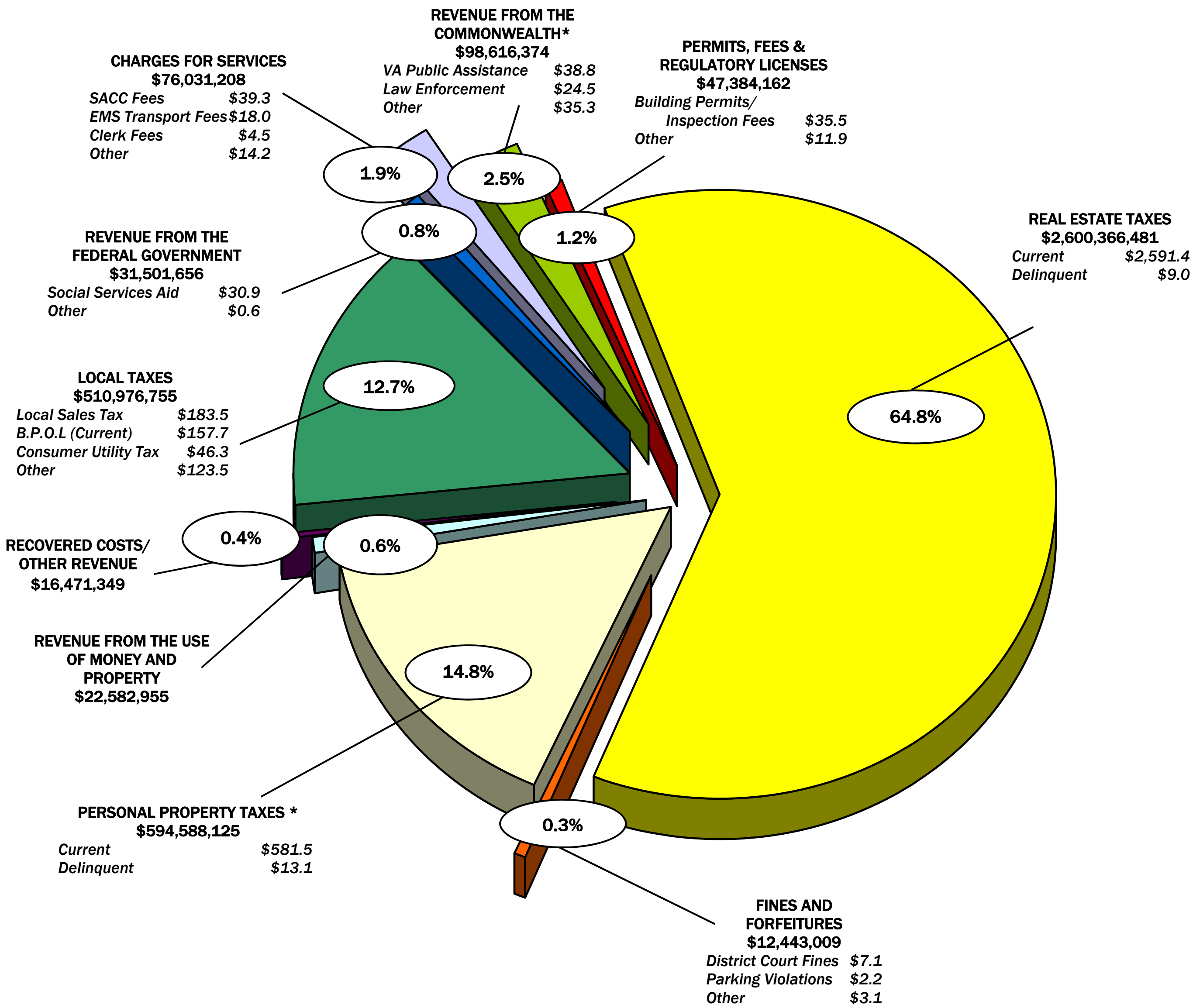
Type	Unit	FY 2015 Actual Rate	FY 2016 Actual Rate	FY 2017 Adopted Rate	FY 2018 Planned Rate
GENERAL FUND TAX RATES					
Real Estate	$100/Assessed Value	$1.09	$1.09	$1.13	$1.13
Personal Property	$100/Assessed Value	$4.57	$4.57	$4.57	$4.57
NON-GENERAL FUND TAX RATES					
REFUSE RATES					
Refuse Collection (per unit)	Household	$345	$345	$345	$345
Refuse Disposal (per ton)	Ton	$62	$62	$62	$62
Leaf Collection	$100/Assessed Value	$0.015	$0.015	$0.015	$0.015
SEWER CHARGES					
Sewer Base Charge	Quarterly	$15.86	$20.15	$24.68	$27.62
Sewer Availability Charge	Residential	$7,750	$7,750	$7,750	$7,750
Sewer Service Charge	Per 1,000 Gallons	$6.62	$6.65	$6.68	$6.75
COMMUNITY CENTERS					
McLean Community Center	$100/Assessed Value	$0.023	$0.023	$0.023	$0.023
Reston Community Center	$100/Assessed Value	$0.047	$0.047	$0.047	$0.047
OTHER					
Stormwater Services District Levy	$100/Assessed Value	$0.0225	$0.0250	$0.0275	$0.0300
Route 28 Corridor	$100/Assessed Value	$0.18	$0.18	$0.18	$0.18
Dulles Rail Phase I	$100/Assessed Value	$0.21	$0.19	$0.17	$0.17
Dulles Rail Phase II	$100/Assessed Value	$0.20	$0.20	$0.20	$0.20
Integrated Pest Management Program	$100/Assessed Value	$0.001	$0.001	$0.001	$0.001
Commercial Real Estate Tax for Transportation	$100/Assessed Value	$0.125	$0.125	$0.125	$0.125
Tysons Service District	$100/Assessed Value	$0.04	$0.05	$0.05	$0.06

FY 2017 Adopted Budget Plan
General Fund Revenues

FY 2017 revenues are projected to be $4,010,962,074, an increase of $185,984,041, or 4.86 percent, over the *FY 2016 Revised Budget Plan*. The Real Estate Tax rate increases from $1.09 to $1.13 per $100 of assessed value.

$4,010,962,074**

(subcategories in millions)



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

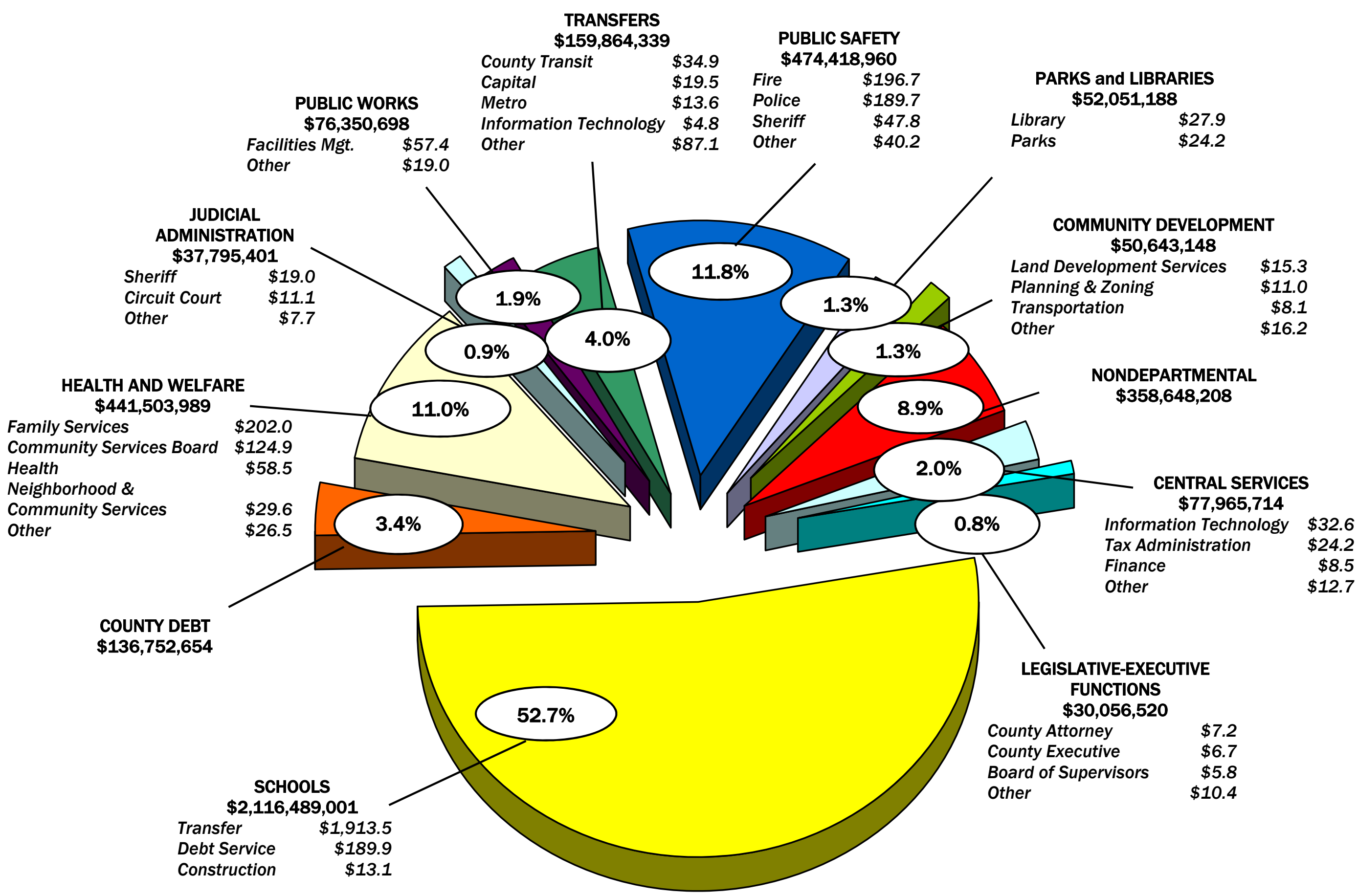
** Total County resources used to support the budget include the revenues shown here, as well as a beginning balance and transfers in from other funds.

FY 2017 Adopted Budget Plan
General Fund Disbursements

FY 2017 disbursements total $4,012,539,820, an increase of $101,406,983, or 2.59 percent, over the *FY 2016 Revised Budget Plan.* The County General Fund transfer for School operations in FY 2017 totals $1,913,518,902. In addition, the County's contribution to School Debt Service for FY 2017 is $189,870,099 and the County transfer to School Construction is $13,100,000. General Fund Direct Expenditures total $1,474,556,275, an increase of $20,369,645, or 1.40 percent, over the *FY 2016 Revised Budget Plan* direct expenditure level.

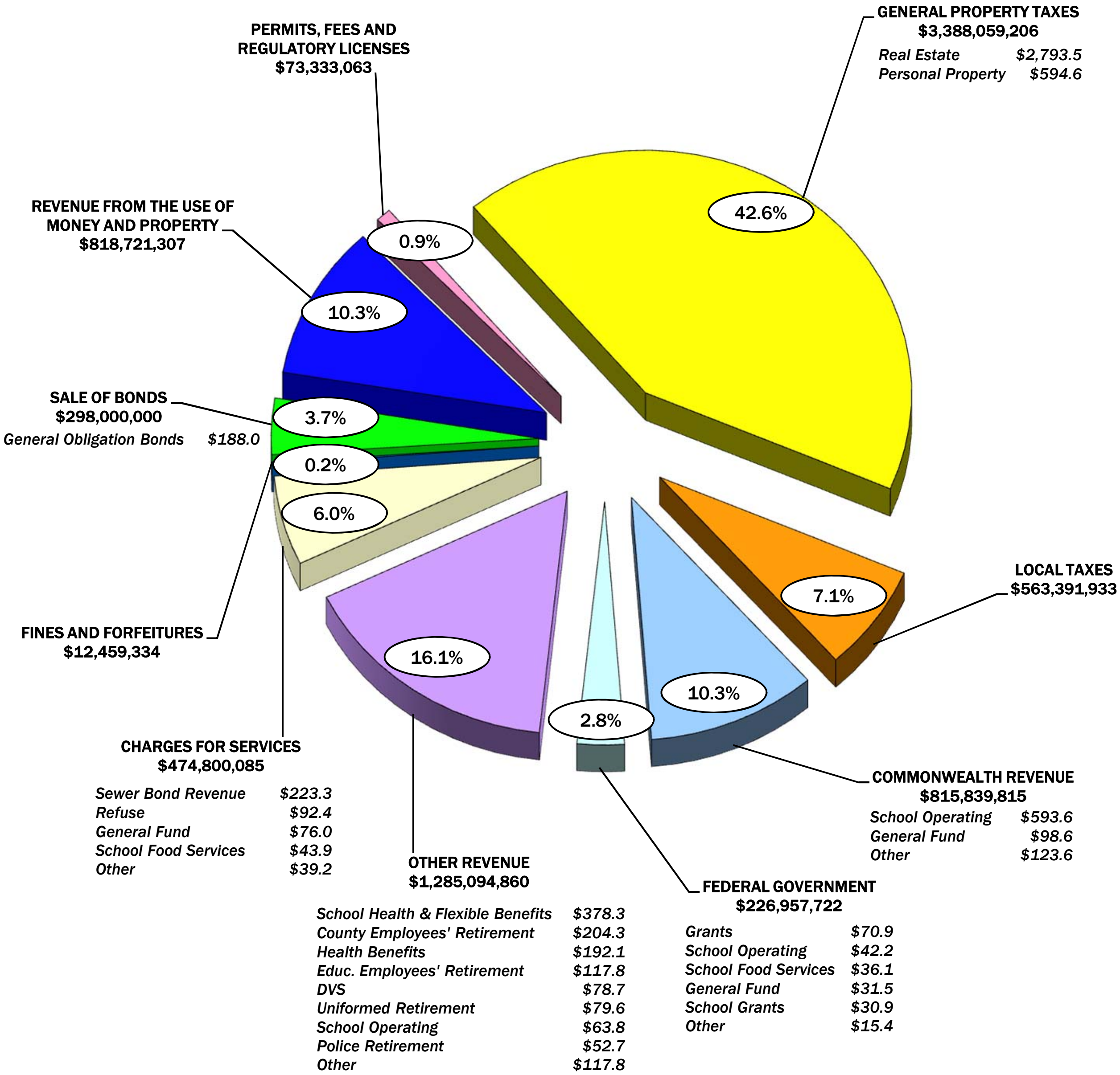
$4,012,539,820

(subcategories in millions)



FY 2017 ADOPTED BUDGET PLAN
REVENUE ALL FUNDS

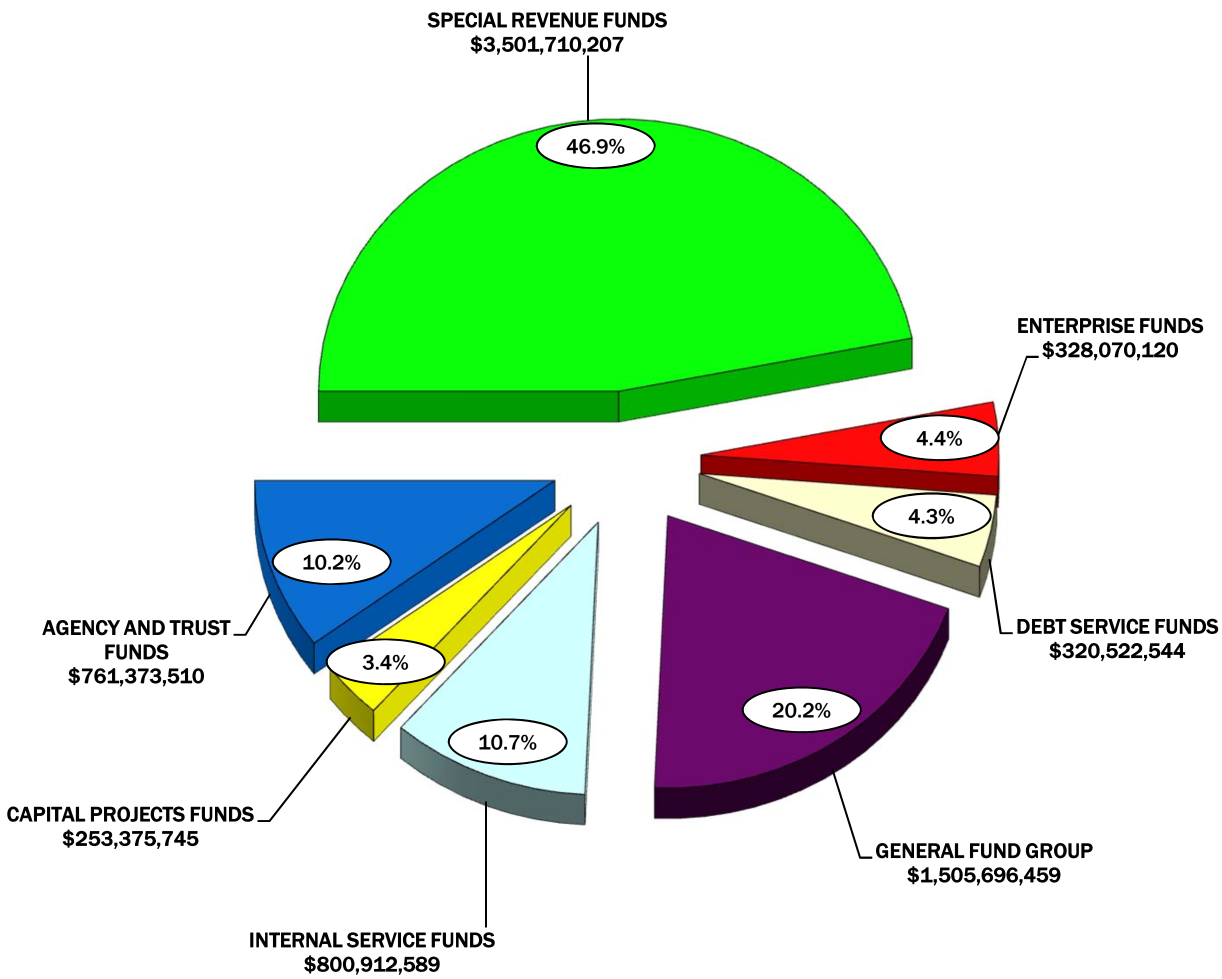
(subcategories in millions)



TOTAL REVENUE = $7,956,657,325

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

FY 2017 ADOPTED BUDGET PLAN
EXPENDITURES ALL FUNDS



TOTAL EXPENDITURES = $7,471,661,174

County of Fairfax, Virginia

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

February 16, 2016

Honorable Board of Supervisors
County of Fairfax
Fairfax, Virginia

Chairman and Board Members:

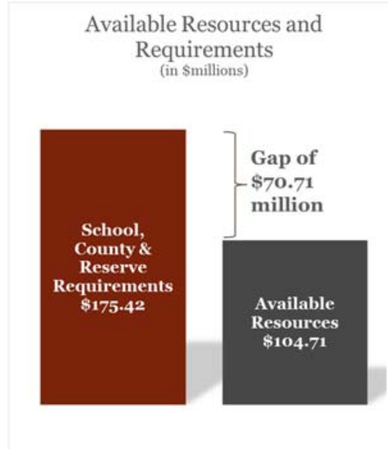
I am pleased to present the FY 2017 and FY 2018 Multi-Year Budget Plan to the Board of Supervisors and the community. During the past year we have accomplished a lot, from improving the County's financial position by eliminating the use of one-time funding for recurring expenses, strengthening the County's pension systems, and doubling our reserves; to adoption of the County's Economic Success Strategic Plan; to beginning the multi-year Lines of Business (LOBs) process which will shape the County's strategic direction and validate our priorities for future years; to putting together a prudent and responsive multi-year budget for FY 2017 and FY 2018. Despite another year of lackluster growth, I am encouraged by the actions we have taken thus far and by the continued willingness of the Board to make the difficult decisions. We continue to face disparate growth between our resources and our requirements and emerging needs, but we are fortunate that the quality of life that so many of our residents and businesses enjoy remains intact. However, we are at a critical juncture. We have endured eight years of significant budget reductions, resulting in the elimination of more than 700 positions and $300 million, and made significant cost avoidance decisions such as no or reduced employee compensation and deferral of facility maintenance. These decisions have pushed us to prioritize what we do, when we do it, and how we do it, but continuing along that same path will adversely impact the community and the quality of life that has made Fairfax County such a wonderful place to live, work and play. Going forward, we must be strategic and consider the array of services provided by the County in the context of constrained resources and community priorities. Difficult choices will have to be made, but I am encouraged that we now have the right tools and are on the right course to keep Fairfax County great.

> *"… Prosperity can only be achieved and sustained when a community's citizens, businesses and government work in concert for everyone's benefit… Our vision is a community where businesses, residents, and employees of a variety of ages, abilities, and experiences want to live, work, play, learn, and thrive..."*
>
> Economic Success Strategic Plan adopted by the Fairfax County Board of Supervisors, March 3, 2015

As you will see when I lay out the details of the budget, I have tried to be prudent and responsive. Our basic needs are met and many of our highest priorities are addressed. In order to get to this point, however, a 4 cent increase in the Real Estate Tax rate is recommended. While I know this is not ideal, it reflects our reality and enables us to focus on longer-term strategies. In the subsequent pages, I will describe the development of the FY 2017 budget in detail and I look forward

See the "Adopted Budget Summary" section for details regarding the final budget as approved by Board of Supervisors.

to discussing the various elements with the Board, with employees and with the community in the coming weeks.



The budget for FY 2017 and FY 2018 is prudent and responsive. At the current Real Estate Tax rate of $1.09 per $100 of assessed value, the FY 2017 revenue growth reflects modest growth of 2.3 percent over the FY 2016 estimate. At the same time, basic requirements are significant and there are growing needs that must be addressed. In preparing this budget, I was confronted with a gap of nearly $71 million. This budget prudently addresses critical requirements, and it responds to priorities including education, County employee compensation, public safety, and human services.

Based on the Board's budget guideline, I have included increases in the transfers to the Fairfax County Public Schools for operations, infrastructure and debt service and County employee compensation. I have based my recommendation on complying with the Multi-year Budget Plan to provide a 3 percent increase in the Operating transfer to Schools. Even with this increase, there is a $68 million gap between the School Board request and the 3 percent increase. There has already been a lot of attention focused on School needs and, while we typically start at different points, the size of this discrepancy is challenging.

The FY 2017 budget being presented today is balanced and includes:

- Funding for the most basic requirements and priorities for both Schools and the County;
- A Real Estate Tax rate increase of 4 cents to $1.13 per $100 of assessed valuation;
- Continuation of excellent fiscal stewardship; and,
- An available balance of $22.53 million for the Board to address some of the remaining critical requirements.

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

Economic Overview

Nationally

The U.S. economy grew at an estimated pace of 2.4 percent in 2015, the same rate as FY 2014. Consumer spending registered its largest gain in a decade, partially fueled by plunging oil prices which gave consumers more discretionary spending power. Since the beginning of 2016, the stock market has seen a significant uptick in volatility which impacts the County's long-term investments, such as the retirement funds. Despite the stock market variability, consumer confidence remains strong as the Conference Board indicates "as 2015 draws to a close, consumers' assessment of the current state of the economy remains positive, particularly their assessment of the job market."

See the "Adopted Budget Summary" section for details regarding the final budget as approved by Board of Supervisors.

Home prices nationwide posted strong gains once again in 2015. According to the S&P/Case-Shiller home price index, home prices nationwide were up 5.8 percent for the 12 months ending November 2015. Home prices in the Washington Metropolitan area posted a more modest 2.1 percent gain during the same period. Home price appreciation is expected to continue at this pace during 2016.

The Federal Reserve raised interest rates in December 2015 for the first time in almost a decade, citing improved labor market conditions and the solid pace of economic activity. Further, or more significant increases, could hinder economic growth, but economists anticipate the headwind for the national economy in 2016 to be the weakness in global growth and the negative effect from a stronger dollar.

In Fairfax

During the recession, the local economy outperformed the national economy, but underperformed from 2011 – 2014, dampened by the impacts of sequestration and contraction of federal procurement. The County's Gross County Product, adjusted for inflation, increased at a preliminary rate of 2.0 percent in 2015 after decreasing 0.4 percent in 2013 and 1.6 percent in 2014.

While the County's unemployment rate remains well below the state and national level at 3.1 percent as of November 2015 and is down from the 3.6 percent registered in November 2014, the local labor market is exhibiting tepid growth. As shown in the table below, while the County gained almost 5,600 jobs (June 2015 over June 2014), the loss of over 9,000 jobs suffered in 2013 and 2014 have not been recovered. Additionally, the growth is less than half the pace set in 2012.

Job Growth in Fairfax County
(Data as of June)

	Total Non-Farm Employment	Increase/ (Decrease)	% Change
2012	597,394	12,677	2.2%
2013	595,321	(2,073)	(0.3%)
2014	588,265	(7,056)	(1.2%)
2015	593,836	5,571	0.9%

The overall contraction in federal procurement has undoubtedly impacted local labor markets and commercial office space vacancies. For example, Federal procurement contracts in the County increased slightly in FY 2014 (the last year for which data is available), but have not recovered from the significant 13 percent decrease experienced in FY 2013. According to the Fairfax County Economic Development Authority, the direct office vacancy rate was 16.5 percent at mid-year 2015, up from 16.3 percent at year-end 2014. The overall office vacancy rate, which includes empty sublet space, was 17.5 percent at mid-year 2015, which decreased from the 17.7 percent recorded at year-end 2014. The amount of empty office space topped 20 million square feet. Industry experts anticipate vacancy rates to remain high through 2016 due to sluggish economic conditions and concerns about the federal budget as well as the national election, which historically has forestalled site location decisions. A further obstacle to filling office space is that employers today are leasing substantially less space per employee than in the past.

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The Silver Line is spurring new construction. In Tysons, for example, 145 major applications for almost 50 million square feet have been approved since 2010 and almost 3 million square feet are under construction. Similarly, in Reston, 16 cases for 13.5 million square feet are in the pre-application or review status. These projects will impact the tax base positively in the years to come.

The County's Bound Rating

At the December 2, 2015 Board of Supervisors meeting, staff requested Board action to approve a resolution and the necessary documents to proceed with the County's General Obligation Bond Sale Series 2016A. As part of the bond sale process, the County's triple-A bond rating was affirmed by Standard & Poor's, Fitch Ratings, and Moody's Investors Service. Standard & Poor's and Fitch reaffirmed the stable outlook for the County.

"The outlook has been revised to stable. The Aaa rating reflects the county's adequate financial position supported by recently strengthened comprehensive fiscal policies, large and diverse tax base with socioeconomic indices that are well above average, and reasonable debt burden with manageable future borrowing plans."

Moody's Investor Services

As the Board is aware, Moody's revised its outlook on the County from negative to stable. As cited in the report, one of the main reasons behind the return to stable outlook was the Board's "recently strengthened comprehensive fiscal policies," in addition to the County's "large and diverse tax base with socioeconomic indices that are well above average, and reasonable debt burden with manageable future borrowing plans."

As the Board will recall, in January 2014, Moody's maintained the County's Aaa bond rating, but revised the outlook from stable to negative. The reasons cited for this action were concerns over the County's structural imbalance, reserve balances and pension liability funding. During the FY 2016 Advertised Budget Plan, several recommendations were presented and subsequently adopted by the Board to address the issues raised by Moody's.

- The County will maintain a structurally balanced budget. This is incorporated in the development of the County budgets beginning in FY 2015, as one time monies are not being used to balance the budget.

- The County increased its existing reserve level policies. The Managed Reserve target increased from 2 to 4 percent of General Fund Disbursements; the Revenue Stabilization Reserve target increased from 3 to 5 percent of General Fund Disbursements; and a new Economic Opportunity Reserve was established with a target of 1 percent of General Fund Disbursements. As a result, the County's reserve policy will be more in-line with other triple-A jurisdictions. Funding of this increase has already begun, but will take several years to fully fund the new target levels.

See the "Adopted Budget Summary" section for details regarding the final budget as approved by Board of Supervisors.

- The County committed to increased pension funding levels, which is reflected through higher employer contribution rates by adjusting the amortization level of the unfunded actuarial accrued liability to 93 percent in FY 2015, 95 percent in FY 2016, and 97 percent included in the FY 2017 budget. The County has consistently funded its pension systems in accordance with the funding levels required in County Code. Following the global recession and weak investment returns in FY 2008, the County committed to fund its pension systems beyond the minimal annual amount that is calculated in accordance with County Code defining the corridor. Moody's action in January 2014 discounted this historical trend of appropriately funding the County's systems, as well as the County's deliberate action to increase funding to its pension systems over the last few years. In 2013, Moody's changed its own rating criteria for the evaluation of pension funding levels. The County believes Moody's rating action in 2014 reflected a change in Moody's rating methodology and not any deterioration in the strength of the County's pension funding given that funding ratios improved in 2013 for all three County pension plans. The County pension funds remain adequately funded and employees need not be concerned.

The County has held a Aaa rating from Moody's since 1975, a AAA rating from Standard and Poor's since 1978 and a AAA rating from Fitch Ratings since 1997. As of January 2016 only 46 counties, 11 states, and 33 cities nationally have a triple-A bond rating from all three major rating agencies. As a result of the County's excellent triple-A bond rating, the County has saved more than an estimated $735.48 million from County bond and refunding sales. Again, the Board deserves the credit for the return to stable outlook by the unanimous commitment to the revised financial policies. These changes reflect the Board's firm adherence to the County maintaining its triple-A bond rating.

In the context of the current economic outlook I discussed previously, I will now lay out the recommendations I have included in the FY 2017 budget and planned for FY 2018.

FY 2017 Budget Summary and FY 2018 Budget Plan

In November I briefed the Board on the County's Fiscal Forecast for FY 2017 and FY 2018. At that time, I indicated projected shortfalls of $85.04 million for FY 2017 and $78.98 million in FY 2018. Today I am presenting a balanced budget for FY 2017 and a potential structural imbalance of $74.38 million in FY 2018.

In developing the FY 2017 budget, it was apparent that the resources available at the current Real Estate Tax rate ($104.71 million) were not sufficient to address the basic requirements of the Schools and the County ($175.42 million). In fact, the difference ($70.71 million), even with County reductions totaling $13.63 million, is equivalent to 3 cents on the Real Estate Tax rate. Given additional requirements, namely a remaining gap of $68 million for Schools, I am recommending a 4 cent increase in the Real Estate Tax rate. The following table summarizes how the FY 2017 budget was constructed.

See the "Adopted Budget Summary" section for details regarding the final budget as approved by Board of Supervisors.

How was the FY 2017 General Fund Budget Built? (in millions)	
Available Revenue Increase in FY 2017 over the FY 2016 Adopted Budget Plan	
Revenue Increase at Current Real Estate Tax Rate	$104.37
Net Impact of Transfers In	$0.34
Total Available	**$104.71**
Critical FY 2017 Requirements	
School Operating, School Construction and Debt Service	**$70.57**
County Requirements	**$89.27**
Employee Pay and Benefits	$43.01
Public Safety	$18.41
Capital and Debt	$15.77
Human Services	$12.01
Cost of County Operations	$9.93
Community Development	$3.77
Reductions/Savings	($13.63)
Reserve Adjustments	**$15.58**
Total Uses	**$175.42**
Gap at Current Real Estate Tax Rate	($70.71)
Additional Revenue from 4 Cents on the Real Estate Tax	**$93.24**
Available for Other Critical Requirements	**$22.53**

As shown in the preceding table, with a 4 cent increase in the Real Estate Tax rate, the FY 2017 budget is balanced and nearly $23 million is available to address remaining critical requirements.

Multi-Year Budget Plan

For FY 2018, I anticipate revenue will increase approximately $99 million, or 2.5 percent. Requirements projected for FY 2018 are an increase of just under $173 million and include 166 new positions and support of our many public safety and human services programs. For Fairfax County Public Schools, the FY 2018 budget proposal includes a 3 percent increase in the County transfer for School operations and the required increase for School debt service to continue to support annual School bond sales of $155 million and maintain a baseline commitment to School construction of $13.1 million. Reflecting the commitment to County employees, a Market Rate Adjustment (MRA) for all employees, coupled with a Performance/Longevity adjustment for General County employees or Merit/Longevity increases for uniformed Public Safety employees are included. I have assumed an MRA of 1.50 percent which equates to approximately $18 million in FY 2018. General County adjustments total $12.0 million, while uniformed Public Safety increases total $8.5 million. Detailed information about the FY 2018 proposal is included in the Multi-Year Budget – FY 2017 and FY 2018 section of the Overview following this letter.

See the "Adopted Budget Summary" section for details regarding the final budget as approved by Board of Supervisors.

FY 2017 Budget: All Funds

As always our focus is on the General Fund and its impact on our residents and businesses, but it is important to recognize that there are other funds through which important services are provided to the community. All Fund Revenues in the FY 2017 Advertised Budget Plan total $7.96 billion. This County revenue total is an increase of $421.04 million, or 5.6 percent, over the FY 2016 Adopted Budget Plan. On the expenditure side, the FY 2017 Advertised Budget Plan totals $7.45 billion and reflects an increase of $318.94 million, or 4.47 percent, over the FY 2016 Adopted Budget Plan.

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

FY 2017 Budget: General Fund

FY 2017 General Fund Revenue

Without a Real Estate Tax rate increase, FY 2017 General Fund revenues are projected to be $3,914,884,891, an increase of $89,858,373, or 2.3 percent, over the *FY 2016 Revised Budget Plan*, which contains the latest FY 2016 revenue estimates, and an increase of $104,377,236, or 2.74 percent, over the FY 2016 Adopted Budget Plan.

On the County's real estate front, the number of homes sold jumped 9.6 percent to 14,850 homes in 2015, but the average price of homes sold rose only 1.1 percent. Homes for sale were on the market 52 days before they sold, up from 45 days in 2014. As a result, residential equalization reflects a meager 1.64 percent increase in FY 2017, approximately half that of the 3.39 percent increase experienced in FY 2016 and approximately one-quarter of the 6.54 percent registered in FY 2015. By contrast, non-residential values posted an equalization gain of 2.87 percent on the heels of declines in FY 2016 (0.6 percent) and FY 2015 (0.1 percent).

The value of a penny on the Real Estate Tax rate is $23.31 million in FY 2017. Each penny change in the tax rate equals $52.78 on a taxpayer's bill. My budget recommendation proposes that we increase the Real Estate tax rate 4 cents to $1.13 per $100 of assessed value. Given an average value of a residential unit of $527,648, the "typical" taxpayer would owe an additional $303.86 over FY 2016 at the proposed tax rate. With the 4 cent Real Estate Tax rate increase, FY 2017 General Fund revenues are projected to be $4,008,114,187, an increase of $183,087,669, or 4.8 percent, over the *FY 2016 Revised Budget Plan*, which contains the latest FY 2016 revenue estimates, and an increase of $197,606,532, or 5.19 percent, over the FY 2016 Adopted Budget Plan.

The *General Fund Revenue Overview* in the FY 2017 Overview volume has much more detail on General Fund revenues.

FY 2017 General Fund Disbursements

FY 2017 General Fund disbursements are $3,988,246,875, an increase of $168,698,655, or 4.42 percent, over the FY 2016 Adopted Budget Plan and an increase of $93,921,938, or 2.41 percent, over the *FY 2016 Revised Budget Plan*. The increase over the Adopted budget is based on FY 2017 increased funding of $70.57 million for Fairfax County Public Schools for Operating, Debt, and Construction and $89.27 million for County requirements, discussed in more detail below.

I am also recommending 34 net new positions in the FY 2017 Advertised Budget Plan which are detailed below. It should be noted that 17 positions are abolished in the FY 2017 budget, primarily associated with a review of positions vacant for an extended period of time.

Increases in the budget fall into the following main categories:

- Fairfax County Public School (FCPS) Requirements
- County Requirements
- Reserve Requirements

Fairfax County Public School (FCPS) Requirements $70.57 million

The General Fund transfer to the Public School Operating Fund reflects a 3.0 percent increase over the funding level in the FY 2016 Adopted Budget Plan. The County General Fund transfer to Fairfax County Public Schools (FCPS) underscores the paramount importance that education has in our community and this funding is consistent with the percentage allocated to FCPS over the past few years at 52.2 percent. The proposed County General Fund transfer for school operations, infrastructure and debt service totals $2.08 billion in FY 2017, an increase of $70,567,222, or 3.51 percent, over the FY 2016 Adopted Budget Plan. Within this amount, the transfer for School operations is $1.88 billion, an increase of $54.75 million; the transfer in support of School debt service is $189.87 million, an increase of $2.72 million; and there is an increase of $13.1 million in baseline support for School construction.

The County also provides additional support for the Schools in the amount of $84.7 million for programs such as Head Start, School Health, Behavioral Health Services, School Resource Officers, School Crossing Guards, after-school programming, field maintenance and recreational programs, among others.

On February 4, 2016, the Fairfax County School Board requested an operating transfer of $1.95 billion for FY 2017 that would give school employees raises, decrease class sizes, and necessitates a $122.7 million, or 6.7 percent, increase over the FY 2016 Adopted Budget Plan General Fund transfer to fully fund the Schools' budget request. This request would require an additional $68 million, or almost 3 additional cents on the Real Estate Tax rate.

See the "Adopted Budget Summary" section for details regarding the final budget as approved by Board of Supervisors.

County Requirements $89.27 million

The most significant changes for non-School Disbursements include:

Employee Compensation (Pay and Benefits) - $43.01 million

- **1.33% Market Rate Adjustment**
  Funding of $15.38 million is included for the full-year impact of a 1.33 percent Market Rate Adjustment (MRA) increase effective July 2016 for all employees. The MRA provides a guide to the amount of pay structure adjustment needed to keep County pay rates competitive with the market. It is based on a calculation approved by the Board of Supervisors and includes the following components:

  - Consumer Price Index (CPI) for the Washington-Baltimore area. The U.S. Department of Labor's Bureau of Labor Statistics prepares this index. The CPI closely monitors changes in the cost of living. The CPI represents 40 percent of the index.

  - Employment Cost Index (ECI). The U.S. Department of Labor's Bureau of Labor Statistics prepares the ECI. The ECI measures the rate of change in employee compensation (wages and salaries). The index used by the County measures changes in employee compensation for "Civilian" workers. This includes private sector, state, and local government employees. Federal employees are not included in this index. The ECI represents 50 percent of the index.

  - Federal Wage Adjustment for the Washington-Baltimore area. The Federal Office of Personnel Management prepares this wage adjustment. Fairfax County will use the most current approved wage adjustment in budget calculations. However, because of the timing of the approval of the Federal Wage Adjustment and Fairfax County's budget cycle, Fairfax County will use the wage adjustment from the previous January. The Federal Wage Adjustment represents 10 percent of the index.

- **General County Performance/Longevity Increases**
  Funding of $11.73 million is included for the General County employee pay increases included in the budget which reflects the new performance and longevity program for all eligible General County employees approved by the Board of Supervisors in Fall 2014 and implemented in FY 2016. The funding reflects increases effective July 2016 for graduated performance increases, based on where employees are on the pay scale, and the 4 percent longevity increases provided to employees who reach 20 or 25 years of service. In FY 2017, all employees reaching 20 or 25 years of service as of June 30, 2016 will receive a 4 percent increase. Employees receiving a longevity award do not also receive a performance award. The performance increases range from 3 percent for employees within 15 percent of the bottom of the pay scale to 1.25 percent for employees within 25 percent of the top of the pay scale. The average increase in FY 2017 is 2 percent.

- **Public Safety Merit/Longevity Increases**
  Funding of $8.50 million is included for public safety pay increases which reflect merit and longevity increases for all eligible public safety employees. The funding reflects the full-year impact of merit and longevity increases provided to uniformed employees in FY 2016 and the partial-year costs for merit and longevity increases provided to uniformed employees in FY 2017 since all increases are effective on the employee's anniversary date. Merit increases are awarded to public safety employees as they progress through the pay scale. Public safety employees who have reached a length of service (15 and 20 years) milestone and have reached the top step of their pay scale are eligible for longevities. Merit and longevity increases are each 5 percent for public safety employees. In any given year between 40 and 50 percent of public safety employees are eligible for one or the other.

- **Elimination of Step 8 Hold in Uniformed Public Safety as Directed by the Board**
  Funding of $0.53 million is associated with the elimination of the two-year hold at Step 8 in the Uniformed Public Safety Pay Plans as directed by the Board of Supervisors as part of the *FY 2015 Carryover Review*. Elimination of the Step 8 hold will allow for more consistent merit increment increases during an employee's career and will still maintain the 20-year career progression through the public safety pay scales. Funding included in FY 2017 represents the partial-year impact, as increases are awarded on an employee's anniversary date. The full-year impact is estimated at $1.1 million, and additional funding will be included in FY 2018.

- **Other Salary Adjustments**
  A net increase of $0.39 million is associated with the full-year impact of salary adjustments for the Board of Supervisors, Board of Zoning Appeals, and Planning Commission approved as part of the FY 2016 Adopted Budget Plan; increases for specific job classes identified in the County's benchmark class survey; and increases to pay supplements for Constitutional Officers approved by the Board of Supervisors on January 12, 2016.

- **Retirement Funding**
  The FY 2017 budget includes an increase of $5.62 million in employer contributions to the retirement systems. Of this amount, an increase of $3.58 million is for fiduciary requirements associated with the County's retirement systems and as a modest investment to strengthen our funding ratios. This increase includes a change to the amortization schedule to increase the amortization of the unfunded actuarial accrued liability from 95 percent to 97 percent, funding the next step toward meeting the County's policy to include amortization of 100 percent of the unfunded liability in the actuarially determined contributions for each of the systems by FY 2020. Although each system posted positive investment returns in FY 2015, all three systems were below the 7.5 percent assumed rate of return. The Employees' system returned 0.5 percent, the Uniformed system was up 1.5 percent, and the Police Officers system returned 3.4 percent. The FY 2015 investment results, contribution levels, and liability experience affected the funding ratios as demonstrated in the table below. This table displays plan fiduciary net position as a percentage of the total plan liability as published in the County's Comprehensive Annual Financial Report (CAFR) and as required under new GASB requirements. It should be noted that since these calculations utilize asset figures as of a point

in time (not smoothed as under previous methodologies), the funding ratios calculated are subject to volatility based on market returns.

	June 30, 2014	June 30, 2015
Employees'	78.3%	74.2%
Uniformed	85.2%	81.0%
Police Officers	86.8%	84.8%

The remaining increase of $2.04 million is due to a reduction in the Social Security offset for service-connected disability retirees from 15 percent to 10 percent. This is the first year of a 3-year plan to eliminate the offset as directed by the Board of Supervisors. The employer contribution rates for the Employees' and Uniformed systems are required to increase due to this change, resulting in an increase of $0.05 million. In addition, the retirement system funding strategy approved by the Board of Supervisors as part of the adoption of the FY 2016 Adopted Budget Plan requires that the $1.99 million increase in the unfunded liability of the systems as a result of this benefit enhancement be funded in FY 2017 with a one-time increase in General Fund contributions. It should be noted that the total estimated cost to eliminate the Social Security offset over the next three years is $5.97 million in one-time funds and an additional $0.15 million in recurring funds.

♦ **Health Insurance and Other Benefits**

A net increase of $0.86 million is primarily due to the full-year impact of calendar year 2016 premium increases and costs associated with a projected 7 percent premium increase for all health insurance plans, effective January 1, 2017. It should be noted that these premium increases are budgetary projections only, and final premium decisions will be made in the fall based on updated claims experience. Increases related to health insurance are partially offset by projected savings in fringe benefits based on year-to-date experience.

Public Safety - $18.41 million and 33 Positions

♦ **Ad-Hoc Police Commission/Diversion First**

Funding of $7.50 million represents the first year of a multi-year strategy requiring increased staffing and funding to implement recommendations from the Ad-Hoc Police Commission, including the Diversion First program. Costs of more than $35 million and 150 positions are currently estimated, including both one-time and recurring costs. The Board's Public Safety Committee will identify priorities for allocating these funds, which are held in reserve in the Advertised Budget.

- Ad-Hoc Police Commission: The commission reviewed the Police Department's use of force, communications, recruitment-diversity-applicant vetting, investigations, and handling of mental health issues. Recommendations, many of which were already being implemented, were presented to the Board on October 27, 2015, and include strategies such as institutionalization of independent oversight and the use of body cameras.

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- Diversion First: Through the collaborative work of the Human Services system and the Public Safety agencies, strategies are being developed to decrease the use of arrest and detention of people experiencing mental health and/or substance abuse or other behavioral health crises by improving access to timely treatment. Coordination with the judicial system, including the courts and public defenders, is an essential component of this work.

♦ **New South County Police Station**

An increase of $3.14 million is required for the first year of a multi-year strategy to fully fund the opening of a new police station and animal shelter in South County approved by a Public Safety bond referendum in November of 2015. Initial estimates indicate that 70 additional positions will be required to fully staff this station when it opens in Spring 2021 and the FY 2017 funding supports 15/15.0 FTE positions to begin the process. Based on the large number of staff required, and the significant lead time (18-24 months) associated with hiring and training new recruits, it is important to begin this process now. It is anticipated that funding and staff will be added in each of the next 4-5 years. This phased-in approach will allow the department to most effectively hire and train new recruits, as well as ensure that current staffing estimates are accurate.

♦ **Police Patrol Officers**

An increase of $2.90 million supports 14/14.0 FTE positions to fund additional Patrol Officers and is consistent with the multi-year Public Safety Staffing Plan. Currently, most stations exceed the average Calls for Service (CFS) standard by at least 6,000 calls for service annually.

♦ **Police Polygraph Capacity**

Funding of $0.34 million is added to support 2/2.0 FTE Polygraph positions based on a review of current workload and upcoming requirements. Polygraph positions in the Police Department are tasked with performing polygraph tests for all public safety applicants. Based on the approval of multiple positions within public safety agencies in recent years, current staffing levels are insufficient to meet workload requirements. These positions will allow public safety applications to be vetted within an acceptable timeframe.

♦ **Full-Year Funding for Fire and Rescue Staffing**

An increase of $2.20 million replaces the remaining costs associated with 31/31.0 FTE positions which were initially funded by two Board-approved SAFER (Staffing for Adequate Fire and Emergency Response) grants. The funding for the first SAFER grant, supporting 19/19.0 FTE positions, expired in November 2015, while the second grant, supporting 12/12.0 FTE positions expires in April 2016. Funding of $1.26 million was included in the FY 2016 Adopted Budget Plan to cover the partial-year costs associated with these positions and this FY 2017 adjustment covers the remaining costs. These positions combined with an additional 18 positions added as part of the most recent SAFER award in September 2015 (for a total of 49 additional positions), enable the department to fulfill its goal of having a fourth person on the 14 ladder truck companies. Four-person truck staffing has enhanced the Fire and Rescue

Department's (FRD) ability to complete time critical tasks thereby reducing life and property losses, as well as risk of firefighter injury or death.

- **Fire and Rescue Apparatus and Ambulance Replacement**
  An increase of $1.00 million is required as part of a multi-year plan begun in FY 2015 to increase annual contributions to the Large Apparatus Replacement Fund and Ambulance Replacement Fund. Additional contributions are required due to increasing vehicle costs, fleet growth, and flat contributions since FY 2007. Without additional funding, the replacement reserves will be depleted in the next few years. This funding is in addition to the dedication of grant funds, baseline funds and one-time contributions allocated to this effort. The entire fleet consists of 63 apparatus and 43 ambulances.

- **Volunteer-Owned Large Apparatus**
  Additional funding of $0.78 million is allocated to replace large apparatus owned by volunteer departments. Currently, out of the 12 volunteer departments in Fairfax County, six are not able to replace their large apparatus. Of the 106 front-line vehicles career FRD staff operates daily for emergency response, 30 are owned by volunteer departments. These vehicles are operated 24-hours a day/7 days a week with career personnel as part of the minimum staffing calculation. Without these vehicles, FRD does not have the apparatus available to provide the current level of emergency response coverage.

- **Fire SCBA Replacement**
  An increase of $0.93 million supports the first year of a seven-year lease purchase agreement associated with replacing 800 pieces of Self-Contained Breathing Apparatus (SCBA) equipment. SCBA is a breathing device worn by firefighters to provide breathable air in a toxic environment. The current equipment was purchased in 2001, and upgraded in 2007, with an expected five-year technical life. The department delayed purchasing replacement equipment in anticipation of the 2013 edition of the National Fire Protection Association (NFPA) Standard 81 on Open-Circuit SCBA for Emergency Services. The current equipment cannot be retrofitted to achieve compliance with the new NFPA standards and, as a result, it needs to be replaced.

- **Human Trafficking Grant**
  Due to expiration of federal funding, 2/2.0 FTE grant positions (one human trafficking detective and one task force crime analyst) are being converted to merit status in the Police Department and funding of $0.33 million is added to continue critical work associated with the Northern Virginia Human Trafficking Task Force.

- **Other Adjustments**
  Other adjustments, including the termination of a Juvenile and Domestic Relations District Court agreement with the District of Columbia, one-time expenses, and changes associated with the *FY 2015 Carryover Review* result in a net funding reduction of $0.71 million.

See the "Adopted Budget Summary" section for details regarding the final budget as approved by Board of Supervisors.

Capital Construction and Debt Service - $15.77 million

The FY 2017-FY 2021 Capital Improvement Program (CIP) continues the progress made in recent years and is focusing on a Fall 2016 referendum that includes $85 million for Human Services/Community Development, $107 million for Parks and $120 million for Metro. The total CIP is $9.50 billion. The total bond program within the CIP is $1.86 billion (includes both General Obligation and Economic Development Authority bonds), and the CIP bond program is managed within the County's debt ratios. CIP highlights include developing a 10-year plan for funding turf field replacements; forming a plan for allocating the current balance of the Capital Sinking Reserve Fund; and enhancing communication of the collaborative efforts underway on Public-Private Partnership and Joint Venture Projects.

The increase in funding for Capital Construction and Debt Service is $15.77 million. The FY 2017 funding meets debt service requirements, increases paydown support for critical infrastructure requirements, and continues to respond to recommendations of the Infrastructure Finance Committee (IFC) (a joint committee of the County and School Boards). A strong program is essential to the sustainability of County services and is designed to meet existing and anticipated future needs. Reinvestment in County facilities is critical to avoid deterioration and obsolescence. During the height of the economic crisis, contributions did not keep pace with the County's needs, so it is critical that we make significant strides in funding essential requirements now.

- **Capital Construction**
  Capital Construction is primarily financed by the General Fund, general obligation bonds, fees, and service district revenues. General Fund support in FY 2017 totals $28,853,427. This represents an increase of $6,811,659 over the FY 2016 Adopted Budget Plan.

Capital Construction/Paydown Summary[1]

	FY 2016	FY 2017	Change
Infrastructure Replacement and Upgrades	$2,700,000	$5,000,000	$2,300,000
ADA Compliance	$4,064,750	$4,370,000	$305,250
Athletic Field Maintenance and Sports Projects	$5,635,338	$6,135,338	$500,000
Park Authority Infrastructure Maintenance	$1,682,076	$1,909,000	$226,924
Master Planning and Redevelopment	$0	$2,700,000	$2,700,000
On-Going Development Efforts, Infrastructure Maintenance and Revitalization	$2,994,735	$3,795,000	$800,265
Obligations and Payments	$4,429,869	$4,409,089	($20,780)
Environmental Initiatives	$535,000	$535,000	$0
Total	**$22,041,768**	**$28,853,427**	**$6,811,659**

[1] Reflects General Fund support. Other funding sources such as dedicated revenue and bond funding is not included in these totals.

- Infrastructure Replacement and Upgrades: Infrastructure Replacement and Upgrades support the long-term needs of the County's capital assets to maximize the life of County facilities, avoid their obsolescence, and provide for planned repairs, improvements and

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restorations. Fairfax County will have a projected FY 2017 facility inventory of over 9.2 million square feet of space (excluding schools, parks, housing and human services residential facilities). With such a large inventory, it is critical that a planned program of repairs and restorations be maintained. In addition, the age of a major portion of this inventory of facilities is reaching a point where major reinvestments are required in the building subsystems. In an effort to move closer to the annual funding goal of $15 million discussed with the IFC, for FY 2017, an amount of $12,417,153 in priority projects is proposed to be funded using multiple funding sources.

Funding of $5,000,000 is supported by the General Fund, which represents an increase of $2,300,000 from the FY 2016 Adopted Budget Plan level of $2,700,000. In addition, $2,810,000 will be supported by existing Public Safety bonds available in completed projects as a result of the favorable bid environment. These projects, all located at Public Safety/Courts facilities are large upgrade projects with life spans in excess of 20 years and appropriately funded by bonds. Finally, staff is proposing that $4,607,153 be utilized from the Capital Sinking Reserve Fund. A Capital Sinking Reserve Fund was established as a direct result of work done by the IFC which identified infrastructure replacement and upgrades associated with County and Parks facilities, trails, sidewalks, County-owned roads, and revitalization maintenance efforts. A balance of $8.4 million has accumulated over the last two years based on the approval of funding at both the *FY 2014 Carryover Review* and the *FY 2015 Carryover Review*. Staff will propose a plan that addresses a portion of the County's backlog of infrastructure renewal and maintenance projects during the *FY 2016 Third Quarter Review.* This funding supplements the funding included in the FY 2017 budget to begin to make progress toward meeting infrastructure funding requirements. FMD (Facilities Management Department) projects requiring funding in FY 2017 can then take advantage of the two prior years of funding in the Capital Sinking Reserve Fund, with an effort to reach close to the $15 million goal in General Fund support in future years.

- Americans with Disabilities Act (ADA): FY 2017 funding in the amount of $4,370,000, an increase of $305,250 over the FY 2016 Adopted Budget Plan funding level, is included for the continuation of ADA improvements required as part of the Department of Justice (DOJ) audit and identified in the settlement agreement signed by the Board of Supervisors on January 28, 2011.

  Funding in the amount of $2,370,000 is included for the continuation of Park Authority ADA improvements. The Park Authority has nearly completed all DOJ identified improvements and has completed 100 percent of the DOJ required building assessments for the remaining facilities that were not part of the audit. Park staff continues to address items identified as part of their self-assessment.

  Funding in the amount of $2,000,000 is included for the continuation of ADA improvements at County owned facilities required as part of the DOJ audit. FMD has nearly completed all DOJ identified improvements. FMD has completed all required self-assessments and continues to address compliance improvement items identified as part of their self-assessments.

- Athletic Field Maintenance and Sports Projects: FY 2017 funding in the amount of $7,735,338 is partially supported by a General Fund transfer of $6,135,338 and revenue generated from the Athletic Services Fee in the amount of $1,600,000. General Fund support is increased $500,000 and, when combined with additional revenue of $500,000 associated with an increase in the Athletic Services Fee, the total increase in FY 2017 is $1,000,000. The total annual contribution for turf field replacement will be $2.25 million as a result of this increase. Of this amount $1,450,000 is funded from the General Fund and $800,000 is funded from the Athletic Services fee. The Athletic Services Fee for rectangular field users is recommended to increase from $5.50 to $9.50 per participant per sport and recommended to increase from $15 to $25 per team per tournament. Even with the proposed increase, the fee would remain in-line with other local jurisdictions.

  This funding is necessary to meet the 10-year replacement cycle for the 63 fields in the County's turf field inventory. Synthetic turf fields provide even playing surfaces and increased safety; offer similar playing conditions to natural turf fields; need no watering or mowing; use no fertilizers or pesticides; can be used year-round and in most weather conditions; do not need to be taken offline to protect or re-sod the grass; and have a significant life cycle with reduced and easier maintenance requirements.

- Park Authority Infrastructure Maintenance: FY 2017 funding in the amount of $1,909,000 has been included for maintenance of both facilities and grounds. This amount includes an increase of $226,924 over the FY 2016 Adopted Budget Plan. The Park facilities maintained with General Fund monies include but are not limited to: rental properties, historic properties, nature centers, maintenance facilities, sheds, shelters, and office buildings. Park priorities are based on the assessment of current repair needs including safety and health issues, facility protection, facility renewal and improved services. In addition, Park maintenance requirements are generated through scheduled preventative maintenance or from user requests for facility alterations. Without significant reinvestment in building and grounds, older facilities can fall into a state of disrepair and reduced functionality, resulting in increased future maintenance and repair costs. Preventative, replacement, and repair work is required for roofs, HVAC, electrical and lighting systems, fire alarm systems, and security systems. Adequate and regular funding is essential to the maintenance and repair of building stabilization, including capital renewal of over 567,053 square feet at non-revenue supported Park Authority structures and buildings.

- Master Planning and Redevelopment: Additional funding of $2,700,000 has been included in FY 2017 for costs related to master planning and redevelopment efforts.

  Massey Building Planning and Demolition: Funding of $700,000 supports the Massey Complex Master Planning Project, as well as the design phase associated with demolition.

Original Mount Vernon High School: Funding of $350,000 is included for a study and concept planning. The current lease to the Islamic Saudi Academy (ISA) will expire in October 2016 and planning efforts are underway to determine interim occupancy and long term development options for the property.

Burkholder Building Renovations: Funding of $300,000 has been included for the design costs associated with the renovation of the Burkholder Building which will be vacated once the Public Safety Headquarters is ready for occupancy in June 2017.

Other: Funding of $1,350,000 supports facility and space realignments that will maximize owned space, potentially reduce leased space, and facilitate hoteling of office space and concept planning for joint venture development projects.

- On-Going Development, Infrastructure Maintenance and Revitalization - FY 2017 funding of $3,795,000, an increase of $800,265 over the FY 2016 Adopted Budget Plan, has been included for costs related to on-going development, infrastructure maintenance and revitalization throughout the County.

Laurel Hill Property Management: Funding of $1,260,000, an increase of $175,265, is included to address only the most critical aspects of property management at Laurel Hill. Laurel Hill was transferred to the County by the Federal government and includes approximately 2,340 acres of land and 1.48 million square feet of building space.

Commercial Revitalization: Funding of $750,000 reflects no change from the FY 2016 Adopted Budget Plan and is included to continue routine and non-routine maintenance in five major revitalization areas (Annandale, Route 1, Springfield, McLean, and Baileys Crossroads).

Reinvestment, Repair, and Emergency Maintenance of County Roads: Funding of $500,000, an increase of $350,000, supports the 43 miles of roadway service drives not maintained by VDOT. As part of the *FY 2014 Third Quarter Review*, funding was approved to build an accurate inventory and condition assessment of County-owned roads and service drives. The study identified an amount of $4 million in reinvestment funding requirement for the roadways with the most hazardous conditions, as well as $500,000 in FY 2017 for annual emergency repairs. Staff will prioritize funding for projects including emergency safety and road repairs. On-going road maintenance includes, but is not limited to, pothole repair, drive surface overlays, sidewalk and curb repairs, traffic and pedestrian signage, hazardous tree removal, grading, snow and ice control, replacement of substandard materials, patching of existing travelways, minor ditching and stabilization of shoulders, slopes and drainage facilities. It is anticipated that funding for the reinvestment programs for County roads will be funded over a 5 year period, with initial funding from the allocation of the Capital Sinking Fund, anticipated to be approved as part of the *FY 2016 Third Quarter Review.*

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Tyson's Corner and Silver Line Projects: Funding of $460,000 reflects no change from the FY 2016 Adopted Budget Plan and supports routine and non-routine maintenance. Routine maintenance services include landscaping, trash removal, snow removal, and stormwater facility maintenance.

County Trails, Sidewalks and Pedestrian Bridges: An amount of $400,000, reflecting an increase of $100,000, is included for emergency and critical maintenance. The Department of Public Works and Environmental Services (DPWES) and the Fairfax County Department of Transportation are responsible for maintaining approximately 664 miles of walkways and 68 pedestrian bridges. On-going critical maintenance includes the correction of safety and hazardous conditions such as the deterioration of trail surfaces, the replacement and/or repair of guardrails and handrails, and the rehabilitation of pedestrian bridges. A recent study built an accurate inventory and condition assessment of County walkways and revealed that there are approximately 10 miles of trails in extremely poor condition requiring $3 million in reinvestment. It is anticipated that funding for the reinvestment programs for County walkways will be funded over a 3 year period, with initial funding from the allocation of the Capital Sinking Fund, anticipated to be approved as part of the *FY 2016 Third Quarter Review.*

Other: Funding of $425,000, an increase of $175,000 over the FY 2016 Adopted Budget Plan, is included for the Developer Default Program, Emergency Directives Program, maintenance of geodetic survey control points, and conservation bond interest payments.

- Obligations and Payments – Funding of $4,409,089 is included for costs related to annual contributions and contractual obligations. This is a small decrease of $20,780 from the FY 2016 Adopted Budget Plan. Specific projects include the County's annual contributions to provide continued construction and maintenance support to various college campuses within the Northern Virginia Community College system; offset school operating and overhead costs associated with the School-Age Child Care (SACC) Centers; and, the annual payment for the Salona Property.

- Environmental Initiatives: Funding of $535,000 has been included for initiatives selected through a process supported by the Environmental Quality Advisory Council.

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

♦ **Debt Service**

In addition to requirements associated with School debt service, FY 2017 General Fund support of County debt service requirements is $136.75 million, an increase of $8,959,358 over the FY 2016 Adopted Budget Plan. The FY 2017 funding level supports debt service payments associated with existing and anticipated debt service requirements, including the $217.04 million in General Obligation bonds sold in January 2016. In addition and based on the Board's policy concerning reserves, the refunding savings of $13.1 million to be generated in FY 2017 from the Series 2015 B and Series 2015 C General Obligation refunding bond sales will be transferred to the Revenue Stabilization Fund. These savings are one-time and will

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help the County reach its revised reserve goals. During FY 2017 it is anticipated that a General Obligation bond sale of approximately $277.14 million will be conducted to fund cash requirements for on-going capital projects for School and County purposes. This bond sale estimate is consistent with the FY 2017-FY 2021 Advertised Capital Improvement Program (With Future Fiscal Years to 2026).

Human Services - $12.01 million and 4 Positions

- **Contract Rate Increases**
  An increase of $3.41 million is required to support a contract rate increase for the providers of Human Services in the County, especially important for our non-profits. Services provided contractually are a critical part of the Human Services system with both for-profit and non-profit vendors partnering with the County to ensure that a broad array of services are available to the community. Each year individual contracts are let for the various services and program staff, and the community providers negotiate funding requirements. To keep pace with inflation and pay and benefits, periodic contract rate increases are funded to preserve current service delivery levels. This funding is spread between the Department of Family Services, the Health Department, the Office to Prevent and End Homelessness, the Department of Neighborhood and Community Services and the Fairfax-Falls Church Community Services Board and is based on an assumption of an approximate 2 percent increase, but actual adjustments are negotiated with individual providers. It should be noted that with associated revenues, the net cost of these contract rate adjustments is $2.94 million.

- **Fairfax-Falls Church Community Services Board Intellectual Disability Graduates**
  An increase of $1.50 million in operating expenses supports 68 of the 91 June 2016 special education graduates of the Fairfax County Public Schools turning 22 years of age who are eligible for day support and employment services. These individuals do not currently have a funding source for services. Twenty-three graduates are already addressed. As a result of this funding, any of the 91 graduates seeking services will be served, thereby meeting the Board's commitment that all eligible graduates are served.

- **Health Resources**
  Funding of $1.10 million supports the Community Health Care Network (CHCN) and medically fragile students. CHCN funding of $0.75 million is based on anticipated expenses associated with the new contract to provide essential health care services in collaboration with Inova. Funding of $0.35 million is provided for medically fragile students in Fairfax County Public Schools to support increases in one-on-one nursing services.

- **Mobile Crisis Unit**
  Baseline funding of $0.80 million supports a second Mobile Crisis Unit providing crisis intervention and assessment services to individuals in psychiatric crisis. The second unit was added as part of the *FY 2015 Carryover Review*.

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- **Consolidated Community Funding Pool**
An increase of $0.53 million is included to support the community organizations providing Human Services in the County. FY 2017 is the first year of a new two-year funding cycle. The Consolidated Community Funding Advisory Committee (CCFAC) has organized the FY 2017/FY 2018 funding priorities according to four areas (Prevention, Crisis Intervention, Self-Sufficiency and Long-Term Supportive Services), and adopted corresponding outcome statements. The CCFAC also recommended target percentage ranges for each priority area, which are intended to be used as guidelines for applicants and for the Selection Advisory Committee. The Board of Supervisors approved these funding priorities on June 23, 2015.

- **Opportunity Neighborhoods - Regions 1 & 3**
Funding of $0.44 million for Opportunity Neighborhoods (ON) to coordinate the efforts of community organizations, private providers, government agencies, schools and families to better ensure that children are physically, emotionally and socially prepared to learn and succeed in life. A key goal of ON is to align programming with the identified needs, interests, and gaps in services of a particular community by facilitating collective planning and action among community partners. Funding supports the continuation activities in Region 1, Mount Vernon, as well as the first phase expansion into Region 3, Reston. Since 2011, ON in Region 1 has been funded largely through grants from private organizations, the federal government, and the state. This funding has been exhausted, so additional funding is needed to sustain current activities in Region 1.

  One-time funding was included in the *FY 2015 Carryover Review* to support an assessment and thorough analysis of trends and needs in the Reston community. This assessment will inform the community as to which specific ON strategies and programming are needed in the neighborhood, as well as the expected programmatic goals and outcomes. FY 2017 funding will support the first phase of ON activities; however, it is anticipated that additional funding may be required to implement the full array of ON strategies and programming requirements that are identified once the assessment is complete.

- **Fairfax-Falls Church Community Services Board Support Coordinators**
Funding of $0.43 million and 4/4.0 FTE positions supports individuals with intellectual and developmental disabilities. The addition of this funding and staff addresses compliance with current federal and state requirements, primarily those pursuant to the Department of Justice Settlement Agreement and implementation of Virginia's Medicaid Waiver reforms.

- **Other Adjustments**
Other Human Services adjustments, totaling a net $3.80 million, are primarily associated with the recurring impacts associated with changes made during the *FY 2015 Carryover Review*. It should be noted that a number of these adjustments had offsetting revenues.

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Cost of County Operations - $9.93 million and 14 Positions

♦ **Information Technology Projects**
In FY 2017, funding of $6.81 million, which includes a General Fund transfer of $4.77 million, a transfer of $2.00 million from Fund 40030, Cable Communications, and interest income of $0.04 million, is provided for initiatives that meet one or multiple priorities established by the County's Senior Information Technology Steering Committee. The General Fund support reflects an increase of $2.07 million supporting projects that provide benefits for both citizens and employees and adequately balances new and continuing initiatives with the need for securing and strengthening the County's technology infrastructure. Funded projects will support initiatives in general County services, public safety, human services and enterprise technology security and infrastructure. Current priorities include completion of prior investments; enhanced county security; improved services and efficiency; and maintenance of a current and supportable technology infrastructure.

♦ **Information Security**
Funding of $0.35 million and 2/2.0 FTE positions to protect the County against evolving cyber security challenges and to address electronic data requests initiated through Freedom of Information Act (FOIA), litigation, law enforcement, internal audit, and personnel investigations. The goal of the County's IT security program is to ensure:

- Confidentiality of information;
- Integrity of data, systems and operations;
- Technical compliance with legal mandates;
- Privacy; and,
- Availability of information processing resources.

♦ **Presidential Election Costs and New Positions**
One-time funding of $1.0 million supports additional election officers, staff overtime and limited-term personnel, as well as miscellaneous requirements associated with the 2016 Presidential election workload. Baseline funding of $0.17 million and 2/2.0 FTE positions provide support for absentee voting, as well as technical requirements related to additional electronic poll books, the acceptance of online voter registrations, efforts associated with an online ballot delivery system and the purchase of new voting equipment.

♦ **Original Mount Vernon High School Maintenance**
Funding of $1.10 million includes $0.26 million for 3/3.0 FTE maintenance positions to address general maintenance requirements and $0.84 million for utilities, custodial contracts, security, repair/maintenance, and grounds maintenance costs. Staff and the community will develop both short and long-term use plans.

♦ **Streetlight Utilities, Snow Removal and Landscaping**
Funding of $0.76 million is required for the following:

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- Streetlight Utilities: Funding of $0.22 million is required for utility costs associated with anticipated streetlight installations by Virginia Dominion Power and Northern Virginia Electric Cooperative (NOVEC) in FY 2017.

- Landscaping: Funding of $0.27 million enables more proactive landscaping and grounds maintenance services for approximately 150 County-owned facilities and properties.

- Snow Removal: Funding of $0.27 million supports snow removal services at the Merrifield Center, a 200,000 square foot facility open 24/7 with an Emergency Room and a parking garage. The parking garage requires special chemicals and special equipment for snow removal due to the garage's concrete base and weight limitations. The garage, ambulance lanes and the pedestrian walkways must remain clear of all ice and snow on a continual basis. Funding will also provide for replacement snow removal equipment.

♦ **New Facility Maintenance**
Includes funding of $0.62 million and 3/3.0 FTE maintenance positions at the new Public Safety Headquarters, as well as partial-year funding for utilities, custodial contracts, and security at new or expanded facilities including the Herndon Fire Station, Lorton VRE Parking Lot Expansion, Huntington Bus Operations Facility, and West Ox Bus Facility (Phase II).

♦ **Lease Costs**
A net increase of $0.72 million is required for annual rent-based adjustments for the County's lease contracts, as well as requirements associated with the Sully Community Center.

♦ **Other Adjustments**
A net increase of $3.14 million includes adjustments for Workers Compensation, infrastructure technology, and elimination of the assumption that savings of $1.2 million will be generated in FY 2017 from the Incentive Reinvestment Initiative program. It should also be noted that an increase of 4/4.0 FTE positions supported by other funding sources, with no net cost to the General Fund, are included to support Wastewater and Stormwater operations.

Community Development - $3.77 million

♦ **Washington Metropolitan Area Transit Authority (WMATA) and CONNECTOR Support**
General Fund support is increased $3.64 million to offset the loss of state aid and provide for WMATA operating subsidy and CONNECTOR requirements. It should be noted that the fuel savings discussed in the Reductions and Savings section that follows reflects CONNECTOR savings of $1 million, so net General Fund support is increased $2.64 million.

The FY 2017 General Fund transfer to CONNECTOR of $34.9 million is increased $1.38 million, or a net of $0.38 million accounting for the fuel savings mentioned above. This is the first increase since FY 2013.

The FY 2017 General Fund transfer to WMATA of $13.6 million, an increase of $2.26 million, is needed due to a reduction in the County portion of state aid balances at the Northern Virginia Transportation Commission (NVTC). This is the first increase since FY 2012.

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- **Resident Curator Program**
  Full-year funding of $0.13 million is required to continue the Resident Curator Program, originally funded at the *FY 2015 Third Quarter Review*. A resident curator is defined as an individual working with a locality to preserve and maintain a publicly-owned or publicly-leased historic property in exchange for gaining use of the property.

Reductions and Savings – ($13.63) million and (17) Positions

- **OPEB Savings**
  Savings of $10 million primarily due to the implementation of an Employer Group Waiver Plan (EGWP) for Medicare retiree prescription drug coverage. The EGWP is a standard Medicare Part D plan with enhanced coverage. By implementing an EGWP, the County is able to maximize prescription drug subsidies from the federal government and pharmaceutical manufacturers. This change has had a significant impact on the County's GASB 45 liability, as GASB accounting rules allow EGWP revenue to directly offset plan costs in the GASB valuation, impacting the actuarial accrued liability, whereas the previous model could not be reflected in the liability calculations. The funded ratio for the OPEB plan has increased from 39.7 percent to 70.0 percent as a result of this change.

- **Fuel Savings**
  Savings of $3.00 million in fuel is realized based on ongoing analysis of current costs and usage. In FY 2016, the budget was developed using an unleaded price of $2.62 per gallon and a diesel price of $2.67 per gallon. The FY 2017 budget estimates $1.94 per gallon for unleaded and $2.00 per gallon for diesel. These rates reflect an average decrease of $0.67 from the FY 2016 level and are based on the price of fuel in recent months.

- **Telecommunications Billing Process**
  Department of Information Technology savings of $0.20 million based on efficiencies generated through the telecommunication billing process. This is the second phase of a multi-year process partially identified last year by employees in the Mission $avings initiative.

- **Redesign of Support in Financial Agencies**
  Savings of 2/2.0 FTE positions and $0.15 million associated with efficiencies realized through the sharing of existing positions providing support services in the Departments of Finance, Management and Budget and Procurement and Material Management.

- **Mailroom and Archives Realignment**
  Savings of $0.15 million associated with efficiencies realized through the use of shared resources in Document Services by shifting responsibilities for the functions of the mailroom and archives from the Department of Cable and Consumer Services and Fairfax County Public Library respectively, to the Department of Information Technology. Production and distribution coordination between the print shop and mailroom which are physically adjacent to each other and more focus on electronic data retention opportunities for the Archives by IT staff are anticipated outcomes of these realignments.

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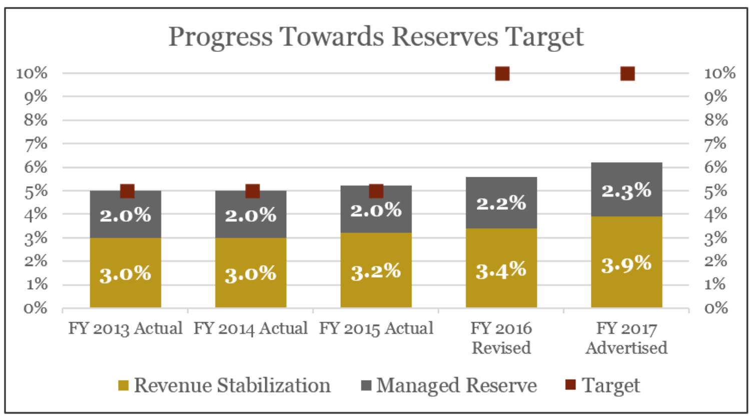
- **Reduction in Personnel Services**
  Annual review of flexibility in General Fund agencies as a result of existing staffing and salary levels generated savings of $0.15 million.

- **Abolishment of Long-Term Vacancies**
  Analysis of long-term vacancies requested by the Audit Committee resulted in the abolishment of 15/15.0 FTE positions. There are no savings associated with these position eliminations as these positions were held vacant due to insufficient funding in the agencies.

Not included in the Reductions/Savings total are revenues of $0.77 million attributed to the second-year phase-in of School-Age Child Care (SACC) fee increases. This increase is based on the staff work as part of the FY 2016 budget development process.

Reserve Requirements $15.58 million

Reserves require an additional $15.58 million and, as mentioned earlier, strengthening our reserves is a fiscally responsible strategy and an important component of our Aaa bond rating. As directed by the Board, 10 percent of FY 2017 Disbursement increases are to be held in reserve and there is an overall target set by the Board in FY 2016 of 10 percent. Totals in the Revenue Stabilization Reserve and Managed Reserve (MR) have increased from 5 percent in FY 2013 to 6.2 percent in FY 2017. These reserves are calculated against County requirements and transfers to Schools. It should be noted that the Economic Opportunity Reserve with a target of 1 percent of General Fund Disbursements will not be funded until the other two reserves reach their respective targets.



- **Revenue Stabilization Reserve**
  Contributions are increased $8.86 million and are made as a transfer from the General Fund. Per Reserve policy, refunding savings of $13.1 million are transferred to the Revenue Stabilization Reserve from the Debt Service Fund in FY 2017. The Revenue Stabilization Reserve is targeted to be 5 percent of General Fund Disbursements.

- **Managed Reserve**
  The Managed Reserve is increased $6.72 million in FY 2017 and is reflected in the General Fund. Targeted to be 4 percent of General Fund Disbursements.

The aforementioned School, County, and Reserve requirements total $175.42 million and require a 3 cent increase in the Real Estate tax rate.

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Remaining Unmet Requirements

While I was able to address the many critical requirements mentioned above, there are still important items that are outstanding:

- Funding for Schools. Difference between the School Board's request and the FY 2017 proposal is almost $68 million.
- County infrastructure (facilities and technology).
- Economic development opportunities.
- Other unmet County needs, such as additional public safety staffing and investments in various human services.

As a result, I have included a total increase of 4 cents in the Real Estate Tax rate to $1.13 per $100 of assessed valuation which provides the Board with approximately $23 million to address other requirements.

Looking Forward

FY 2018

Currently, FY 2018 is projected to have a $74 million structural deficit due once again to the differential growth between our resources and our requirements. While a lot will change in the next 12 months, it is helpful for planning purposes to take this multi-year approach. In FY 2018, I have included a 3 percent increase in the Operating transfer to FCPS, fully funded compensation for County employees, continued to fund School Infrastructure, and made important investments in our infrastructure and in technology. Currently, there are 166 new positions added in FY 2018, half of which are in Public Safety. We may need to defer some of these priorities, but as we delve deeper into planning for FY 2018 and Phase 2 of the LOBs process, we will be able to think more strategically and collaboratively about what is needed to keep Fairfax County on the path to success.

Lines of Business

As the Board is aware, the 2016 Lines of Business (LOBs) exercise is the first step of a multi-year process to shape the County's strategic direction and validate County priorities. We are currently in the midst of Phase 1 which focuses on the provision of information on the array of services provided by Fairfax County and discussions with the Board and the community regarding which programs/services should be more closely evaluated. Phase 2 will focus on programs/services to be reviewed for improved efficiency and effectiveness and direction of staff to create project plans around implementation of recommendations from the Board.

In summary the timeline for the LOBs process is as follows:

Phase 1:	Presentation and discussion of LOBs (January – April 2016)
Phase 2:	Next steps identified by the Board (January – April 2016)
	Project plans/timelines developed by staff (April – June 2016)
	Reports to the Board on projects (Fall 2016 – July 2017)

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The $7 billion budget of the County includes a vast array of programs and services to support the diverse population of more than one million people. Essentially, LOBs is one way in which to inventory, catalog and examine all these programs and services. The County offers a full range of municipal services in exchange for taxes or other fees paid. These services include, but are not limited to, public education; public safety such as police, fire, emergency medical services, 9-1-1, and correctional facilities; human services such as public assistance, child and adult protective services, childcare, health, etc.; public works; transportation; planning and zoning; parks and libraries; and stormwater and sanitary sewer, among other functions deemed necessary by the government. Many of the programs and services are primarily funded from revenue collected from residential real estate taxes and personal property revenues.

The County's 390 Lines of Business cover all funding sources, and the discussions are focused on the approximately 47 percent of the General Fund that is non-school, as well as all other non-General Fund services. The other 53 percent of the General Fund is directly utilized in support of the Fairfax County Public Schools (FCPS). The intersection of the County LOB process with FCPS is joint work on several cross-cutting areas to identify opportunities including transportation services, school health services, and behavioral health services. This joint work with FCPS is also anticipated to cross multiple years. Staff will present first phase recommendations at a joint meeting of the respective Boards in March 2016.

As a result of the LOBs process, the community and the Board will be fully informed regarding the impacts associated with specific decisions and better positioned to approve a sustainable financial plan to invest in the County's future success.

Budget Drivers

The $4 billion General Fund budget is extremely complex and I cannot underscore enough the importance of our revenue and expenditure mix in terms of our decision-making. Our reliance on the Real Estate Tax is indicated by the fact that it constitutes 64.9 percent of General Fund receipts in FY 2017. The change in values of existing properties, or equalization, is clearly an important driver in the development of annual budgets. Fortunately, both residential and commercial equalization are both positive for the first time since FY 2014 and the Board's support of the Economic Success Strategic Plan will ensure that the community continues to be an attractive place for economic development, business retention, and investment.

On the expenditure side, the countywide drivers include two categories that represent a significant portion of our budgets: the transfer to Schools and compensation increases. Based on the Fairfax County Public Schools (FCPS) projections, growth in student enrollment has slowed but continues, and complex challenges associated with specific special education services that are pushing costs upward.

As the County has been saying for many years, the State is not meeting its share of funding for K-12 education in Fairfax County. Since FY 2009 the State has reduced its share of funding for public education by more than $1 billion annually and state funding on a per pupil inflation adjusted basis has decreased from $4,275 per pupil in FY 2009 to $3,655 per pupil in FY 2015. Virginia is in the top 10 in both per capita and median household income but in the bottom 10 for public education funding. It is imperative that we continue to partner with the Schools to advocate at the State level for more funding for our schools.

As you review budget information in detail, do so in the context of the Countywide dashboard for FY 2017 and FY 2018 presented below. These high level data were added for every agency in the FY 2014 Advertised Budget Plan to provide a snapshot of key drivers. The figures cited in the agency dashboards are a combination of key outputs, indicators or statistics. Drivers will naturally change over time and these drivers will be built into the annual budget process and into needs discussions with the community. This visual representation of what is driving the County's budget will improve the communications with the community and the Board as it relates to specific budget requests. When we talk about what is driving our needs overall we must remember:

COUNTYWIDE DASHBOARD

	Key Data	FY 2016	FY 2017	FY 2018
1.	Residential Real Estate Equalization	3.39 percent	1.64 percent	1.80 percent
2.	Commercial Real Estate Equalization	(0.60) percent	2.87 percent	3.00 percent
3.	Office Vacancy Rates- Direct/with Sublets	16.3%/17.7%	16.5%/17.5%	16.5%/17.5%
4.	Projections for School Enrollment Growth/ cost of growth and demographic changes	1,760/ $22.1 million	(1,334)/ ($2.0) million	470/ $4.0 million
5.	Increases in Employee Pay	$34.99 million	$36.53 million	$41.57 million

Cautious Optimism

Significant improvements are not expected and our resources are projected to continue to be constrained by continued slow economic growth, uneven job gains, high commercial vacancy rates, and meager residential value growth. Additionally, as issues are sorted out on the state and Federal levels there will continue to be uncertainty. There are some signs that we can be cautiously optimistic, though. Sequestration has faded into the background, at least for the time being, commercial development is positive, and there is the potential for increased State funding for Schools in the second year of the biennium. We are well equipped to face these challenges. We have tools like the LOBs, the multi-year focus, and outstanding County staff. We have been, and will continue to, demonstrate stellar fiscal responsibility, and I applaud the Board for the strong leadership it has shown in this regard. The strength and resiliency of the community is undeniable. Partnership opportunities abound that will enable us to leverage resources and expertise of our non-government partners.

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County Executive Summary

I am pleased to present a balanced budget for FY 2017 and I believe the inclusion of a 4 cent Real Estate Tax rate increase to $1.13 per $100 of assessed value is the responsible course of action given the critical requirements that needed to be addressed for both Schools and the County. I respectfully submit the FY 2017 Advertised Budget Plan, which includes the plan for FY 2018, for your consideration, and I look forward to the collaboration that characterizes the work of the next several weeks as we discuss the budget and work through various alternatives. The Board's steadfast commitment to fiscal and corporate stewardship have built a solid foundation for us to protect the superior quality of life that we all enjoy in Fairfax County.

Respectfully submitted,

Edward L. Long Jr.

Edward L. Long Jr.
County Executive

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FY 2017 Advertised Summary General Fund Statement
(in millions)

	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan [1]	FY 2017 Advertised Budget Plan	Inc/(Dec) Over Adopted	% Inc/(Dec) Over Adopted
Beginning Balance	$156.39	$75.92	$164.92	$84.94	$9.02	11.88%
Revenue [2]	$3,737.86	$3,810.51	$3,824.98	$4,008.11	$197.61	5.19%
Transfers In	$12.15	$9.83	$9.83	$10.17	$0.34	3.46%
Total Available	$3,906.40	$3,896.25	$3,999.72	$4,103.22	$206.97	5.31%
Direct Expenditures [2]	$1,339.99	$1,409.98	$1,454.19	$1,477.87	$67.89	4.81%
Transfers Out						
School Operating [3]	$1,768.50	$1,825.15	$1,825.15	$1,879.91	$54.76	3.00%
School Construction	$0.00	$0.00	$13.10	$13.10	$13.10	--
School Debt Service	177.14	187.16	187.16	189.87	2.71	1.45%
Subtotal Schools	$1,945.64	$2,012.31	$2,025.41	$2,082.88	$70.57	3.51%
Revenue Stabilization [4]	$10.35	$0.54	$15.38	$9.39	$8.85	1638.89%
Contributory Fund	15.02	12.89	14.89	13.16	0.27	2.09%
Information Technology	11.25	2.70	2.70	4.77	2.07	76.67%
County Debt Service	133.74	127.79	127.79	136.75	8.96	7.01%
County Transit	34.55	34.55	33.41	34.93	0.38	1.10%
Community Services Board	112.19	115.49	116.24	122.89	7.40	6.41%
County Insurance	40.27	23.28	25.82	24.16	0.88	3.78%
Capital Program	37.68	22.04	42.32	28.85	6.81	30.90%
Other Post-Employment Benefits	28.00	26.00	21.00	16.00	(10.00)	(38.46%)
Other Transfers	32.81	31.98	31.98	36.59	4.61	14.42%
Subtotal County	$455.86	$397.26	$431.54	$427.49	$30.23	7.61%
Total Transfers Out	$2,401.50	$2,409.57	$2,456.95	$2,510.37	$100.80	4.18%
Total Disbursements	$3,741.49	$3,819.55	$3,911.13	$3,988.25	$168.70	4.42%
Total Ending Balance	$164.92	$76.70	$88.59	$114.98	$38.28	49.91%
Less:						
Managed Reserve [5]	$75.92	$76.70	$88.59	$92.45	$15.75	20.53%
Reserve for Potential FY 2016 One-Time Requirements [6]			0.00			--
FY 2015 Audit Adjustments [2]			0.00			--
FY 2016 Mid-Year Revenue Adjustments [1]			0.00			--
Reserve for Board Adjustments [7]				22.53	22.53	--
Total Available	$89.00	$0.00	$0.00	$0.00	$0.00	--

[1] *FY 2016 Revised Budget Plan* revenues reflect a net increase of $12,462,861 based on revised revenue estimates as of fall 2015. The *FY 2016 Third Quarter Review* will contain a detailed explanation of these changes. This amount has been held in reserve for one-time FY 2016 requirements and is not carried forward into FY 2017.

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[2] In order to appropriately reflect actual revenues and expenditures in the proper fiscal year, FY 2015 revenues are increased $2,457,317 and FY 2015 expenditures are increased $378,624 to reflect audit adjustments as included in the FY 2015 Comprehensive Annual Financial Report (CAFR). As a result, the *FY 2016 Revised Budget Plan* Beginning Balance reflects a net increase of $2,078,693. Details of the FY 2015 audit adjustments will be included in the FY 2016 Third Quarter package. This one-time funding is expected to be utilized as part of the *FY 2016 Third Quarter Review* and, as a result, is not carried forward into FY 2017.

[3] The proposed County General Fund transfer for school operations in FY 2017 totals $1,879,907,945, an increase of $54,754,600, or 3.0 percent, over the FY 2016 Adopted Budget Plan. It should be noted that the Fairfax County Public Schools Superintendent's Proposed budget reflects a General Fund transfer increase of $122,670,463, or 6.7 percent, over the FY 2016 Adopted Budget Plan. In their action on the Superintendent's Proposed budget on February 4, 2016, the School Board maintained the Superintendent's revised request for a $122.7 million increase in the transfer.

[4] Target funding for the Revenue Stabilization Fund is 5.00 percent of total General Fund disbursements, consistent with the County's *Ten Principles of Sound Financial Management* as updated by the Board of Supervisors on April 21, 2015. As a result of reserve adjustments included in the FY 2017 Advertised Budget Plan, the FY 2017 projected balance in the Revenue Stabilization Fund is $156.09 million, or 3.91 percent of total General Fund disbursements.

[5] Target funding for the Managed Reserve is 4.00 percent of total General Fund disbursements, consistent with the County's *Ten Principles of Sound Financial Management* as updated by the Board of Supervisors on April 21, 2015. As a result of reserve adjustments included in the FY 2017 Advertised Budget Plan, the FY 2017 projected balance in the Managed Reserve is $92.45 million, or 2.32 percent of total General Fund disbursements.

[6] As part of the *FY 2015 Carryover Review*, an amount of $5,961,031 was set aside in reserve to address potential FY 2016 one-time requirements. This one-time funding is expected to be utilized as part of the *FY 2016 Third Quarter Review* and, as a result, is not carried forward into FY 2017.

[7] As part of the FY 2017 Advertised Budget Plan, an amount of $22,526,094 is available for the consideration of the Board of Supervisors during their deliberations or the FY 2017 budget.

See the "Adopted Budget Summary" section for details regarding the final budget as approved by Board of Supervisors.

FY 2017 and FY 2018 MULTI-YEAR BUDGET PLAN: TAX AND FEE FACTS

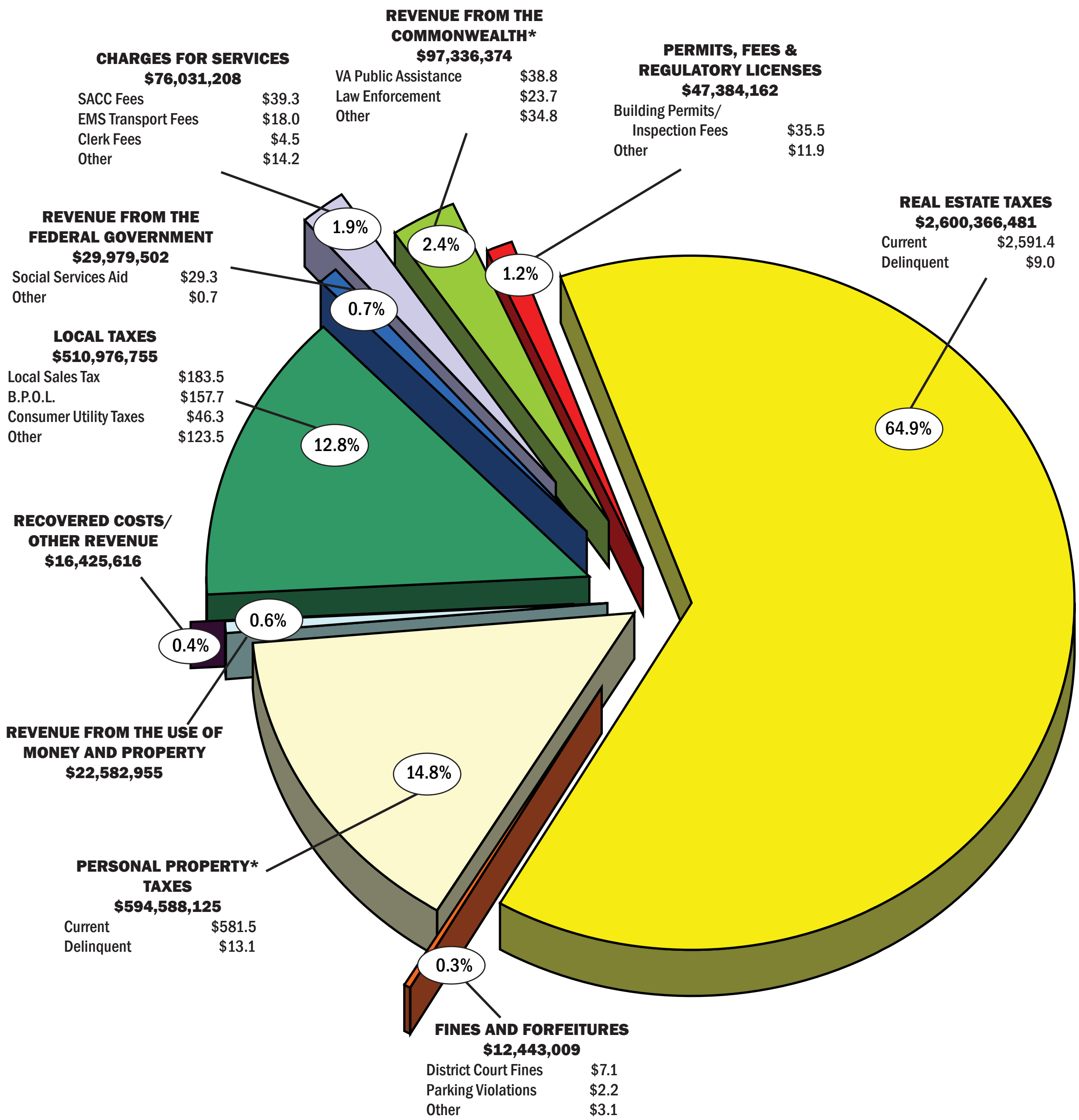
Type	Unit	FY 2015 Actual Rate	FY 2016 Actual Rate	FY 2017 Recommended Rate	FY 2018 Planned Rate
GENERAL FUND TAX RATES					
Real Estate	$100/Assessed Value	$1.09	$1.09	$1.13	$1.13
Personal Property	$100/Assessed Value	$4.57	$4.57	$4.57	$4.57
NON-GENERAL FUND TAX RATES					
REFUSE RATES					
Refuse Collection (per unit)	Household	$345	$345	$345	$345
Refuse Disposal (per ton)	Ton	$62	$62	$62	$62
Leaf Collection	$100/Assessed Value	$0.015	$0.015	$0.015	$0.015
SEWER CHARGES					
Sewer Base Charge	Quarterly	$15.86	$20.15	$24.68	$27.62
Sewer Availability Charge	Residential	$7,750	$7,750	$7,750	$7,750
Sewer Service Charge	Per 1,000 Gallons	$6.62	$6.65	$6.68	$6.75
COMMUNITY CENTERS					
McLean Community Center	$100/Assessed Value	$0.023	$0.023	$0.023	$0.023
Reston Community Center	$100/Assessed Value	$0.047	$0.047	$0.047	$0.047
OTHER					
Stormwater Services District Levy	$100/Assessed Value	$0.0225	$0.0250	$0.0275	$0.0300
Route 28 Corridor	$100/Assessed Value	$0.18	$0.18	$0.18	$0.18
Dulles Rail Phase I	$100/Assessed Value	$0.21	$0.19	$0.19	$0.19
Dulles Rail Phase II	$100/Assessed Value	$0.20	$0.20	$0.20	$0.20
Integrated Pest Management Program	$100/Assessed Value	$0.001	$0.001	$0.001	$0.001
Commercial Real Estate Tax for Transportation	$100/Assessed Value	$0.125	$0.125	$0.125	$0.125
Tysons Service District	$100 / Assessed Value	$0.04	$0.05	$0.06	$0.06

See the "Adopted Budget Summary" section for details regarding the final budget as approved by Board of Supervisors.

FY 2017 ADVERTISED GENERAL FUND RECEIPTS

Where it comes from . . .

(subcategories in millions)



FY 2017 GENERAL FUND RECEIPTS = $4,008,114,187 **

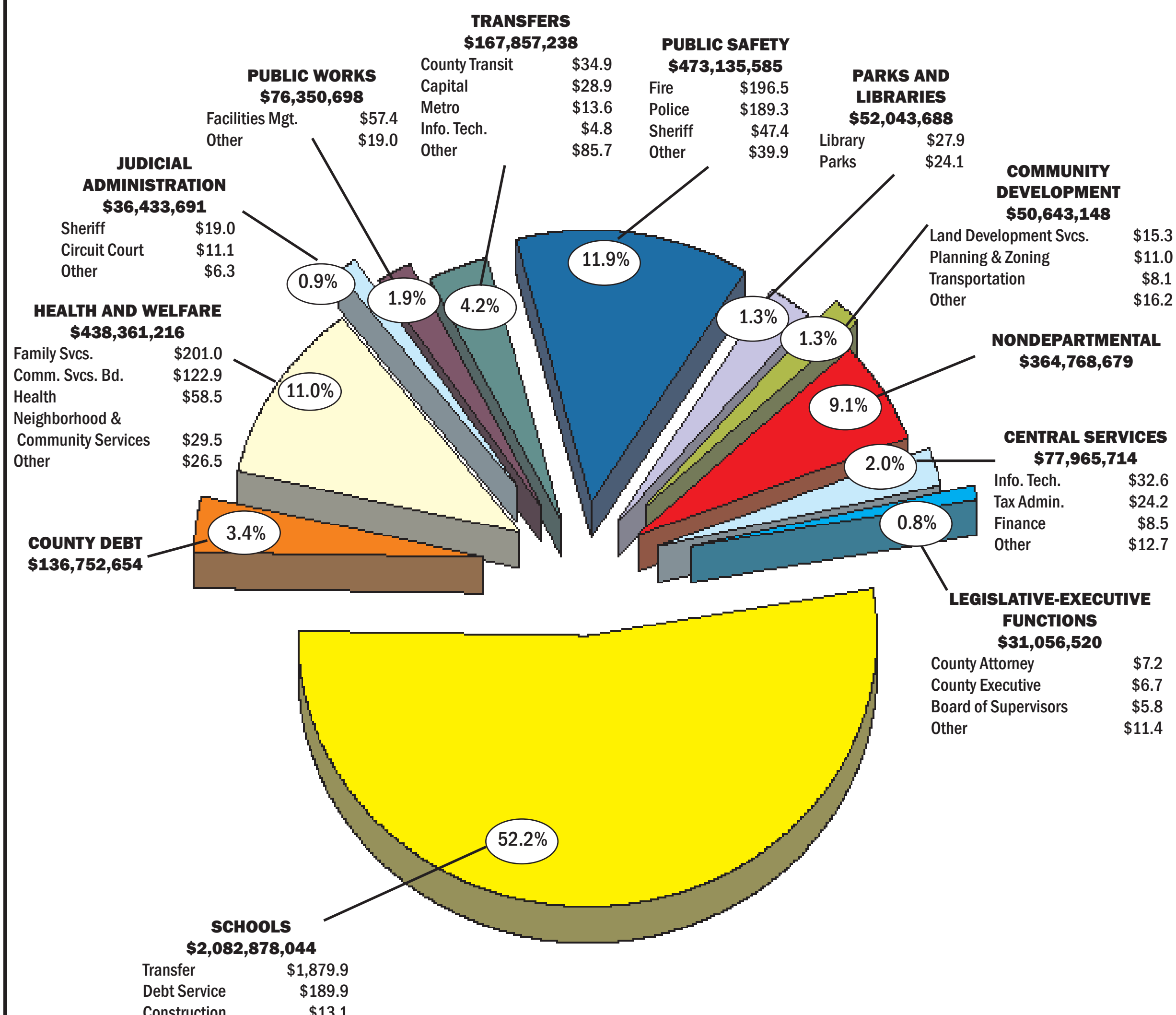
* For presentation purposes, Personal Property Taxes of $211,313,944 that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Personal Property Taxes category.

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

FY 2017 ADVERTISED GENERAL FUND DISBURSEMENTS

Where it goes . . .

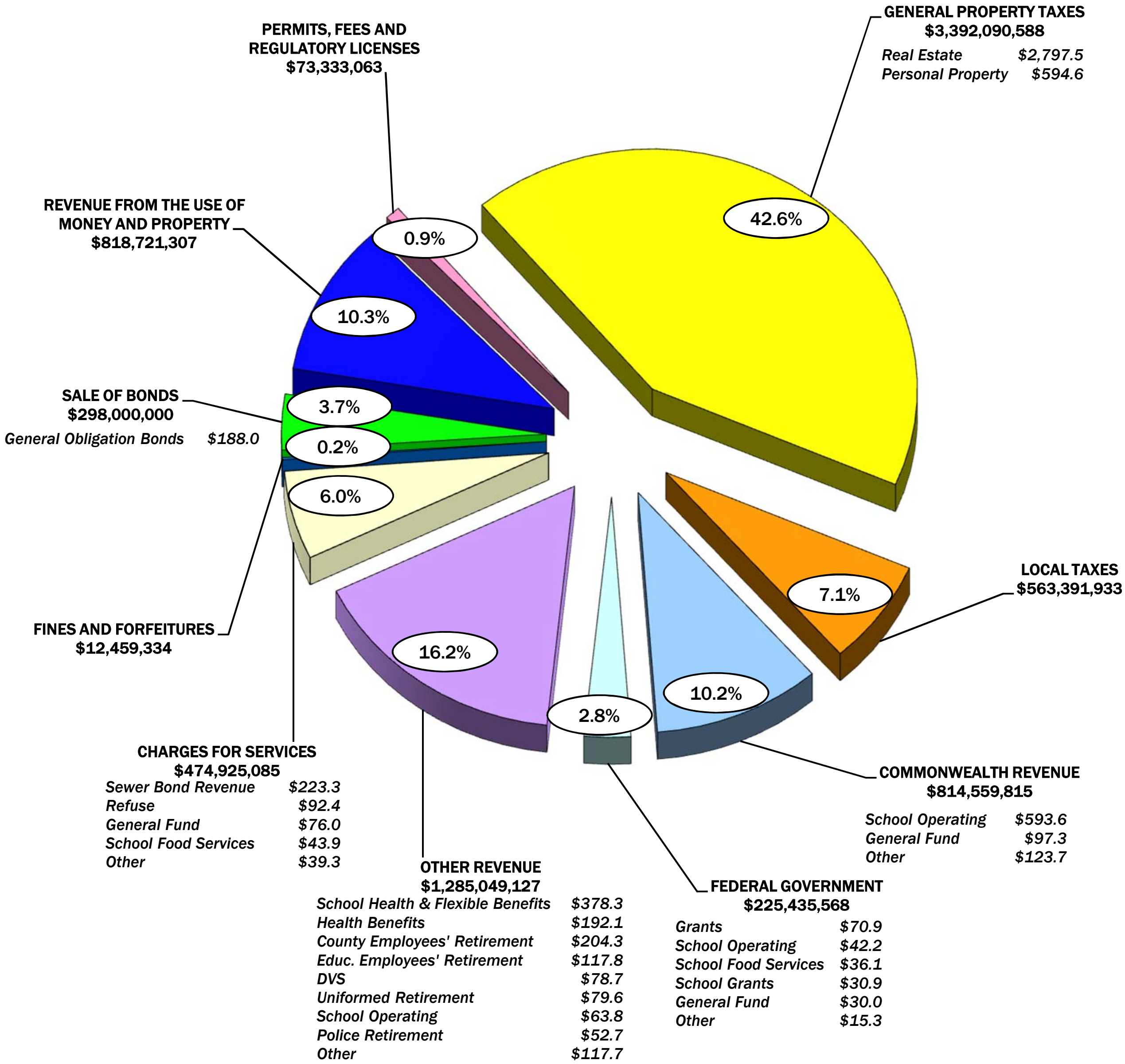
(subcategories in millions)



FY 2017 GENERAL FUND RECEIPTS = $3,988,246,875

In addition to FY 2017 revenues, available balances and transfers in are also utilized to support disbursement requirements.

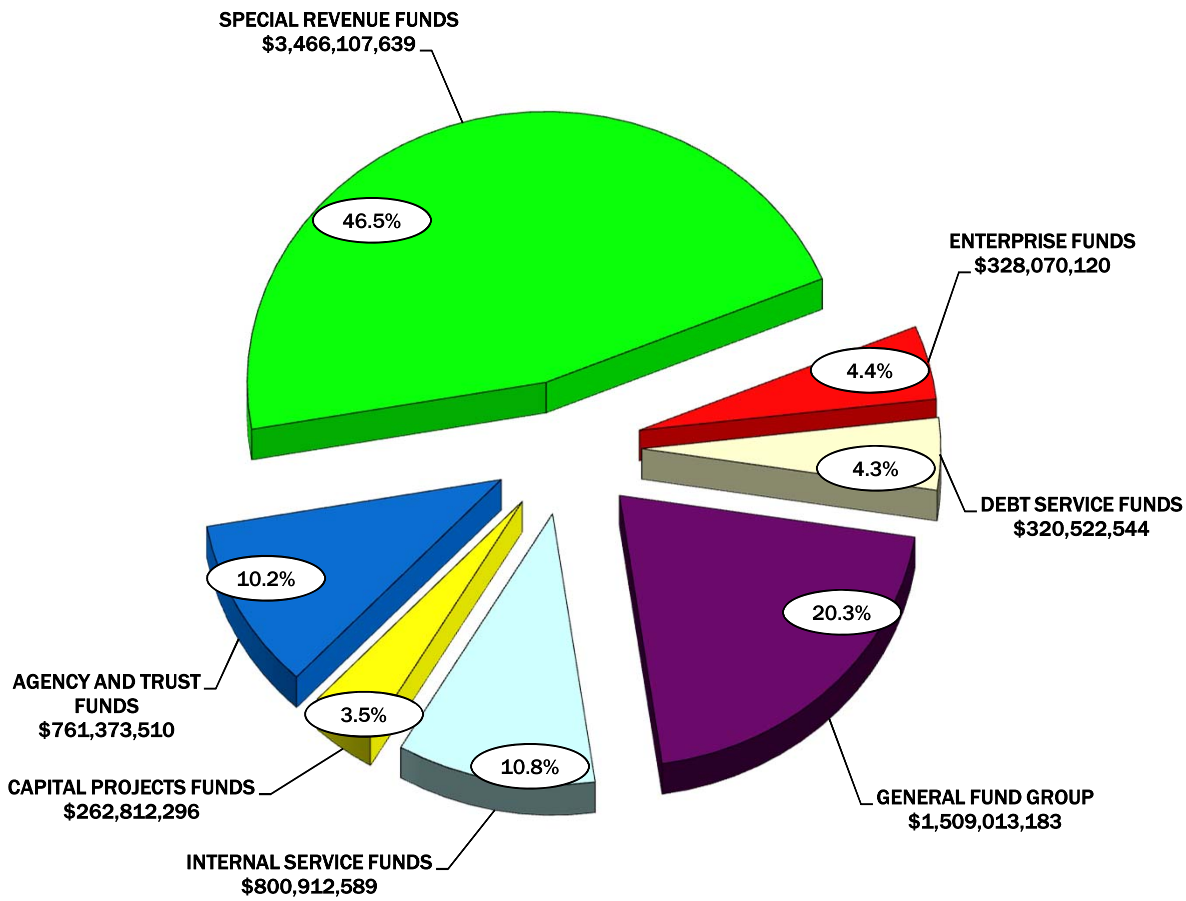
FY 2017 ADVERTISED BUDGET PLAN
REVENUE ALL FUNDS
(subcategories in millions)



TOTAL REVENUE = $7,957,965,820

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

FY 2017 ADVERTISED BUDGET PLAN
EXPENDITURES ALL FUNDS



TOTAL EXPENDITURES = $7,448,811,881

1742

FY 2017

Adopted Budget Plan

Multi-Year Budget – FY 2017 and FY 2018

Multi-Year Financial Planning Process/Financial Forecast

Beginning in FY 2014, the County undertook a more comprehensive multi-year General Fund budgeting process - the development of a two-year budget framework. The two years include the budget just approved by the Board of Supervisors (FY 2017) and the subsequent year framework (FY 2018). In this way County staff throughout the organization will be able to more completely outline the prospective issues that will need to be addressed as part of the budget process for the following year, more clearly demonstrate the impact of decisions in the budget being adopted, and lay out a more accurate projection for the next year as well as any associated options for balancing that budget. The process will culminate in the adoption each year of the annual budget, as required by State Code.

In addition to the development of the requirements for the budget year, the process includes review and analysis by each General Fund agency and program that receives General Fund support of its upcoming requirements for FY 2018. Specifically, requirements projected include increases in workloads, the impact of changing demographics, and the cycle of replacement for infrastructure. The multi-year budget process includes a three-year historic view of the General Fund, the FY 2016 Revised Budget, the FY 2017 Adopted Budget and the FY 2018 Projections.

Summary of the FY 2017 and FY 2018 Multi-Year Budget

The FY 2017 Adopted Budget Plan results in an increase of $104.18 million in the General Fund transfer to the Fairfax County Public Schools for operations, debt service and construction, funds employee compensation increases and benefit cost increases, and addresses some of the County's most pressing requirements such as beginning a multi-year strategy to implement the recommendations of the Ad-Hoc Police Commission including Diversion First. While funding is included in FY 2017 for many priorities, a 4 cent increase in the Real Estate Tax rate was required to balance the budget as a result of lackluster revenue growth. The revenue generated from the Real Estate Tax rate increase accounts for 50.1 percent of all revenue growth in FY 2017.

The current forecast presents a similarly challenging budget environment for FY 2018, as revenue growth is expected to continue at the modest levels seen in recent years. Meanwhile, disbursement requirements continue to increase both as a result of the factors that drive expenses in the County and Schools budgets, such as population growth and increases in healthcare costs, and as a result of the need to address the priorities of the community, including reductions in class sizes and continued implementation of the Diversion First program. Balancing the FY 2018 budget will require difficult decisions regarding which of these priorities to fund, which to exclude or delay, and whether programmatic reductions should be made in other areas or revenue enhancements should be considered.

The projections for revenues and expenditure requirements included below are an early forecast of the challenges that will be faced in the coming budget cycle. However, development of FY 2018 budget will span the majority of the next year. The next step in the process will be a series of joint meetings between the Board of Supervisors and School Board in the fall. Updated projections will be presented at those meetings to provide a better picture of anticipated revenues based on the most recent data, and the inventory of County and School priorities will be refined based on input from the two boards.

Revenue Assumptions

Based on the assumptions and estimates detailed below, General Fund revenues are projected to experience an increase of 4.86 percent in FY 2017 as a result of a 2.98 percent rise in real estate assessments and a 4 cent increase in the Real Estate Tax rate from $1.09 to $1.13 per $100 of assessed value as well as modest growth in other revenue categories. **General Fund revenue growth of 2.39 percent is currently projected in FY 2018.** Revenue growth rates for individual categories are shown in the following table:

ACTUAL AND PROJECTED REVENUE GROWTH RATES

	ACTUAL	PROJECTIONS		
Category	FY 2015	FY 2016	FY 2017[1]	FY 2018
Real Estate Tax - Assessment Base	5.77%	3.46%	2.98%	3.00%
Equalization	4.84%	2.40%	1.94%	2.00%
Residential	6.54%	3.39%	1.64%	1.64%
Nonresidential	(0.10%)	(0.60%)	2.87%	3.00%
Normal Growth	0.93%	1.06%	1.04%	1.00%
Personal Property Tax - Current[2]	1.97%	1.10%	1.23%	1.14%
Local Sales Tax	6.60%	1.50%	2.50%	2.50%
Business, Professional and Occupational, License (BPOL) Taxes	0.37%	0.00%	1.00%	1.00%
Recordation/Deed of Conveyance	20.52%	(5.18%)	1.00%	1.00%
Interest Rate Earned on Investments	0.43%	0.65%	0.85%	1.00%
Building Plan and Permit Fees	16.34%	3.35%	2.00%	2.00%
Charges for Services	2.23%	2.78%	1.46%	0.60%
State/Federal Revenue[2]	(0.07%)	1.13%	2.31%	0.23%
TOTAL REVENUE	**4.23%**	**2.33%**	**4.86%**	**2.39%**

[1] FY 2017 growth rate of 4.86% includes the impact of a $0.04 increase in the Real Estate Tax rate to $1.13 per $100 assessed value. Excluding the Real Estate Tax rate increase, the FY 2017 growth rate was 2.42%.

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

Economic Indicators and Assumptions

Economic projections for the national and local economies were reviewed from a variety of sources in the development of these revenue estimates including IHS, the Congressional Budget Office and the National Association of Realtors. Projections specific to Fairfax County are obtained from economic forecaster IHS.

The U.S. economy expanded at a rate of just 0.8 percent during the first quarter of 2016 after growing 1.4 percent in the fourth quarter of 2015. Consumer spending, which makes up more than two-thirds of economic activity, grew 1.9 percent in the first quarter, compared to 2.4 percent in the fourth quarter. Overall government expenditures increased 1.2 percent, though federal expenditures decreased 1.6 percent. For all of 2015, the U.S. economy grew 2.4 percent, the same rate as in 2014. The headwind for the economy going forward in 2016 will likely be the weakness in global growth and the negative effect on exports from a stronger dollar, which makes U.S. goods more expensive for foreign buyers.

The Federal Reserve raised the target range for the federal funds rate by a quarter-percentage point in December 2015 for the first time in almost a decade as policy makers cited the improved labor market conditions and the solid pace of economic activity. The Fed is expected to raise interest rates gradually in 2016 but the pace will be determined by incoming economic data.

Nationwide, job growth was robust throughout 2015. In 2015, 2.7 million jobs were added, compared with 3.1 million in 2014. The latest jobs report in May, however, showed weakness, with only 38,000 jobs added, which was the smallest monthly gain in five years. Job growth in the last three months has averaged only 116,000 jobs per month, down from the monthly average of 219,000 jobs in the 12 months ending in April. Whether this is a prolonged trend or a brief pause in the job market remains to be seen in the coming months.

Gains in home prices nationwide were strong during 2015 supported by the continued improvement in the labor market, low mortgage rates, and low inventory of homes for sale on the market. Gains continued during the first quarter of 2016. According to the S&P/Case-Shiller home price index, home prices were up 5.4 percent for the 12 months ending March 2016. Home prices in the Washington Metropolitan area posted a more modest 1.5 percent gain during the same period. This was the smallest increase among the 20 cities included in the S&P/Case-Shiller Index.

During the recession, the proximity to the federal government and federal stimulus spending helped the local economy. As the effects of anti-recessionary federal spending wore off and federal sequestration budget cuts were implemented, economic growth in the Washington DC region slowed. Job growth was anemic and occurred in lower-paying sectors. In Fairfax County, employment fell 0.6 percent in 2013 and another 1.2 percent in 2014. The cornerstone sectors of the local economy – federal government and professional services – lost jobs. During 2015, the labor market in the County showed a tepid improvement. Employment increased by almost 7,600 jobs, an increase of 1.3 percent compared to 2014. Industry sectors that created new jobs include Leisure and Hospitality, Education and Health Services, and Financial Activities. Employment in Professional and Business Services, which includes most federal contractors, remained essentially flat during the year. The County's unemployment rate is 3.3 percent as of March 2016, down from 3.8 percent in March 2015.

According to estimates from IHS, Gross County Product (GCP), adjusted for inflation, increased at a rate of 1.7 percent in 2015 after decreasing 1.2 percent in 2013 and 1.6 percent in 2014.

Real Estate Taxes

Based on the assumptions below, the total Real Estate Tax base is expected to rise 2.98 percent in FY 2017 and 3.00 percent in FY 2018.

Local Housing Market

Based on information from the Metropolitan Regional Information System (MRIS), the average sales price of homes sold in Fairfax County rose a modest 1.1 percent from $538,280 in 2014 to $544,055 in 2015. The average 2015 home selling price is just barely higher than the previous peak value of $543,271 achieved in 2005. MRIS also reported that 14,850 homes sold in the County in 2015, up 9.6 percent over 2014. Homes that sold during 2015 were on the market for an average of 52 days, 7 days longer than the 2014 level of 45 days. Home sales throughout 2016 will impact the FY 2018 real estate assessment base.

After increasing 3.39 percent in FY 2016, residential values rose 1.64 percent in FY 2017 to a mean assessed value for residential property of $527,648. The same increase of 1.64 percent is anticipated in FY 2018.

Local Nonresidential Market

According to the Fairfax Economic Development Authority, the direct office vacancy rate was 16.2 percent at year-end 2015, down from 16.3 percent at year-end 2014. The overall office vacancy rate, which includes empty sublet space, was 17.2 percent at year-end 2015, a decrease from the 17.7 percent recorded at year-end 2014. The amount of empty office space was slightly less than 20 million square feet. Industry experts anticipate vacancy rates to remain high through 2016 due to sluggish economic conditions and concerns about the federal budget as well as the national election, which historically has forestalled site location decisions. A further obstacle to filling office space is that employers today are leasing substantially less space per employee than in the past.

Office leasing activity topped 10.2 million square feet during 2015. As has been the case for the past three years, the overwhelming majority of leasing activity in 2015 involved renewals and consolidations. Lease rates for new space are adjusting to market conditions as many tenants are taking advantage of favorable rates, and others are looking to capitalize on market conditions by consolidating operations in newer space near Metro stations.

In FY 2017, nonresidential values increased 2.87 percent due to equalization. The main cause for the FY 2017 increase in nonresidential values is the increase in the values of Office Elevator properties. Office Elevator properties (mid- and high-rises), the largest component of the nonresidential tax base at 34.5 percent, experienced a 3.42 percent increase in FY 2017 after declining 4.67 percent in FY 2016. Apartment values, which represent 24.3 percent of the total nonresidential base, rose 2.92 percent in FY 2017. In FY 2018, the overall value of all types of nonresidential properties is projected to increase 3.0 percent over FY 2017.

New Construction

The Real Estate Tax base will also be impacted by new construction in the County. In 2015, office development continued around Metro stations in the Silver Line corridor and in southeastern Fairfax County near Fort Belvoir. New office deliveries exceeded 370,000 square feet in three buildings during all of 2015, compared with roughly 1.5 million square feet of space delivered in all of 2014. At year-end 2015, seven buildings totaling nearly 2.5 million square feet were under construction countywide. More than 80 percent of the new office space under construction was leased at year-end 2015. Based on current activity, total new construction is projected to add 1.0 percent to the overall real estate base in FY 2018, a rate on par with FY 2016 and FY 2017.

Personal Property Taxes

Current Personal Property Tax revenue, which represents approximately 15 percent of total General Fund revenue, is anticipated to experience an increase of 1.2 percent in FY 2017 primarily due to a projected increase in the vehicle levy, as well as an increase in the Business Personal Property levy. The vehicle component comprises over 73 percent of the total Personal Property tax levy. Nationwide, new vehicle sales in 2015 rose for a sixth consecutive year since 2009. Manufacturers' incentives contributed to the increase; however, there is a concern that incentives might be pulling sales ahead from future years. According to National Automobile Dealers Association, new vehicle sales are expected to increase in 2016 as a result of moderate wage growth, low gasoline prices, and relatively low interest rates on auto loans. These factors will impact Personal Property Tax revenue in FY 2018, which is projected to increase 1.1 percent over FY 2017.

Other Major Revenue Categories

Sales tax receipts are projected to rise 1.5 percent in FY 2016 after increasing a strong 6.6 percent in FY 2015. Growth of 2.5 percent is projected in both FY 2017 and FY 2018. BPOL (Business, Professional and Occupational License tax) receipts are sensitive to economic conditions and are particularly impacted by federal procurement spending in the County as the Consultant and Professional Business Services categories comprise approximately 43 percent of total BPOL receipts. Total FY 2016 BPOL receipts are anticipated to be level with FY 2015 and experience growth of 1 percent in FY 2017 and FY 2018. Recordation and Deed of Conveyance revenues, which are paid for recording deeds, are anticipated to be slightly down in FY 2016 primarily due to declines in mortgage refinancings. Growth of 1.0 percent is projected in FY 2017 and FY 2018 based on modest growth in home sales.

In January 2015, building permit fees were increased across the board to support additional staff to improve customer service and reduce plan review timeframes. As a result of the fee increase as well as an increase in permitting activity, revenue rose 16.4 percent in FY 2015 and is anticipated to grow 3.4 percent in FY 2016. Due to development around the Metro's Silver Line in Tysons and Fort Belvoir construction activity, building permit fee revenue is forecasted to grow 2.0 percent in FY 2017 and FY 2018. Other permits, licenses, and user fees are also expected to experience modest growth throughout the forecast period.

Revenue from Interest on Investments is highly dependent on Federal Reserve actions. The Federal Reserve raised the target range for the federal funds rate by a quarter-percentage point in December 2015 for the first time in almost a decade as policy makers cited the improved labor market conditions and the solid pace of economic activity. The Fed is expected to raise interest rates gradually in 2016 but the pace would be determined by incoming economic data. The average annual yield on County investments is anticipated to be 0.85 percent in FY 2017 and 1.00 percent in FY 2018.

Included in the estimate for State and Federal Revenue is the approved increase by the General Assembly to the state-supported employee compensation of Constitutional Officers and their employees and the increase to State Aid to Localities with Police Departments (HB 599). These adjustments result in an additional $1.28 million to the County in Revenue from the Commonwealth in FY 2017 and $1.58 million in FY 2018. Staff will continue to monitor the impact of state and federal spending on County funding streams.

Disbursement Priorities

The disbursement requirements and priorities that have been identified through the FY 2017 and FY 2018 multi-year budget process are discussed below. Among these items are basic requirements such as funding of County and School debt service, employee pay increases and benefit cost increases, increases resulting from budget drivers such as increased workloads and School enrollment, and implementation of programs that have been identified as Board priorities. While some of the items that have been identified can be delayed to FY 2019 and beyond, others, such as funding for positions in the Fire and Rescue Department which were initially funded with a Staffing for Adequate Fire and Emergency Response (SAFER) grant, cannot be avoided in FY 2018. In addition to the costs noted below, the County's reserve policy requires that an amount equal to ten percent of any increase in General Fund disbursements be allocated between the Managed Reserve and the Revenue Stabilization Fund.

The items identified below and associated expenditure levels will be revalidated during the FY 2018 and FY 2019 multi-year budget development process in light of updated data and revenue projections. However, the increases that could be accommodated within the modest revenue growth that is currently projected are limited to funding of County and School debt service and funding increases resulting from School enrollment growth, with partial funding of employee pay increases. Therefore, in order to develop a balanced budget and address Board priorities, it will be necessary to consider revenue enhancement options and programmatic reductions or to defer some of these items to FY 2019 or beyond.

Fairfax County Public Schools (FCPS)

An increase in the transfer to the Fairfax County Public Schools for operations will be required to support increased expenses resulting from enrollment growth and demographic changes, employee compensation increases, and benefit cost increases. FCPS' recent compensation study identified a significant gap between FCPS salaries and the market average that needs to be addressed. In addition, FCPS' strategic plan will require additional investments, and FCPS' previously identified needs include reducing class sizes, eliminating pre-k waitlists, replacing textbooks, computers and buses, providing students with computers, and investing in preventive and major maintenance. It is anticipated that guidance regarding the increase in the County transfer for operations will be developed during the joint meetings of the Board of Supervisors and the School Board in the fall. It should be noted that each one percent increase in the transfer for operations is approximately $19.14 million.

In addition to the increase for operations, an increase of $2.00 million is anticipated in FY 2018 for debt service based on the size of bond sales for School facilities (of $155 million). Consistent with the recommendations of the Infrastructure Financing Committee, the County transfer of $13.1 million to the School Construction Fund is anticipated to be maintained in FY 2018.

Employee Pay

For purposes of the FY 2018 plan a $41.57 million placeholder for employee pay increases is used. It is based on:

1) Market rate increases (MRA) for all employees are assumed at an estimated cost of $18.00 million which assumes a 1.5 percent MRA. The actual MRA, based on the previously agreed to funding calculation, will be calculated in the fall of 2016. The MRA increase in funding is applied to employee salaries at the beginning of the fiscal year. The MRA provides a guide to the amount of pay structure adjustment needed to keep County pay rates competitive with the market.

2) Funding of $12.00 million is required for General County employee pay increases, which reflects the new performance and longevity program for all eligible General County employees approved by the Board of Supervisors in fall 2014 and implemented in FY 2016. The funding reflects increases effective July 2017 for graduated performance increases, based on where employees are on the pay scale, and the 4 percent longevity increases provided to employees who reach 20 or 25 years of service as of June 30 each year. The performance increases range from 3 percent for employees within 15 percent of the bottom of the pay scale to 1.25 percent for employees within 25 percent of the top of the pay scale. The average increase in FY 2018 is projected to be 2.0 percent.

3) Funding of $8.50 million is required for public safety pay increases which reflect merit and longevity increases for all eligible public safety employees. The funding reflects the full-year impact of merit and longevity increases provided to uniformed employees in FY 2017 and the partial-year costs for merit and longevity increases provided to uniformed employees in FY 2018 since all increases are effective on the employee's anniversary date. Merit increases are awarded to public safety employees as they progress through the pay scale. Public safety employees who have reached a combination of length of service (15 and 20 years) and have otherwise reached the top step of their pay scale are eligible for longevities. Merit and longevity increases are each 5 percent for public safety employees. In any given year between 40 and 50 percent of public safety employees are eligible for one or the other.

4) A placeholder of $2.50 million is included in FY 2018 for compensation adjustments that would result from the annual review of County job classifications. The process for review uses representative job classes from among job families and compares pay levels with our competitors in the local job market.

5) Funding of $0.57 million is required for the full-year impact of the elimination of the two-year hold at Step 8 in the Uniformed Public Safety Pay Plans as directed by the Board of Supervisors as part of the *FY 2015 Carryover Review*. Elimination of the Step 8 hold will allow for more consistent merit increment increases during an employee's career and will still maintain the 20-year career progression through the public safety pay scales.

Fringe Benefits

A total increase of $11.05 million is required for benefits for FY 2018, primarily as a result of increases for health insurance ($7.00 million) and retirement ($4.05 million).

Health insurance cost increases are primarily the result of actual experience in the County self-insured health plans. The estimated increases in FY 2018 total $7.00 million, based on projected 7 percent premium increases for all health insurance plans in plan years 2017 and 2018. It should be noted that these premium increases are budgetary projections only, and final premium decisions are made in the fall prior to the beginning of each plan year based on updated claims experience.

Also required in FY 2018 is a net $4.00 million increase for fiduciary requirements associated with the County's retirement systems and as a modest investment to strengthen the systems' funding ratios. The County is committed to further strengthening the financial position of the systems, and has established a goal to reach a 90 percent funded status for all plans by FY 2025. In order to meet this goal, the County has established a multi-year strategy that includes increases in the employer contribution rates so that the County will amortize 100 percent of the unfunded liability by FY 2020 at the latest. The assumption for FY 2018 is an increase from 97 percent to 99 percent. The County will continue to use a conservative 15-year amortization period.

The remaining requirement of $0.05 million is an increase to the employer contribution rates for the Employees' and Uniformed systems due to a reduction in the Social Security offset for service-connected disability retirees from 10 percent to 5 percent, implementing the second year of a 3-year plan to eliminate the offset as directed by the Board of Supervisors. In addition, this benefit enhancement will result in an estimated $1.50 million increase in the liability of the systems. The retirement system funding strategy approved by the Board of Supervisors as part of the adoption of the FY 2016 Adopted Budget Plan requires that any increase in the liability of the systems that results from benefit enhancements be fully funded immediately. It is anticipated that this one-time $1.50 million increase in employer contributions will be included in the *FY 2017 Third Quarter Review*.

Position Requirements

Staffing requirements that have been identified for FY 2018 include projections of $23.37 million and 166 additional positions. These positions are identified based on current and planned conditions and service requirements.

The largest single component of these positions is for Public Safety, as 76 positions are identified for Public Safety in FY 2018. Of this total, 58 positions are the result of the Multi-Year Public Safety Staffing Plan, with additional positions included as part of the plan in the next four years. The details of the original plan are available online at: www.fairfaxcounty.gov/dmb/fy16-fy20-public-safety-staffing-plan.pdf. Due to constraints in available funding during the FY 2016 and FY 2017 budget processes, a number of positions that were originally planned for FY 2016 and FY 2017 have been deferred until FY 2018 or later. As a result, implementation of the staffing plan is anticipated to take longer than originally envisioned.

As part of the FY 2018 budget development process, all position requirements will be reviewed thoroughly and workload requirements analyzed prior to inclusion in the FY 2018 budget. As new information becomes available additional positions may be identified.

MULTI-YEAR PUBLIC SAFETY STAFFING PLAN

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

- Urbanization is a trend that will impact public safety incrementally over the next several decades as areas continue to transition from suburban to higher-density growth patterns. The impacts of urbanization will include longer response times to calls in high rise buildings, increased traffic congestion, and the need to shift to higher capacity responses.

- The total population of the County is growing both in terms of residents and those working in the County and impacting service delivery while here. In 2005 there was a total population of approximately 1.6 million, including both residential and employment populations, and it is projected to reach 1.8 million by 2020. In addition to growing overall, the County's senior population is increasing. The County is expected to have a rapidly increasing population of persons age 65 and older, particularly as the Baby Boomer generation ages. As of 2011, the oldest boomers turned 65, but the greater impacts are expected to occur as the boomers reach age 80 beginning in 2026. Currently, more than 12 percent of Fairfax County's population is age 65 or older, and by 2020 this is anticipated to rise to 13.7 percent.

- Emerging technology is increasingly challenging for public safety. Efforts to investigate criminal activity are becoming more complex and more time consuming. Cell phones have become mobile computers that easily facilitate criminal enterprise and are now used more than traditional computers. The inability to effectively extract computerized/digital evidence continues to hamper the successful prosecution of criminal investigations.

- Federal, state, and local mandates also impact public safety. A significant example is the training mandates for police officers that continue to be a factor taking officers off of the street. Complex case law rulings in recent years have lengthened the time officers spend in court. DWI initiatives have increased the enforcement levels of DWIs which has resulted in lengthier court times and multiple court appearances for officers and attorneys.

- Natural and man-made threats always pose a challenge for public safety agencies and their resources. In the current environment of terrorism, bombings, and mass shootings, it is imperative that minimum staffing levels and appropriate coverage of the entire County is maintained. Natural disasters also pose a challenge to public safety agencies and their resources. Major weather events require large scale public safety responses, sometimes for an extended amount of time. Adequately staffing each patrol area is critical to effectively responding to calls for service and maintaining a safe environment for residents and businesses.

As part of the staffing plan review, the specific position and funding requirements that have been identified are:

Commonwealth's Attorney

A total of 10/10.0 FTE positions and funding of $1.30 million is identified for FY 2018. Based on caseload numbers, the Fairfax County Office of the Commonwealth's Attorney handles the greatest workload of any prosecutor's office in the state. In addition, a number of changes have occurred over the years that have dramatically increased the amount of time spent in court and preparing for court. Standards in discovery for criminal cases (which require written responses) continue to expand and the office must now respond in writing to all pretrial motions when previously only oral responses were required. In addition, jury trials now consist of longer periods of jury selection and are bifurcated into two separate phases, a guilt phase and a sentencing phase. This has resulted in jury trials that last for multiple days where they would once be concluded in a day. Longer trials result in attorneys being in court multiple days and thus unavailable to assist in covering the day-to-day courtroom assignments. Also, given the length of the courtroom dockets, jury trial preparation cannot be completed during business hours, and leads to attorneys working late hours and weekends. As an example of the shortage in staffing, the ratio of attorneys per citizen for the four largest court systems in the state are 1 per 5,733 in Richmond, 1 per 6,817 in Norfolk, 1 per 12,189 in Virginia Beach, and 1 per 35,548 in Fairfax. As a result, 5 attorney positions are identified for FY 2018.

In addition to the 5 attorney positions, 1 management analyst, 2 administrative assistant positions and 1 paralegal position would provide needed support for the attorneys in the preparation of cases. Currently, attorneys in the office are tasked with completing clerical duties such as copying, filing, faxing, and answering phones in addition to all of their other professional and legal responsibilities. The addition of administrative assistants, a paralegal, and a management analyst would allow attorneys more time to meet with witnesses, prepare for their trials, respond to motions, and draft appeals. Finally, a network analyst position is necessary. There is no other technology support within the Office of the Commonwealth's Attorney. Budget constraints prevented the office from filling a position in the past and keeping up with ever-changing technological advances. Surveillance and video equipment used by law enforcement agencies, businesses and citizens continue to change. Video is often delivered to the Office of the Commonwealth's Attorney in many different formats that require specific programs or software. At the same time, judges and juries increasingly expect the use of such technologies in the course of courtroom presentations, hearings and trials. Due to these factors, this office has been unable to keep up with the technologies necessary to view, copy, and convert CDs received as evidence or to employ many of the other technological innovations available to the courtroom practitioner today.

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

Police Department

A total of 7/7.0 FTE positions and funding of $1.30 million is identified for FY 2018. The Fairfax County Police Department is the largest local police agency in the Commonwealth of Virginia. With a population of more than one million residents, Fairfax County is one of the safest communities in the Washington Metropolitan area. Despite being the most populated community in the region, crime remains at record low levels. In addition, the Fairfax County Police Department continues to maintain the lowest officer to resident ratio of all other police departments in this region and across the nation when compared to departments of similar size and population density. In spite of the success at keeping the crime rate low the department is experiencing deficits in several key areas, and after an extensive analysis of all bureaus a staffing request for critical positions was developed. This analysis took into consideration the five key overarching trends that impact public safety resources as well as internal factors such as a culture of safety and the agency's strategic plans. As a result, 2 explosive ordinance technicians, 2 computer forensics detectives, 2 animal control officers and 1 civilian investigator are identified for FY 2018.

Explosive Ordinance Disposal (EOD) technicians respond to suspicious events where explosive or otherwise hazardous packages, munitions, or devices have been located. The EOD technician determines the threat to public safety, recommends appropriate evacuation zones, renders safe the device, transports the device to a disposal location, and then destroys or dismantles the device. They provide security sweeps with explosive detecting dogs at public venues, mass transit sites, and in VIP security details.

They serve as liaison with Fire Department HAZMAT, FBI EOD teams, and other EOD teams in the NCR. In 1981, EOD was formed with two full-time EOD technicians; currently there are still only two full-time technicians. Technology has also impacted EOD, as their tools and the threats they deal with have advanced dramatically. The use of robots and high resolution x-rays have increased safety, but require more advanced training. Currently, two EOD technicians must respond on every call per protocol. Once the EOD technicians arrive on the scene, the examination of the device takes longer because of the range and complexity of equipment. The typical incident lasts between two and six hours. Adding two additional full-time EOD technicians would provide the County with the resources required to handle two bomb/explosive events simultaneously. The full-time EOD technicians are also EOD canine handlers. The EOD canine capability is critical in protective sweeps at large public events and mass transit sites. EOD canines regularly do sweeps at Metro stations, adding another team would expand the Department's ability to conduct safety sweeps.

While crime has generally dropped to the lowest level in several decades, both in Fairfax County and across the country, one growth area for criminal activity is in computer and Internet-related crime. This trend is reflected in the investigative workloads handled by both the Financial Crime Section and the Computer Forensics Section in the Criminal Investigations Bureau; both have increased dramatically in recent years. The backlog of evidence to be processed by the Computer Forensics Unit is months long. A recent independent analysis of the department's computer-related crime statistics indicated that the caseload is projected to increase by approximately 6 percent annually for the foreseeable future. Due to the constantly increasing workload demand on the Computer Forensic Section, property cases now have an average seven-month wait time for processing, causing many cases to be dropped in court which the addition of 2 detective positions could help to minimize.

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

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

It should be noted that the Public Safety Staffing plan included a total of 80 positions at a cost of $15.3 million for the Police Department over the five-year period. The FY 2017 Adopted Budget Plan includes $2.9 million to fund 14 of these 80 positions, reducing the remaining amount to 66 positions including the 7 positions discussed above.

Office of the Sheriff

A total of 22/22.0 FTE positions and funding of $2.70 million is identified for FY 2018. Eight of these positions are for direct supervision of female inmates in the Adult Detention Center (ADC) which will allow placement of female inmates in multiple areas of the facility. The numbers of females incarcerated in the ADC has increased over the past 4 years. This dedicated female direct supervision post would help accommodate fluctuations of the female inmate population and appropriate placement within the ADC.

Another 4 positions (1 per squad) would support the hospital post. On average, each confinement shift has 2 inmates admitted to the hospital due to serious medical issues above and beyond the ADC medical staff's capabilities. Each inmate at the hospital requires a minimum of 1 deputy, and maximum custody inmates may require 2 deputies per shift. Historically, the hospital post was not staffed on a daily basis because inmates were not admitted to the hospital as frequently several years ago.

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

The last group of 2 positions is for Courthouse security (outside of the deputies in courtrooms). Recent budget constraints resulted in the redeployment of 15 of the 20 uniformed Courthouse security staff. Prior to the reduction in staff, the Courthouse Facility Security Section was responsible for and always took a proactive approach towards security for the 52 acre Fairfax County Courthouse complex with the intent to reduce crimes, manage emergencies and thwart any acts of terrorism towards visitors and employees. Although still responsible for addressing issues within the complex, the current primary focus is on situations occurring within the courthouse itself. Visitors entering the courthouse totaled an annual average of 908,242 for FY 2013 - FY 2015. The duties of the five members of the Facility Security staff supplement contracted security within the facility. Based on the volume of visits to the facility an increase in staffing is needed to maintain a high level of efficiency and timely response to events on the judicial complex.

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

Fire and Rescue Department
A total of 17/17.0 FTE positions and funding of $4.36 million is identified for FY 2018.

The Fire and Rescue Department (FRD) has identified the need for a Research and Development Section to provide a dedicated staff to keep pace with technological advancements so that Fairfax County remains on the cutting edge of fire suppression, emergency medical services and special operations service delivery. Technology is evolving rapidly in firefighting and emergency medical services. As the science of firefighting and emergency medical services is more widely studied, the evolution of equipment and technology is swiftly advancing. FRD currently has an Innovation and New Ideas Committee responsible for reviewing recommendations for altering equipment or changing fire, rescue, and emergency medical services delivery. While this committee has been helpful in reviewing recommendations, the exponential pace at which technology is advancing has surpassed the ability of an ad hoc committee to keep up with research to evaluate proposals. With emergency medical equipment specifically, improvements to the way emergency services are rendered changes every six to eight months. FRD must keep abreast of advancements and make informed decisions about what technology to purchase, what generation of the technology should be purchased and whether or not the cost is worth the return on investment. The creation of a Research and Development Section will provide dedicated staffing to manage the research, selection, review, and evaluation process of new equipment, tools, technologies, and innovations that will improve service delivery to residents, businesses, employees, and visitors to Fairfax County. An additional 17/17.0 FTE positions and $2.30 million in FY 2018 would begin the process of staffing additional capacity units for the Department, as well as supplementing the Department's Risk Management Safety Bureau and assorted uniformed and civilian support positions. The County will continue to apply for grants to offset the cost of these positions.

In addition, funding of $2.06 million is required for 18 positions added in FY 2016 as a result of the Department's third successful Staffing for Adequate Fire and Emergency Response (SAFER) grant is identified as the two-year period of the grant will end in early FY 2018. These 18 positions, when combined with two previous SAFER awards that provided a total 31 positions, has allowed the department to complete the process of implementing its top priority of four-person truck staffing. Four-person truck staffing has enhanced FRD's ability to provide fire, rescue and medical emergency services in a timely manner, increased the ability to complete time-critical tasks on scene as quickly as possible with the right amount of personnel thus reducing property loss and firefighter injury risks or death. Adding a fourth staff person to truck companies has also brought units into compliance with Occupational Safety and Health Administration (OSHA) and NFPA standards.

It should be noted that the original plan for the Fire and Rescue Department over the next five years, including the 17 positions discussed above was for 166 positions at a cost of $25.9 million; however, the County has been successful in securing three separate SAFER awards for a total of 49 positions. Therefore, the revised total including the 17 positions noted above is 117 positions.

Office of Emergency Management (OEM)

A total of 2/2.0 FTE positions and funding of $0.30 million is identified for FY 2018 as a result of notice received that reductions in the Department of Homeland Security Urban Area Security Initiatives (UASI) grant funding are likely. Within OEM, the Emergency Planner, Training and Exercise Officer and the NIMS Compliance Officer positions have been identified as future reductions of the UASI funding for the National Capital Regional (NCR). In addition, the Grants Manager position is currently grant funded through the Emergency Management Performance Grant as well as UASI grant funding. Based on the prospect that grant funding may be reduced or eliminated, all four of these positions are identified in the OEM staffing plan with the Emergency Planner and the Training and Exercise Officer identified for FY 2018. The loss of these positions would equate to a one-third reduction of OEM agency staffing.

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

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

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

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

Department of Public Safety Communications

While there are no positions identified for FY 2018, the current total plan for the Department of Public Safety Communications over the next five years is for 20 positions at a cost of $1.60 million. All of the increases are based on anticipated increases in call volume and complexity with the transition to Next Generation 911 requiring increased numbers of call takers.

OTHER POSITIONS

Facilities Management Department
Additional funding of $0.35 million and 3/3.0 FTE positions is identified for FY 2018 to support the Public Safety Headquarters.

Department of Public Works and Environmental Services (DPWES), Office of Capital Facilities
Funding of 6/6.0 FTE positions is identified for FY 2018 at a net cost of $30,000 after recovery of a portion of the costs from capital projects. These positions are needed to support growth in Wastewater projects, building construction projects, building design projects and contractual requirements.

Department of Family Services

System of Care – Funding of $1.18 million and 4/4.0 FTE positions is identified to expand the System of Care (SOC) model which connects the continuum of supports and services across County agencies, Fairfax County Public Schools and community partners. Funding would support contractual services for youth with emerging mental health and substance use issues. The System of Care model is the result of the recommendations presented to the Human Services Committee of the Board of Supervisors on October 8, 2013. These recommendations were the direct result of the guidance included by the Board of Supervisors as part of the FY 2014 Adopted Budget Plan directing staff to identify requirements to address youth behavioral human services requirements in schools and the broader community. This funding specifically would support the expansion of short-term behavioral health services at three high schools; implementation of family navigator services to help families of children with behavioral health needs identify and access services; continuation of the crisis textline, and the expansion of the utilization review function with the Children's Services Act. The expenditure increase would be partially offset by $50,000 in revenue for a net impact to the County of $1.13 million.

School Readiness – An increase of $0.65 million and 5/4.0 FTE positions is identified for the next phase of School Readiness funding. This would provide the third year of funding associated with expanding school readiness activities in support of community programs serving young children. Funding is specifically aimed at creating a network of programs that promote school readiness through the alignment of curricula to the Virginia Foundation Blocks for Early Learning, as well as supporting children living in poverty to reach fall kindergarten benchmarks. Early childhood education programs support the cognitive, social, emotional and physical development of a child. The Department of Family Services (DFS) addresses school readiness through quality community-based programs that are accessible even to those most vulnerable. Additional funding in FY 2018 would expand community-based programs by increasing opportunities for coaching and professional development and expanding both the neighborhood school readiness teams and the rating and improvement system supporting child care programs in the community. DFS has worked closely with FCPS to develop a mixed-delivery system providing community-based as well as school-based options for school readiness.

Public Assistance – An increase of $2.35 million and 25/25.0 FTE positions is identified to continue to address increasing public assistance caseloads in the Self-Sufficiency division. The number of residents receiving public assistance has increased steadily over the past several years with current average monthly caseloads totaling more than 95,000, representing an 84 percent increase over 2008. Additionally, implementation of the Patient Protection and Affordability Care Act (PPACA) has increased the amount of time each application takes to process. The state application form, which was originally two pages, has increased to 18 pages but may be as long as 27 pages depending on family size. The issue is compounded by a backlog of applications that have been received, but staff has not yet been able to process. In accordance with federal and state mandates, the County is required to determine eligibility and deliver benefits within a certain timeframe. The County is not currently meeting these mandates. This leaves the County vulnerable to both internal and external audit findings. In fact, for the second consecutive year, the KPMG audit for the year ending June 30, 2015, found material noncompliance in both the TANF and Medicaid programs. KPMG also cited the County for having material weaknesses in internal controls over eligibility determination and redetermination. Through the creation and redeployment of additional positions in FY 2014, FY 2015 and FY 2016, the division has been able to improve its response time; however, it is anticipated that additional resources will still be needed to bring the County back in compliance with federal mandates.

Position Supporting Domestic Violence – Based on recommendations from the Sexual Violence Task Force Report to the Fairfax County Board of Supervisors (September 2015), funding of $0.13 million and 1/1.0 FTE position has been identified to engage the community in responding to sexual violence and human trafficking. This position would specifically work to ensure every victim has access to advocacy and support; perpetrators of violence are held accountable for their actions; and prevention and educational programs are offered throughout the community.

Positions Supporting the Adult and Aging Population – In the coming years, it is anticipated that there will be a significant increase in the older adult population. Therefore, a multi-year plan has been developed to address the needs of this growing population. Funding of $0.40 million and 4/4.0 FTE positions has been identified to support case management and mandated pre-admission screenings in Adult Services; investigations of suspected abuse, neglect and exploitation in Adult Protective Services; and additional support in the Aging, Disability and Caregiver Resources unit needed to address the almost 27 percent increase in calls since FY 2012.

School-Age Child Care (SACC) Rooms – Funding of $0.41 million and 3/3.0 FTE positions has been identified to support two new SACC rooms at White Oaks Elementary School. Renovations at White Oaks Elementary School, which currently has no dedicated space for SACC, will be completed in FY 2018. In keeping with County policy, two new SACC rooms will be constructed as part of the renovation. The expenditure increase would be partially offset by $0.31 million in revenue for a net impact to the County of $0.10 million.

Department of Administration for Human Services (DAHS)

An increase of $0.44 million and 4/4.0 FTE positions is identified for FY 2018 to address workload requirements in DAHS. The funding would provide support for contract work for the new System of Care initiative, enhancements to the budget and financial management team in the Fairfax-Falls Church Community Services Board, human resources management in the Department of Neighborhood and Community Services, and the Homeless Management Information System in the Office to Prevent and End Homelessness. Based on the growing volume of work in recent years, an increase in staffing is necessary.

Health Department

Epidemiology – In order to successfully plan for and respond to current public health challenges, $0.59 million and 4/4.0 FTE positions have been identified to expand capacity for communicable and non-communicable diseases. This would be the first year of a multi-year phase-in to improve the Health Department's capacity to prevent and control infectious diseases as well as develop capability to monitor the health status of the community and guide new approaches to the delivery of population-based health services.

School Health – Consistent with the increasing Fairfax County Public Schools enrollment, the number of students with health conditions continues to increase while the number of Public Health Nurses has not kept pace. During the 2011-2012 school year, there were 47,511 students with health conditions supported by 71 Public Health Nurses. During the 2014-2015 school year, there were 50,188 students with health conditions supported by the same 71 Public Health Nurses. This increase in students with health conditions has led to the increased demand for student health assessments and health care planning. Both are necessary so that students are able to attend school, ready to learn. Funding of $0.36 million and 3/3.0 FTE positions would help address the increased number of students with health conditions.

Department of Information Technology

An increase of $0.35 million and 2/2.0 FTE positions is identified to address evolving IT security needs. These information security analyst positions would focus on cyber statutory compliance and cloud and application databases.

General District Court

An increase of $0.21 million and 2/2.0 FTE positions is identified for additional probation counselor positions that are required to address staffing needs. A reasonable ratio of probation counselors to clients is required in order to ensure adherence with court orders.

Police Department

An increase of $3.10 million is identified for FY 2018 to support 15/15.0 FTE positions reflecting the second year of a multi-year process to staff the South County Police Station. A Public Safety bond referendum which passed in November of 2015 included a new police station located in South County. Initial estimates indicate that 70 additional positions will be required to fully staff this station. Based on the large number of staff required and the significant lead time associated with hiring and training new recruits, additional staff is anticipated to be provided over a multi-year period. This phased-in approach would allow the department to gradually hire and train new recruits and would allow for continued analysis to ensure that current staffing estimates are accurate.

Department of Code Compliance

As workload continues to grow for the relatively new agency, 3/3.0 FTE positions and $0.17 million is identified for Department of Code Compliance (DCC) to support an administrative position within DCC's Customer Services Branch, an analyst to perform zoning research projects and an information technology professional to address the agency's growing information technology requirements.

Fairfax-Falls Church Community Services Board

The CSB has experienced and will continue to experience significant change as a result of the 2012 settlement agreement between the United States Department of Justice (DOJ) and the Commonwealth of Virginia. This settlement agreement has resulted in the transfer of many individuals with intellectual disability residing in state training centers to more integrated community-based programs in the region. The settlement agreement requires additional resources for staffing, day support, and housing for people with complex needs. While the closure date of the Northern Virginia Training Center (NVTC) was extended to March 2016, all 89 residents of Fairfax County and the cities of Fairfax and Falls Church who resided at NVTC when the settlement agreement was reached in 2012 have been transitioned to new homes as of January 2016.

Pursuant to DOJ settlement implementation, the Virginia Department of Behavioral Health and Developmental Services (DBHDS) and the Department of Medical Assistance Services (DMAS), the state's Medicaid administrator, are currently examining redesign options for Intellectual Disability (ID) Waiver and Developmental Disability (DD) Waiver programs. ID and DD waiver reimbursement from Medicaid are the primary funding source for services for providers, and need to be modified to facilitate access to services and supports in the most integrated setting. This waiver redesign will address ID/DD silos and streamline access to services. Any change in the ID/DD waiver structure will have a significant impact on how the CSB provides services, and will have an even greater effect on the partner agencies with which the CSB contracts to provide community services. Changes to reimbursement rates and reimbursable services may require an increase in local support or changes in service delivery. The impact of the settlement agreement continues to evolve and the CSB will continue to adjust supports and business practices to fulfill state and federal requirements.

The implementation of this settlement agreement has already had an impact on local services. State efforts to comply with court direction have increased the number of individuals seeking intellectual disability services from local CSBs, with an accompanying increase in the level of intensity of services needed. The settlement agreement requires local CSBs to increase discharge planning, oversight of transition to community services, ongoing monitoring, and enhanced support coordination for individuals who are being discharged from the training centers. New requirements for enhanced support coordination include monthly, rather than quarterly, face-to-face visits, increased monitoring, and extensive documentation. The settlement also requires enhanced support coordination services for current recipients of intellectual disability (ID) Medicaid waiver. As a result, the average caseload per Support Coordinator has been decreased from 30 to 25 to meet increased workload demands, with the goal of further caseload reductions in the future. Of the 875 individuals receiving active Targeted Support Coordination services in FY 2015, CSB determined approximately 40 percent met the new ECM criteria. While CSB will continue to strategically allocate staff resources to those with the most urgent needs, an additional $2.30 million and 22/22.0 FTE positions has been identified for FY 2018 to meet federal and state requirements.

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

Fairfax County was awarded grant funding from the U.S. Department of Justice, Office for Violence Against Women to staff and operate a Fairfax County Domestic Violence Action Center. This is a collaborative effort among several County agencies as well as two nonprofit agencies. The original grant award supported 5/4.5 FTE grant positions in three County agencies. Funding was decreased and in order to continue these vital services, 3/2.5 FTE positions were converted to merit status in the General Fund as part of the FY 2016 Adopted Budget Plan. Partial grant funding is available through FY 2017; however, it is unclear whether funding will be available beyond FY 2017. Therefore, the remaining 2/2.0 FTE positions and $0.38 million have been identified for FY 2018 in order to maintain this critical unit. Staff will continue to monitor funding opportunities and pursue all options to preclude the need for General Fund support.

All Other Increases

The major categories of additional requirements that have been identified for FY 2018 are discussed below:

Capital Construction and Debt Service

A significant increase in capital construction funding is needed in order to meet the County's backlog of requirements. The last several years have reflected increases to start this process. An increase of $5.00 million is identified at this time for FY 2018. As capital requirements are refined over the upcoming year this amount will be revisited and the priority projects will be identified for its use.

In addition, a debt service increase of $11.00 million is identified for FY 2018 to reflect the required costs for County bond projects supporting the County's Capital Improvement program (CIP). The estimate for FY 2018 is consistent with the projects outlined in the CIP and will be refined based on the timing of bond sales and cashflow requirements at the time of the sale. The actual debt service requirement will be based on the size and timing of the sale and the interest rate received by the County.

Ad-Hoc Police Practices Review Commission Recommendations

Funding of $7.50 million is identified as a requirement for continued implementation of the recommendations of the Ad-Hoc Police Practices Review Commission. The commission was formed to review all Police Department policies related to critical incidents, including those policies related to use-of-force training, threat assessments, the Internal Affairs Division, and the release of information. The commission has recommended changes to the Police Department's policies and procedures as well as changes that will require the collaboration of multiple County agencies through the Diversion First initiative to redirect individuals with mental illness from the judicial system into the health care system. This funding, when combined with the $7.50 million included in the FY 2017 Adopted Budget Plan, would bring total funding for commission recommendations to $15.00 million out of a total estimated cost of $35 million.

Contract Rate Adjustments

Based on the assumption that pay increases would be funded in FY 2018 for County employees, an average contract rate adjustment of 2 percent or $3.50 million is identified for contract rates in the Department of Family Services, Health Department, Office to Prevent and End Homelessness, Department of Neighborhood and Community Services, County Transit Services and Fairfax-Falls Church Community Services Board. Individual contracts would not be guaranteed a contract rate increase of 2 percent if this increase were funded, but the negotiated increases that are effective in FY 2018 would be funded from this adjustment.

Fairfax-Falls Church Community Services (CSB) Board Sheltered Employment

Funding of $1.90 million is identified for employment and day services in FY 2018 to support increased costs for individuals currently served in Sheltered Employment. In response to the nationwide "Employment First" movement, two of four Northern Virginia providers offering sheltered employment to 69 individuals eliminated the service in April 2015. CSB staff completed a person-centered assessment for all 69 individuals and placed them in day programs by the end of October 2015. While the remaining two providers do not have plans to eliminate sheltered employment yet, new requirements in FY 2017 – FY 2018 may preclude their ability to continue this service. Currently, one of the providers is not accepting new referrals. Due to the DOJ Settlement Agreement, Medicaid Waiver redesign, reimbursement requirements, and a new regional contract for employment and day services that went into effect during the latter part of FY 2016, it is uncertain how long the remaining two providers will continue to offer sheltered employment as a service option. As part of the *FY 2015 Carryover Review*, the

Board of Supervisors approved the establishment of a $1.6 million ID Employment and Day Reserve to ensure the County has sufficient funding to provide employment and day services to individuals with intellectual disabilities in the event of increased costs due to the reduction or elimination of sheltered employment as a service option. The $1.9 million that has been identified represents an estimated cost if all 198 individuals formerly or currently in sheltered employment programs at the four Northern Virginia providers were transitioned to the next highest service level (Habilitation – Day). The CSB will continue to work to develop a plan to transform ID Employment and Day Services given the changing landscape mentioned above.

Fairfax-Falls Church Community Services Board Intellectual Disability Services (IDS)
An increase of $1.50 million would support the June 2017 special education graduates of Fairfax County Public Schools turning 22 years of age who are eligible for day support and employment services who currently do not have a funding source for such services. This funding would be required to maintain the program as currently designed and prevent any Special Education graduates from being without services.

PC Replacement/Tech Infrastructure
Funding of $1.50 million is identified to address PC Replacement and Infrastructure-related requirements in the Department of Information Technology (DIT). As part of the FY 2015 annual budget process, DIT performed a significant review of the PC Replacement program, at which time the program shifted from a four-year replacement cycle to a five-year replacement cycle. In addition, the number of PCs included in the program and the number of software licenses possessed by the County was increased. Based on the increased number of PCs and software licenses included in the program, increased General Fund support of $708,500 was originally included in the FY 2015 Advertised Budget Plan. This funding was removed from the budget as part of final deliberations; as it was determined that sufficient balance was available to implement program changes without additional funds in FY 2015. However, it is projected that balance will no longer be available by FY 2018.

In addition, funding is needed to update the current chargeback system for technology infrastructure as the system has not been updated following the transition of the County financial and business systems to FOCUS. Additional analysis is being conducted to review current and long-term expenditure requirements based on the modern technology capabilities and associated costs. Once this is complete, specific recommendations for revising the model for charging user agencies (including FCPS) at an appropriate level will be made as part of the FY 2018 budget process.

Information Technology (IT) Project Support
The County's strategic IT investments in major technology projects improve access to County services, promote government operational efficiencies and effectiveness, and increase performance and security capabilities. They include automation for County agencies, requirements aligned with countywide strategic importance, enterprise technology infrastructure, and enterprise-level or inter-agency corporate systems. The County's technological improvement strategy has two key elements. The first element is to provide an adequate infrastructure of basic technology for agencies in making quality operational improvements and efficiencies. The second is to redesign business processes and apply technology to achieve large-scale improvements in service quality and achieve administrative efficiencies. The County's long-term commitment to providing quality customer service through the effective use of technology is manifested in service enhancements, expedited response to citizen inquiries, improved operational efficiencies, better information for management decisions and increased performance capabilities. In FY 2018, an increase of $1.50 million has been identified to accommodate necessary information technology projects.

Fairfax-Falls Church Community Services (CSB) Psychiatrist Pay and Emergency Services

Funding of $1.25 million has been identified for compensation adjustments in FY 2018 for psychiatrists and emergency services personnel. Recently, CSB Medical Services experienced considerable difficulty retaining and recruiting qualified psychiatrists, particularly those specializing in children's and emergency services, as well as services to the Spanish-speaking community. CSB Emergency Services experienced similar difficulties with personnel providing crisis intervention and stabilization services such that the average wait time for face-to-face services exceeded one hour for several months. CSB, in collaboration with the Department of Human Resources and the Department of Management and Budget, reviewed current pay plans for the relevant job classes, finding that Fairfax County wages were lower than average based on a local benchmark survey. Compensation adjustments implemented in April 2015 for 25 merit Psychiatrists, 35 non-merit Psychiatrists, and 23 merit Emergency Services staff have resulted in increased retention and successful recruitment for several critical positions vacant for extended periods. As part of the *FY 2015 Carryover Review*, the Board of Supervisors approved an increase of $1.25 million to cover costs associated with these increases. While staff will continue to monitor the impact of these increases on resources for FY 2017, this funding is a placeholder for purposes of the FY 2018 budget.

Maintenance, Utility and Lease Costs

Funding of $1.12 million is identified for increased maintenance, utility, and lease costs at existing and new County facilities including the full-year impact of costs associated with the 274,000 square foot Public Safety Headquarters (PSHQ) expected to be operational in spring 2017. The funding increase for the PSHQ would be $0.37 million of this total and includes utilities, contracted custodial services, repair/maintenance and landscaping.

Fire and Rescue Apparatus

An increase of $1.00 million would support the second year of a multi-year process to gradually increase the annual contributions to the Large Apparatus Replacement Fund and Ambulance Replacement Fund. This funding would be in addition to the department dedicating additional grant funds, additional baseline funds and one-time contributions in support of this effort. Additional contributions are required due to the increasing cost of vehicles and fleet growth. Without additional funding, the replacement reserves will be depleted in the next several years. Starting in FY 2014, FRD has increased its baseline contribution to the Large Apparatus Reserve by $250,000 and has supported some ambulance purchases through the use of Four-for-Life grant funds. FRD, with the assistance of the Department of Management and Budget, has developed several scenarios with the goal of stabilizing the replacement reserve and ensuring sufficient funding is available in future years.

Artemis House

Artemis House, the County's only 24-hour crisis shelter for victims (and their children) of domestic and sexual violence, stalking and human trafficking, is a 34 bed shelter program that provides a safe and comfortable environment for those who are fleeing violence. It is currently located in an area identified for redevelopment and as such a new location for the continuation of these vital services is needed. As staff work to identify a suitable new location for the domestic violence shelter, there is also an overwhelming need to expand capacity. The current bed count equates to only one bed for every 31,000 residents in the County. This compares to the national standard of one bed for every 14,000 residents. Additionally, last year Artemis House turned away 250 families. Funding of $0.68 million is needed to expand capacity, as well as cover the additional costs of contracted services and rent.

Change in the Minimum Qualifications for School Health Aides

Funding of $0.50 million is identified as a result of a change in the minimum qualifications for an entry level School Health Aide. This change is commensurate with the more advanced knowledge and skills required to address the complex health conditions of Fairfax County Public School students.

Medically Fragile Program

The Medically Fragile program provides one-on-one nursing services for medically fragile students enrolled in Fairfax County Public Schools. If a student is found eligible, services are mandated under federal law. The Medically Fragile program serves both full-time and preschool students. There was a significant increase in the number of students found eligible for one-on-one nursing services between the 2014-2015 school year and the 2015-2016 school year. It is anticipated that this number will continue to grow for the 2016-2017 school year as more medically fragile students are entering the school system at the age of preschool and remaining in the system until the completion of their school years. Funding of $0.40 million is identified for FY 2018 to address the anticipated increased demand for these mandated services.

Fairfax County Public Library Non-Fiction Collection

Funding of $0.25 million is identified to expand the Fairfax County Public Library's non-fiction collection. This funding would secure approximately 13,000 new non-fiction titles, bolstering the most underfunded segment of the library's collection.

Next Steps in the Multi-Year Process

Balancing the FY 2018 Budget

While the revenue projections and inventory of disbursement priorities included in this section set the stage for the FY 2018 budget, significant effort will be required to build and balance the budget. While some of the necessary changes will occur naturally over the next year before the release of the FY 2018 and FY 2019 Multi-Year Budget, others will require policy decisions to be made. It is anticipated that these decisions will be guided by input received from the Board of Supervisors and School Board through their joint meetings in the fall and by the Lines of Business (LOBs) process. The 2016 LOBs exercise was the first step of a multi-year process to shape the County's strategic direction and validate County priorities. The first phase focused on the provision of information on the array of services provided by Fairfax County and discussions with the Board and the community regarding which programs/services should be more closely evaluated. Phase 2 will focus on programs/services to be reviewed for improved efficiency and effectiveness and direction of staff to create project plans around implementation of recommendations from the Board. As a result of the LOBs process, the community and the Board will be fully informed regarding the impacts associated with specific decisions and better positioned to approve a sustainable financial plan to invest in the County's future success. In addition to the efficiencies and reduction options identified through the LOBs process, adjustments to develop a balanced FY 2018 budget could include revenue enhancement options or deferral of a number of the items that have been outlined above.

Conclusion

The FY 2018 budget forecast presents a challenging picture as a result of projections that the County will continue to experience constrained revenue growth. The disbursement increases that could be accommodated within the projected revenue growth are limited, and would not address a number of County and Schools items that have been identified based on information available today. However, there is also the potential for changes as more information is available over the course of the next year. The items that need to be funded in FY 2018 will therefore be considered in the context of Board priorities, and decisions will be made by the County Executive on what specific items to recommend for FY 2018 and which items to exclude or delay until FY 2019 or beyond.

FY 2017

Adopted Budget Plan

Strategic Linkages

Context and Background

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

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

Strategic Thinking

Among the first steps Fairfax County took to improve strategic thinking was to build and align leadership and performance at all levels of the organization through discussions and workshops among the County Executive, senior management and County staff. This initiative included the development of an employee Leadership Philosophy and Vision Statement to help employees focus on the same core set of concepts. This dialogue among the County Executive, senior management and staff has continued over several years and culminated in the development of seven "Vision Elements" for the County, which are consistent with the priorities of the Board of Supervisors. These Vision Elements are intended to describe what success will look like as a result of the County's efforts to protect and enrich the quality of life for the people, neighborhoods, and diverse communities of Fairfax County by:

> **Employee Vision Statement**
>
> As Fairfax County Employees we are committed to excellence in our work. We celebrate public service, anticipate changing needs, and respect diversity. In partnership with the community, we shape the future.
>
> We inspire integrity, pride, trust and respect within our organization. We encourage employee involvement and creativity as a source of new ideas to continually improve service. As stewards of community resources, we embrace the opportunities and challenges of technological advances, evolving demographics, urbanization, revitalization, and the changing role of government. We commit ourselves to these guiding principles: Providing Superior Service, Valuing Our Workforce, Respecting Diversity, Communicating Openly and Consistently, and Building Community Partnerships.

Strategic Linkages

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

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

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

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

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

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

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

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

Strategic Linkages

Strategic Planning

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

Lines of Business (LOBs)

The County unveiled a comprehensive Lines of Business (LOBs) initiative in 2016, the first step of a multi-year process to shape the County's strategic direction and validate County priorities. The LOBs process will cross multiple years and consist of two phases. Initially, LOBs are anticipated to be used to educate readers on the array of services provided by Fairfax County and to begin discussions at the Board of Supervisors and community levels regarding which programs/services should be more closely evaluated. Phase 2 will focus on programs/services to be reviewed for improved efficiency and effectiveness and direction of staff to create project plans around implementation of recommendations from the Board. Ultimately, the Board will be better positioned to approve a sustainable financial plan to invest in the County's future success.

In summary the timeline for the LOBs process is as follows:

Phase 1

- Presentation and discussion of LOBS (January – September 2016)

Phase 2

- Next steps identified by the Board (January – April 2016)
- Project plans/timelines developed by staff (April – June 2016)
- Reports to the Board on projects (Fall 2016 – July 2017)

The ultimate linkage to the budget is in the context of 8 years of budget reductions which have resulted in the elimination of more than 700 positions and $300 million. More detail on recent budget reductions can be found at: http://www.fairfaxcounty.gov/dmb/budget-reductions.htm. Any budget adjustments will need to be made with the recognition that the County's priorities will be impacted and, thus, thorough evaluation is needed. As a result of the LOBs discussion, the community and the Board will be fully informed regarding the impacts associated with specific decisions.

The $7 billion budget of the County includes a vast array of programs and services to support the diverse population of more than one million people. Essentially, LOBs is one way in which to inventory, catalog and examine all these programs and services. The County offers a full range of municipal services in exchange for taxes or other fees paid. These services include, but are not limited to, public education; public safety such as police, fire, emergency medical services, 9-1-1, and correctional facilities; human services such as public assistance, child and adult protective services, childcare, health, etc.; public works; transportation; planning and zoning; parks and libraries; and stormwater and sanitary sewer, among other functions deemed necessary by the government. Many of the programs and services are primarily funded from revenue collected from residential real estate taxes and personal property revenues. These funding streams are referred to as the General Fund. Other significant revenue sources support specific programs such as Solid Waste, Wastewater and are referred to as Other Funds.

It is important to note that LOBs are typically more discrete than the County budget and provide more information on specific functions of the County.

The County has 390 Lines of Business covering all funding sources. The Lines of Business discussion focus on the approximately 47 percent of the General Fund that is non-school, as well as all other non-General Fund services. The complete list of LOBs from #1-390, as well as completed LOBs documents, are available at http://www.fairfaxcounty.gov/budget/2016-lines-of-business.htm. This information is typically organized by County department; however, it is also accessible in a number of different ways to attempt to customize access to a variety of readers. LOBs can be viewed by choosing the LOB number, the department, a category, by Vision Element, a key word search, or by program area.

The other 53 percent of the General Fund is directly utilized in support of the Fairfax County Public Schools (FCPS). The intersection of the County LOB process with FCPS is joint work on several cross-cutting areas to identify opportunities:

- Transportation services
- School Health services
- Behavioral Health services

This joint work with FCPS is also anticipated to cross multiple years. Staff will present first phase recommendations at a joint meeting of the respective Boards in March 2016.

The development of the LOBs is a monumental task involving staff throughout County government. Staff has been working on the process since 2014. One of the important objectives of providing information such as an inventory of services is to present information comprehensively and in a consistent manner. However, one of the primary goals of the LOBs process is to have County departments tell their respective and collective stories. Therefore, the framework of the LOBs is consistent from department to department, but depending on the specific LOBs, departments have taken different approaches to laying out the information and have chosen which sections on which to focus. In addition, in the case of services that cross multiple funds such as Housing, Transportation, Parks, Solid Waste, Wastewater, and Benefits to Employees and Retirees, some LOBs have been consolidated across multiple funds and funding streams to tell the story more comprehensively and to aid in telling the story more clearly.

Economic Strategic Plan

Over the past year, Fairfax County has been updating its vision for creating an environment conducive to economic success. The Board of Supervisors' Economic Advisory Commission (EAC) worked collaboratively with County executive leadership and staff to develop The Strategic Plan to Facilitate the Economic Success of Fairfax County, ("Strategic Plan") an update of the 2011 EAC Strategic Plan. A broad spectrum of stakeholders in the community participated in validating the Strategic Plan goals and strategies, including representatives in business, higher education, transportation, land development, housing, tourism, arts, health, human services, the Fairfax County Economic Development Authority, among others.

Fairfax boasts one of the strongest and largest economies in the region. However, the county needs to continue expanding its economic efforts as the region confronts:

- Fewer federal jobs due to the recession and sequestration;
- Slowing wage growth;
- Differential job recovery rates that has focused on new employment sectors; and
- Higher office vacancy rates.

The resulting EAC Strategic Plan focuses on six policy recommendation goal areas to support economic vibrancy:

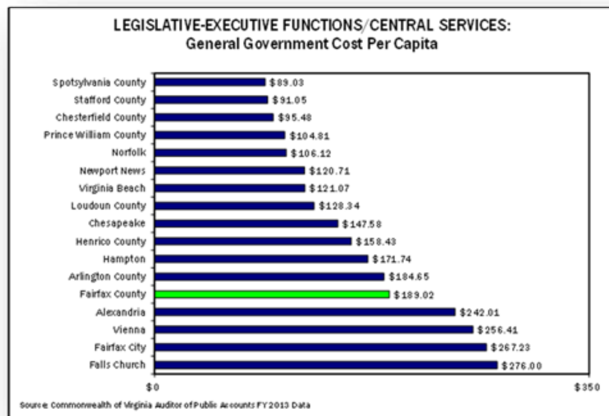
- Further diversifying our economy
- Creating places where people want to be
- Improving the speed, consistency, and predictability of the County's development review process
- Investing in natural and physical infrastructure
- Achieving economic success through education and social equity
- Increasing the agility of county government

Success of the Strategic Plan will require broad participation from numerous county agencies as well as the participation of our private sector partners on item-specific Action Teams. These Action Teams will review actions; propose prioritization; determine metrics; and lead implementation of individual actions. Oversight of the Action Teams will be managed by the Office of the County Executive. Additional resources will be required for implementation of these recommendations and will be identified through the Action Teams.

<u>Performance Measurement</u>

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

Fairfax County also uses benchmarking, the systematic comparison of performance with other jurisdictions, in order to discover best practices that will enhance performance. The County has participated in the International City/County Management Association's (ICMA) benchmarking effort since 2000. According to ICMA, about 150 cities and counties provide comparable data annually in the following service areas: Police, Fire/EMS, Library, Parks and Recreation, Youth Services, Code Enforcement, Refuse Collection/Recycling, Housing, Fleet Management, Facilities, Information Technology, Human Resources, Risk Management and Purchasing, although not every participating jurisdiction completes every template. ICMA performs extensive data cleaning to ensure the greatest accuracy and comparability of data. In service areas that are not covered by ICMA's effort, agencies rely on various sources of comparative data prepared by the state, professional associations and/or nonprofit/research organizations. It is anticipated each year that benchmarking presentations will be enhanced based on the availability of information. Cost per capita data for each program area, (e.g., public safety, health and welfare, community development) has also been included at the beginning of each program area summary in Volume 1 of the <u>FY 2017 Adopted Budget Plan</u>. The Auditor of Public Accounts for the Commonwealth of Virginia collects this data and publishes it annually. The jurisdictions selected for comparison are the Northern Virginia localities, as well as those with a population of 100,000 or more elsewhere in the state.



Strategic Linkages

The FY 2017 Adopted Budget Plan features an "agency dashboard" for every General Fund and General Fund Supported agency. These dashboards identify key drivers for these agency budgets. These dashboards are not replacing agency performance measures, but rather provide an additional snapshot of relevant statistics that pertain directly to why our agencies are funded as they are. The purpose of these drivers is to keep County decision-makers aware of this key data and how they are changing over time. Drivers will change over time and these drivers will be built into the annual budget process and into needs discussions with the community. This visual representation of what is driving the County's budget will improve the communications with the public and the Board as it relates to specific budget requests. The County Executive also developed a countywide dashboard to provide a snapshot of data, including commercial and residential real estate data, projected School enrolment data, and increases in employee compensation.

AGENCY DASHBOARD

Key Data	FY 2013	FY 2014	FY 2015
1. Number of screenings, investigations, and treatment for selected communicable diseases	28,032	34,550	32,485
2. Number of vaccines administered to children	27,849	30,590	34,417
3. Number of primary care visits provided through the Community Health Care Network	50,287	50,174	48,100
4. Number of student visits to school health rooms	770,744	731,306	793,252
5. Number of Environmental Health community-protection activities: inspections, permits, and service requests	29,640	30,983	29,543
6. Number of community members served through outreach and health promotion activities	16,672	23,423	42,477

Agency Dashboard for the Health Department

Employee Compensation

Of course, the most critical factor in the County's budget is compensation, which accounts for the majority of expenditures in agency budgets, to pay the highly skilled, dedicated thousands of employees who provide service delivery to the County's residents. The FY 2017 Adopted Budget Plan includes $43.01 million for increases in employee compensation (pay and benefits).

Funding of $15.38 million is included for a 1.33 percent market rate adjustment (MRA) increase effective July 2016 for all employees. The MRA provides a guide to the amount of pay structure adjustment needed to keep County pay rates competitive with the market. It is based on a calculation approved by the Board of Supervisors.

In addition, funding of $11.73 million is included for the General County employee pay increases included in the budget which reflects the new performance and longevity program for all eligible general County employees approved by the Board of Supervisors in Fall 2014. The funding reflects increases effective July 2016 for graduated performance increases, based on where employees are on the pay scale, and the 4 percent longevity increases provided to employees who reach 20 or 25 years of service each year. In FY 2017, all employees reaching 20 or 25 years of service as of June 30, 2016 will be eligible for a 4 percent longevity increase. Employees receiving a longevity award do not receive a performance award. The performance increases range from 3 percent for employees within 15 percent of the bottom of the pay scale to 1.25 percent for employees within 25 percent of the top of the pay scale. The average increase in FY 2017 is 2 percent.

In FY 2017, all employees reaching 20 or 25 years of service as of June 30, 2016 will be eligible for a 4 percent longevity increase. Employees receiving a longevity award do not receive a performance award. The performance increases range from 3 percent for employees within 15 percent of the bottom of the pay scale to 1.25 percent for employees within 25 percent of the top of the pay scale. The average increase in FY 2017 is 2 percent.

Another integral component of the employee compensation plan is funding of $8.50 million for the public safety pay increases which reflect merit and longevity increases for all eligible public safety employees. The funding reflects the full-year impact of merit and longevity increases provided to uniformed employees in FY 2016 and the partial-year costs for merit and longevity increases provided to uniformed employees in FY 2017 since all increases are effective on the employee's anniversary date. Merit increases are awarded to public safety employees as they progress through the pay scale. Public safety employees who have reached a length of service (15 and 20 years) milestone and have reached the top step of their pay scale are eligible for longevities. Merit and longevity increases are each 5 percent for public safety employees. In any given year between 40 and 50 percent of public safety employees are eligible for one or the other.

The FY 2017 budget includes an increase of $3.63 million in employer contributions to the retirement systems. Of this amount, an increase of $3.58 million is for fiduciary requirements associated with the County's retirement systems and as a modest investment to strengthen our funding ratios. This increase includes a change to the amortization schedule to increase the amortization of the unfunded actuarial accrued liability from 95 percent to 97 percent, funding the next step toward meeting the County's policy to include amortization of 100 percent of the unfunded liability in the actuarially determined contributions for each of the systems by FY 2020. Although each system posted positive investment returns in FY 2015, all three systems were below the 7.5 percent assumed rate of return. The Employees' system returned 0.5 percent, the Uniformed system was up 1.5 percent, and the Police Officers system returned 3.4 percent. The FY 2015 investment results, contribution levels, and liability experience affected the funding ratios as demonstrated in the table below. The table below displays plan fiduciary net position as a percentage of the total plan liability as published in the County's Comprehensive Annual Financial Report (CAFR) and as required under new GASB requirements. It should be noted that since these calculations utilize asset figures as of a point in time (not smoothed as under previous methodologies), the funding ratios calculated are subject to volatility based on market returns.

	June 30, 2014	June 30, 2015
Employees'	78.3%	74.2%
Uniformed	85.2%	81.0%
Police Officers	86.8%	84.8%

The remaining increase of $0.05 million is due to a reduction in the Social Security offset for service-connected disability retirees from 15 percent to 10 percent. This is the first year of a 3-year plan to eliminate the offset as directed by the Board of Supervisors. The employer contribution rates for the Employees' and Uniformed systems are required to increase due to this change, resulting in an increase of $0.05 million. In addition, the retirement system funding strategy approved by the Board of Supervisors as part of the adoption of the FY 2016 Adopted Budget Plan requires that the increase in the liability of the systems as a result of this benefit enhancement be funded with a one-time increase in General Fund contributions. As part of the *FY 2016 Third Quarter Review*, the Board of Supervisors approved a one-time increase of $1.99 million to fund this increase in liability.

The FY 2017 Adopted Budget Plan includes a net increase of $0.86 million in Health Insurance and Other Benefits, primarily due to the full-year impact of calendar year 2016 premium increases and costs associated with a projected 7 percent premium increase for all health insurance plans, effective January 1, 2017. It should be noted that these premium increases are budgetary projections only, and final premium decisions will be made in the fall based on updated claims experience. Increases related to health insurance are partially offset by projected savings in fringe benefits based on year-to-date experience.

Workforce Planning

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

In FY 2008, Fairfax County added a Succession Planning component to workforce planning. The Succession Planning process provides managers and supervisors with a framework for effective human resources planning in the face of the dramatic changes anticipated in the workforce over the next five to ten years. It is a method for management to identify and develop key employee

competencies, encourage professional development and contribute to employee retention. A very significant number of employees will be eligible for retirement over the next several years. By December 31, 2015, 25 percent of all merit employees will be eligible for retirement. In specific job categories, those numbers are even greater. For example, by December 31, 2015, 58 percent of County non-public safety senior managers will be eligible for retirement and 34 percent of mid-level management will be eligible.

In the public safety agencies the numbers are even higher. In the Police Department by the end of calendar 2015, 82 percent of senior managers and 83 percent of mid-level managers will be eligible for retirement. To address this somewhat staggering trend, the County plans to re-tool and strengthen existing succession planning and knowledge transfer efforts–to build the capacity to support a "promote from within" when appropriate philosophy.

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

Information Technology Initiatives

The County is committed to providing the necessary investment in information technology, realizing the critical role it plays in improving business processes and customer service. Fund 10040, Information Technology Fund, was established to accelerate the redesign of business processes to achieve large-scale improvements in service quality and to provide adequate enterprise-wide technological infrastructure. Consequently, the County is consolidating its investments to accommodate and leverage technological advancements and growth well into the 21st century. Constrained funding will impact the number of new IT projects that can be undertaken in the next year. However, the County continues to explore and monitor all areas of County government for information technology enhancements and/or modifications which will streamline operations and support future savings.

An increase of $2.07 million in General Fund support is the result of additional funding requirements for Information Technology projects. In FY 2017, funding of $6.81 million, which includes a General Fund transfer of $4.77 million, a transfer from Fund 40030, Cable Communications, of $2.00 million, and interest income of $0.04 million, is provided for initiatives that meet one or multiple priorities established by the Senior Information Technology Steering Committee. These initiatives include a mix of projects that provide benefits for both residents and employees and that adequately balance new and continuing initiatives with the need for securing and strengthening the County's technology infrastructure. Funded projects will support initiatives in general County services, public safety, human services and enterprise technology security and infrastructure. Although many initiatives meet more than one of the technology priorities, for simplicity, projects have been grouped into only one priority area.

Strategic Planning Links to the Budget

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

- *Agency Narratives*: Individual agency narratives identify strategic issues, which were developed during the agency strategic planning efforts, link core services to the Vision Elements and expand the use of performance measures to clearly define how well the agency is delivering a specific service. Agency narratives are included in budget Volumes 1 and 2.

- ***Program Area Summaries***: Summaries by Program Area (such as Public Safety, Health and Welfare, Judicial Administration) provide a broader perspective of the strategic direction of several related agencies and how they are supporting the County Vision Elements. This helps to identify common goals and programs that may cross over departments. In addition, benchmarking information is included on program area services to demonstrate how the County performs in relation to other comparable jurisdictions. Program area summaries are included in budget Volumes 1 and 2.

- ***Key County Indicators***: The Key County Indicator presentation provides several performance measurement indicators for each Vision Element. The presentation gives the reader a high-level perspective on how the County is doing as a whole to reach its service vision. The presentation of Key County Indicators will continue to be refined to ensure that the measures best represent the needs of the community. A detailed presentation and discussion of the FY 2014 Key County Indicators is included following this discussion.

- ***Schools***: The Fairfax County Public Schools provide an enormous contribution to the community and in an effort to address the County's investment in education and the benefits it provides, a list of Fairfax County School Student Achievement Goals are included following the Key County Indicator presentation.

Next Steps

The development of the County's leadership philosophy and emphasis on strategic planning is an ongoing process that will continue to be refined in the coming years. The County budget is extremely well received within the County and nationally. As a measure of the quality of its budget preparation, Fairfax County was awarded the Government Finance Officers Association's Distinguished Budget Presentation Award by meeting rigorous criteria for the budget as a policy document, financial plan, operations guide, and communications device for the 30th consecutive year. In July 2015, Fairfax County was one of only 33 jurisdictions to receive ICMA's highest recognition for performance measurement, the "Certificate of Excellence." The County will continue to build on this success for future budget documents in order to enhance the accountability, transparency, and usefulness of the budget documents.

Key County Indicators

Introduction

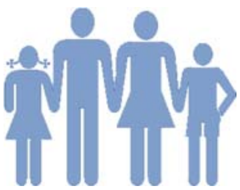
The Key County Indicator presentation communicates the County's progress on each of the Vision Elements through key measures. The Indicators were compiled by a diverse team of Fairfax County senior management and agency staff through a series of meetings and workshops. Indicators were chosen if they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

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

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

jurisdictions of its size. Benchmarking data is presented within the program area summaries in budget Volumes 1 and 2.

The following presentation lists the Key County Indicators for each of the Vision Elements, provides actual data from FY 2013, FY 2014, and FY 2015, and it includes a discussion of how the Indicators relate to their respective Vision Elements. In addition, the Corporate Stewardship Vision Element includes FY 2016 and FY 2017 estimates in order to present data related to the current budget. For some indicators, FY 2014 is the most recent year in which data are available, and FY 2015 Actuals will be included in the following year's budget document. All of the indicator data are for Fairfax County only, listed by Fiscal Year, unless otherwise noted in the text.



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

Key County Indicators	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual
Ratio of Crimes Against Persons Offenses to 100,000 County Population (Calendar Year)[1]	718.7	685.9	685.3
Clearance rate of Crimes Against Persons Offenses (Calendar Year)[1]	65.6%	65.7%	58.6%
Percent of time Advanced Life Support (ALS) transport units on scene within 9 minutes	86.7%	89.1%	90.0%
Fire suppression response rate for engine company within 5 minutes, 20 seconds	52.4%	53.0%	51.9%
Percent of low birth weight babies (under 5 lbs 8 oz)	7.2%	6.9%	NA[2]
Immunizations: completion rates for 2 year olds	61%	61%	62%
Virginia Department of Education (VDOE) On-Time Graduation Rate	92.0%	92.9%	92.7%
Children in foster care per 1,000 in total youth population	1.01	0.75	NA[3]
Percent of seniors, adults with disabilities and/or family caregivers who express satisfaction with community-based services that are provided by Fairfax County to help them remain in their home/community	94%	94%	93.5%
Percent of restaurants operating safely[4]	98.9%	NA	NA
Percent of food service establishments found to be in compliance, at the completion of the inspection cycle, with control measures that reduce the occurrence of foodborne illness[4]	NA	NA	90%

[1] Prior year actuals have been revised to include statistics associated with Crimes Against Persons Offenses. In prior years, these indicators reported on "Violent" Group A Offenses assigned to the Criminal Investigations Bureau. This change was made to be consistent with Fairfax County Police Department's annual report on Group A Offenses.

[2] Prior year actuals on the percent of low birth weight babies are provided by the Virginia Department of Health, and FY 2014 is the most recent data available in time for budget publication.

[3] Prior year actuals on Children in foster care per 1,000 in total youth population are provided by the American Community Survey (ACS) of the United States Census Bureau, and FY 2014 is the most recent data available in time for budget publication.

[4] The Fairfax County Health Department (FCHD) has adopted the Results-Based Accountability (RBA) approach to measure impact across the system, foster joint accountability, and collectively strengthen programs and services. As a part of this effort, for FY 2015 the FCHD

revised this performance measure to better reflect desired client and community health outcomes; therefore, data is no longer being collected for this measure. The new performance measure captures the "percent of food service establishments found to be in compliance, at the completion of the inspection cycle, with control measures that reduce the occurrence of foodborne illness."

Fairfax County is one of the nation's safest jurisdictions in which to live and work. In CY 2015, the Fairfax County **ratio of 685.3 Crimes Against Persons Offenses** per 100,000 residents reflected one of the lowest rates of any large jurisdiction in the United States. It is important to note that Crimes Against Persons Offenses includes all Forcible and Non Forcible Sex Offenses, Kidnappings/Abductions, Homicides and Assaults that were reported to the Police Department. In the past, this indicator reported on the ratio of "Violent" Group A Offenses per 100,000 residents that were assigned to the Criminal Investigations Bureau. The Crimes Against Persons indicator will be used in the future to be consistent with Fairfax County Police Department's annual report on Group A Offenses which can be accessed via the following link http://www.fairfaxcounty.gov/police/crime/statistics/.

In CY 2015, the case **clearance rate of Crimes Against Persons Offenses** was 58.6 percent. This rate remained high when compared to similar jurisdictions across the nation.

The Fairfax County Fire and Rescue Department Advanced Life Support (ALS) and fire unit measures are standards set by the National Fire Protection Association (NFPA). The **five minute and 20 seconds fire suppression response standard** of the NFPA was met 51.9 percent of the time in FY 2015. **Advanced Life Support transport units arrived on the scene within 9 minutes** 90.0 percent of the time in FY 2015.

The health and well-being of children in Fairfax County is evident in the low percentage of children born with **low birth weight** and the high **immunization completion rates** for two-year-olds. The County's FY 2014 incidence rate of 6.9 percent of low birth weight babies compares favorably against the state average of 7.9 percent. The FY 2015 immunization completion rate of 62 percent for two-year olds was slightly higher than in FY 2014. The Health Department will strive to achieve a completion rate of 61 percent in FY 2016. It is important to note that by the time of school entry, many children are adequately immunized, although they may have lacked these immunizations at the age of two. Fairfax County also funds numerous programs to help children stay in school and provides recreational activities in after-school programs. These services contributed to the County's FY 2015 **Virginia Department of Education (VDOE) On-Time Graduation rate** of 92.7 percent. In FY 2014, the **ratio of children in foster care per 1,000** in the total population of children 0–18 years old was 0.75. Fairfax County remains committed to further decreasing the number of children in foster care as well as reducing the time spent in foster care through intensive prevention and early intervention efforts and a stronger emphasis on permanent placements of children in foster care who are unable to return safely to their families.

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

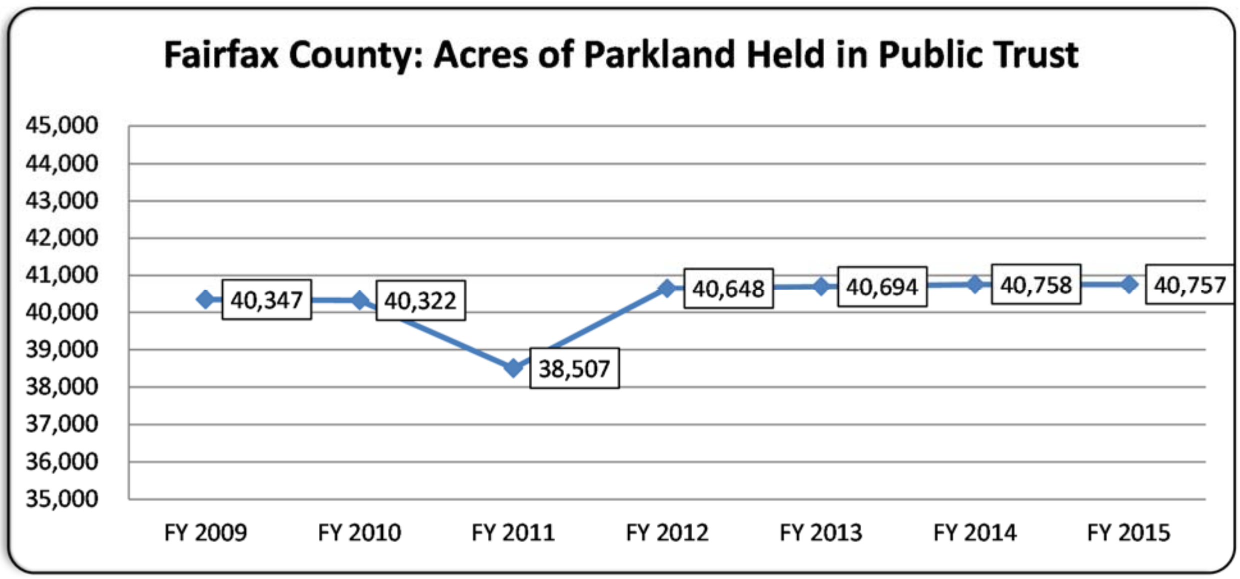
The County continues to be successful in **caring for older adults and persons with disabilities by helping them stay in their homes** as indicated by the 93.5 percent combined satisfaction rating for two support programs: Adult Day Health Care (ADHC) and Congregate Meals programs. ADHC satisfaction was 99 percent in FY 2015. Department of Family Services staff solicited input from Congregate Meal clients, including the growing ethnic client population, and continued to work with food vendors to revise food options accordingly. Client satisfaction decreased slightly in FY 2015 to 88 percent.

Fairfax County is committed to protecting the health of its residents, and in FY 2013, 98.9 percent of **restaurants operated safely**. This measure reflects restaurants that do not present a health hazard to the public and are determined to be safe at the time of inspection, otherwise the operating permit would be suspended and the restaurant would be closed. Beginning in FY 2015, the Fairfax County Health Department (FCHD) will utilize the Results-Based Accountability (RBA) approach to measure impact across the system, foster joint accountability, and collectively strengthen programs and services. As a part of this effort, the FCHD revised this performance measure to better reflect desired client and community health outcomes; therefore, data is no longer being collected for this measure. The new performance measure will capture the "percent of food service establishments found to be in compliance, at the completion of the inspection cycle, with control measures that reduce the occurrence of foodborne illness." In FY 2015, 90 percent of food service establishments were found to be in compliance with control measures.

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

Key County Indicators	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual
Acres of parkland held in public trust	40,694	40,759	40,766
Miles of trails and sidewalks maintained by the County	656	656	669
Annual number of visitations to libraries, park facilities and recreation and community centers	11,214,421	11,001,119	11,100,982
Value of construction authorized on existing residential units	$118,603,613	$114,540,853	$124,263,353
Annual percent of new dwelling units within business or transit centers as measured by zoning approvals	96.0%	87.0%	90.2%
Percent of people in the labor force who both live and work in Fairfax County	54.2%	54.8%	54.5%
Number of affordable rental senior housing units	3,119	3,119	3,135

Many of the indicators above capture some aspect of quality of life for Fairfax County residents and focus on the sustainability of neighborhoods and the community. The amount of **acres of parkland held in public trust** is a preservation of open space that enhances the County's appeal as an attractive place to live. This indicator measures parkland in the County held by the Fairfax County Park Authority, the Northern Regional Park Authority, state and federal governments, and other localities. In FY 2015, there was a net increase in acres due to revised calculations related to Fairfax County, Bureau of Land Management, and NOVA Conservation Land Trust. This adjustment brought the FY 2015 total acreage to 40,766. In addition, the availability of trails and sidewalks supports pedestrian friendly access, and accessibility for non-motorized traffic. This indicator is measured by the **miles of trails and sidewalks** that are maintained by the Department of Public Works and Environmental Services (DPWES). A GIS-based walkway inventory now provides a more accurate estimate of miles. By the end of FY 2015, DPWES maintained 669 miles of trails and sidewalks. In addition to miles maintained by the County, approximately 1,678 miles are maintained by the Virginia Department of Transportation (VDOT) and approximately 326 miles are contained within County parks. In addition, approximately 1,116 miles of walkway are maintained by private homeowners associations. The number of walkways in the County contributes to the sense of



community and connection to places. The County will continue to improve pedestrian access and develop walkways through the use of funding support from a variety of sources, including bond funding and the commercial and industrial real estate tax for transportation.

Availability and **use of libraries, parks and recreation facilities** is often used as a "quality-of-life" indicator and is cited as a major factor in a family's decision for home location and a company's decision for site location. In the fall of 2012, the voters approved a bond referendum in the amount of $25 million to renovate four priority library facilities. These libraries include Pohick, Tysons Pimmit, Reston and John

The County maintains 669 miles of trails and sidewalks in addition to the nearly 1,678 miles of trails and sidewalks maintained by the Virginia Department of Transportation within Fairfax County's boundaries.

Marshall. The renovations will provide for upgrades to all of the building systems, including roof and HVAC replacement, which have outlived their useful life and will be designed to accommodate current operations and energy efficiency. In addition, the renovations will provide a more efficient use of the available space, meet customers' technological demands and better serve students and young children. The quiet study areas and group study rooms will be improved, the space to accommodate a higher number of public computers will be increased, and wireless access will be enhanced. In FY 2015, the number of visits to all libraries, parks and recreation facilities increased to 11,100,982.

Resident investment in their own residences reflects the perception of their neighborhood as a "livable community." In FY 2015, the **value of construction authorized on existing residential units** increased 8.5 percent over FY 2014. This increase is due to improvements to detached residential homes, roofs and decks. When the economy improves, home values start to rise and consumer confidence increases, homeowners start to increase their spending on their home. It is projected that the total value of issued construction permits will rise as the economy and housing market strengthen.

The measure for the **percent of dwelling units within business or transit centers as measured by zoning approvals** provides a sense of the quality of built environments in the County and the County's annual success in promoting mixed use development. The Comprehensive Plan encourages built environments suitable for work, shopping and leisure activities. The County encourages Business Centers to include additional residential development to facilitate an appropriate mix of uses. In FY 2014, approximately 87 percent of the new proffered residential units were located within business or transit centers. This large proportion is attributed to the approval of 2,698 new residential units in Tysons Corner and 1,016 new residential units in other business and transit centers during FY 2014. In FY 2015, 90.2 percent or 3,940 of the new residential units approved through the zoning process in the County were located within business or transit centers. It should be noted that approximately half of the newly approved units located within business or transit centers (approximately 55 percent or 2,385 units) were approved to be located in Tysons Corner. Thus far in FY 2016, 99.3 percent or 3,869 new residential units approved through the zoning process in the County are located within business or transit centers. It should be noted approximately half of the newly approved units located within business or transit centers (approximately 55 percent or 2,150 units) were approved to be located in Tysons Corner. It is expected that the number of new residential units located in business or transit centers other than Tysons Corner will continue to increase during FY 2016.

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

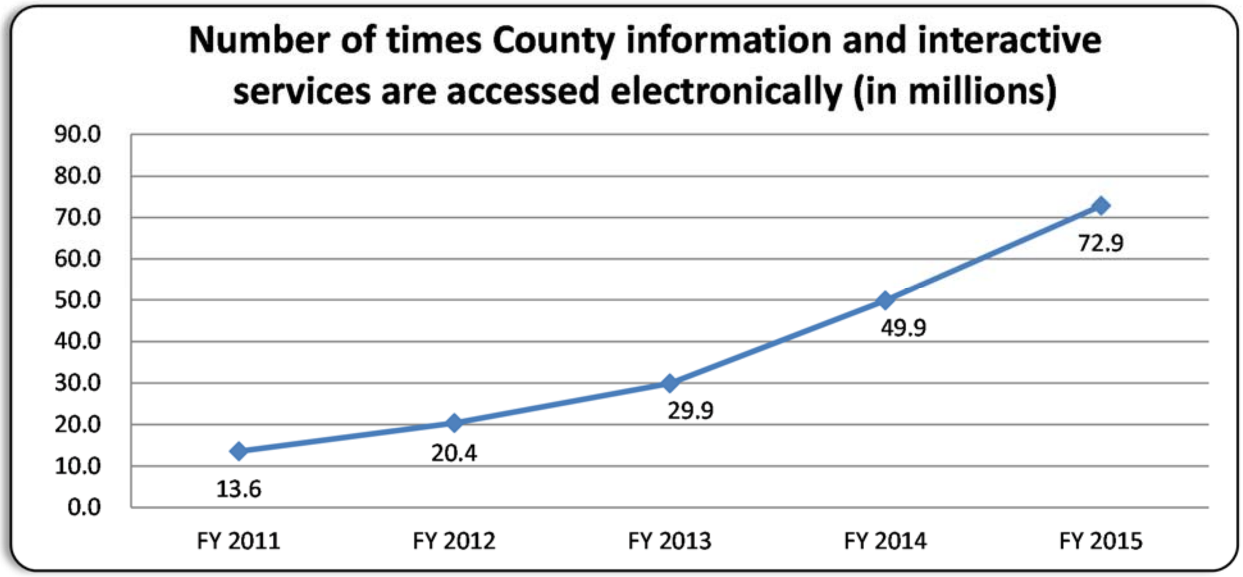
Continued production of affordable senior housing by the Fairfax County Redevelopment and Housing Authority (FCRHA) and others, as well as FCRHA preservation efforts, are helping to offset the loss of affordable senior rental units on the market. As of the close of 2015, there was an inventory of 3,135 affordable senior housing units, including both publicly and privately owned rental apartment complexes.

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

Key County Indicators	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual
Number of times County information and interactive services are accessed electronically (millions)	29.9	49.9	72.9
Library materials circulation per capita	11.5	11.3	10.6
Percent of library circulation represented by materials in languages other than English	1.4%	1.4%	1.5%
Percent change in transit passengers	(3.01%)	(1.19%)	(1.36%)

Fairfax County also has a robust and nationally-known social media program that encourages interaction with and sharing of County information so residents can serve as information ambassadors to friends, neighbors and co-workers who may not otherwise have access (this is especially important during emergencies). By using tools like Facebook, Twitter, YouTube and an emergency blog, Fairfax County delivers a high quality experience for residents on those platforms with relevant, timely and actionable information. The County also interacts directly with residents and reaches people in ways that were not possible a few short years ago. These efforts are paying dividends both for the exchange of information and improving awareness of County resources. For example, recent surveys of County Facebook page fans and County Twitter followers showed that 82 percent of respondents on Facebook and 79 percent of respondents on Twitter said Fairfax County's use of those tools has helped them learn more about their local government, programs and services. Evidence of the County's success in providing useful and convenient access to information and services can also be found in the FY 2015 measure of nearly 73 million total interactions with key County online platforms (website visits, emergency blog views, Facebook daily total reach, Twitter impressions, YouTube video views, and SlideShare presentation views). These numbers will continue to grow as residents increasingly consume, create and interact with official County information.

For residents of Fairfax County who do not have access to a computer at home or at work, or who do not possess the technical skills or are not able to utilize technology due to language barriers, the County utilizes other methods and media to connect them with information and services. Libraries, for example, are focal points within the community and offer a variety of brochures, flyers and announcements containing information on community activities and County services. One indicator of use by the library industry to demonstrate utilization of Fairfax County libraries is demonstrated by the **library materials circulation per capita**, which was 10.6 in FY 2015. This high circulation rate demonstrates the availability of an extensive selection of materials and a desire for library resources among Fairfax County residents. In addition, interest in library resources can be seen in the number of unique visitors to the Library's website, which totaled 4,757,428 in FY 2015. For additional information on benchmarks, please refer to the Parks and Libraries Program Area Summary in Volume 1.



As previously mentioned, Fairfax County is becoming an increasingly diverse community in terms of culture and language. As of 2009, 35.0 percent of Fairfax County residents spoke a language other than English at home. In an attempt to better serve the non-English speaking population, the Fairfax County Public Library has dedicated a portion of its holdings to language appropriate materials for this portion of the community. In FY 2014, 1.5 percent of library circulation was represented by materials in languages other than English. With a circulation of nearly 13 million items by Fairfax County Public Library (FCPL) in FY 2015, the 1.5 percent reported for the circulation of non-English materials represents a significant number of materials being used by a multi-language population.

Another important aspect of connecting people and places is actually moving them from one place to another. The County operates the FAIRFAX CONNECTOR bus service; provides FASTRAN services to seniors; and contributes funding to Metro and the Virginia Railway Express (VRE). The **percent change in transit passengers** measures the impact of County efforts as well as efforts of Metro and the VRE. The County experienced a slight decrease of 1.36 percent in Fairfax County transit passengers in FY 2015, down from 49.3 million in FY 2014 to 48.6 million in FY 2015. FAIRFAX CONNECTOR ridership has shown positive trends with increases in recent years. The ridership decrease of 8.36% in FY 2015 is comparable to regional peers and is attributable to several factors including:

- Reduction in federal transit subsidy
- Low average fuel prices that encourage automobile use
- A mode shift from bus to rail in response to completion of the Silver Line Phase 1
- Possible effects of employment shifts due to sequestration and the economy

In FY 2017, the County will continue its support of Metro Operations and Construction, CONNECTOR bus service, and the VRE subsidy. Additional General Fund support is required for the projected Metro jurisdictional subsidy and for critical CONNECTOR services. For more information, please see Fund 30000, Metro Operations and Construction, and Fund 40000, County Transit Systems, in Volume 2.

While transportation funding and improvements to date have been largely a state function, the County also has supported a large portion of local transportation projects in an effort to reduce congestion and increase safety. The County continues to broaden its effort to improve roadways, enhance pedestrian mobility, and support mass transit through funding available from the 2007 Transportation Bond Referendum and from the commercial and industrial real estate tax for transportation. This tax was first adopted by the Board of Supervisors in FY 2009, pursuant to the General Assembly's passage of the Transportation Funding and Reform Act of 2007 (HB 3202). Commercial and Industrial (C&I) real estate tax revenue is posted to Fund 40010, County and Regional Transportation Projects, and then a portion is transferred to the County Transit Systems budget. In FY 2016, this amount totals $28.5 million. This amount, will be used to provide continued support for West Ox Division rush hour and midday service, enables the continuation of increased frequencies on overcrowded priority bus routes (Routes 171, 401/402 and 950), and continues support for previous years' service expansions at all three operating divisions. Beginning in FY 2014, the County benefits from approximately $125 million annually in regional revenues dedicated to transportation as a result of the State Transportation funding plan approved during the 2013 Session by the General Assembly (HB 2313). On January 28, 2014, the Board approved a list of nearly 230 priority local roadway and transit projects that will require various amounts of staff management, oversight, and review over the foreseeable future. Fund 40010, County and Regional Transportation Projects, provides funding and support for the implementation of projects and services funded with the State Transportation funding plan (HB 2313).

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

Key County Indicators	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual
Total employment (Total All Industries, All Establishment Sizes, equaling the total number of jobs in Fairfax County)	595,638	588,507	596,506
Growth rate	-0.3%	-1.2%	1.4%
Unemployment rate (not seasonally adjusted)	4.4%	4.2%	3.6%
Commercial/Industrial percent of total Real Estate Assessment Base	20.77%	19.96%	19.01%
Percent change in Gross County Product (adjusted for inflation)	-1.2%	-1.6%	1.7%
Percent of persons living below the federal poverty line (Calendar Year)	5.8%	5.8%	6.6%
Percent of homeowners that pay 30.0 percent or more of household income on housing (Calendar Year)	27.4%	26.2%	26.0%
Percent of renters that pay 30.0 percent or more of household income on rent (Calendar Year)	46.8%	44.1%	46.1%
Direct (excludes sublet space) office space vacancy rate (Calendar Year)	14.4%	16.3%	16.2%

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

For years, Fairfax County has benefited from its proximity to the federal government. During the recession, the region was an anomaly in that it shed fewer jobs than most other areas in the country as the federal government increased spending and hiring to prop the economy. In 2013 and 2014, however, the local economy underperformed, as the ripple effects from sequestration cuts proved more long-lasting than initially expected. The cornerstone sectors – the federal government and professional services – lost jobs during this time. However, during 2015, the negative trend in total employment reversed itself.

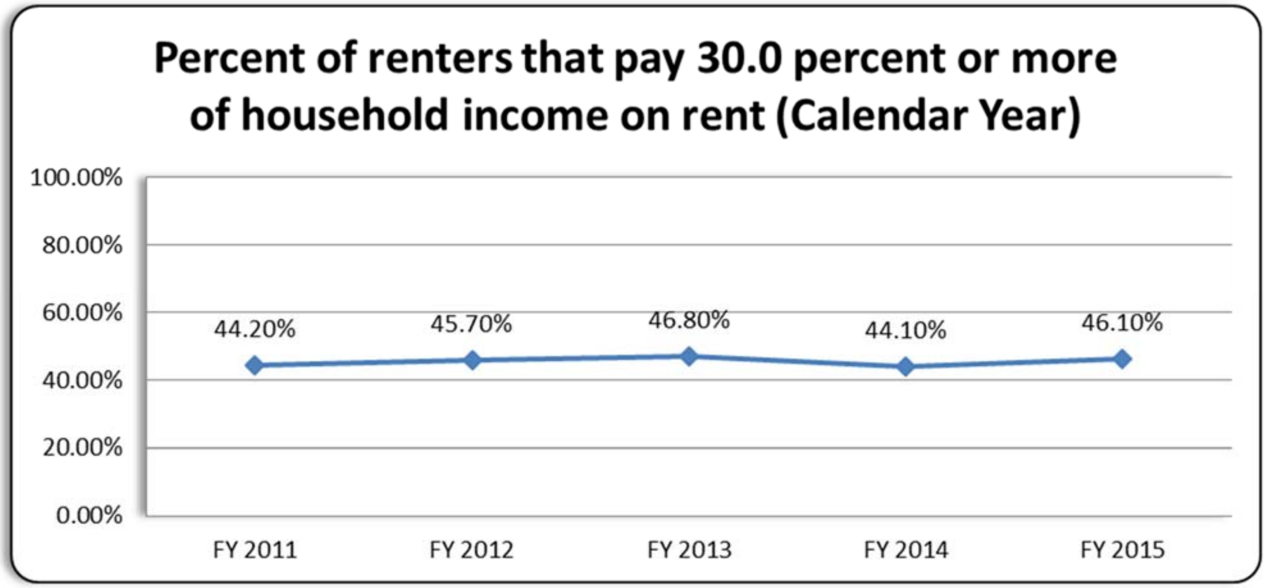
Total employment illustrates the magnitude of Fairfax County's jobs base. In FY 2015, the number of jobs increased after two consecutive years of decline. In June 2015, employment was 1.4 percent above the June 2014 level. While related to the number of jobs, the **unemployment rate** is also included because it shows the proportion of the County's population out of work. The County's unemployment rate was 3.6 percent in 2015, down from 4.2 percent in 2014.

The **Commercial/Industrial percent of total Real Estate Assessment Base** is a benchmark identified by the Board of Supervisors, which places priority on a diversified revenue base. The target is 25 percent of the assessment base. From FY 2001 to FY 2007, the Commercial/Industrial percentage declined from 25.37 percent to 17.22 percent, in part due to vacant office space early in this period and further exacerbated by the booming housing market attributable to record low mortgage rates that resulted in double-digit residential real estate assessment increases for several consecutive years. This imbalance increased the burden on the residential component to finance government services. Starting in FY 2008, when the housing market began to slow down, the Commercial/Industrial percentage increased for three consecutive years, reaching 22.67 percent in FY 2010 as a result of declining residential values. When nonresidential values declined a record 18.29 percent, the Commercial/Industrial percentage declined 2.97 percentage points to 19.70 percent in FY 2011 and another 0.06 percentage points in FY 2012. It rose to 20.77 percent in FY 2013. The Commercial/Industrial percentage declined for three consecutive years and stood at 18.67 percent in FY 2016 as a result of the increase experienced in the residential portion of the Real Estate Tax base and the decline in the nonresidential portion. The Commercial/Industrial percentage of the County's FY 2017 Real Estate Tax base is 18.89 percent, an increase of 0.22 percentage point over the FY 2016 level. Commercial/Industrial property values as a percentage of the Real Estate Tax base increased in FY 2017 as a result of new office construction and a slower increase experienced in the residential portion of the Real Estate Tax base.

Gross County Product (GCP) is an overall measure of the County's economic performance. The percentage change in the GCP indicates whether the economy is expanding or contracting. Based on estimates from IHS, Gross County Product (GCP), adjusted for inflation, increased at a rate of 1.7 percent in 2015 after decreasing 1.2 percent in 2013 and 1.6 percent in 2014.

While it was recognized that **percent of persons living below the federal poverty line** is an imperfect measure due to the unrealistic level set by the federal government, i.e., $24,230 for a family of four, it is a statistic that is regularly collected and presented in such a way that it can be compared to other jurisdictions, as well as tracked over time to determine improvement. In relative terms, Fairfax County's 6.6 percent poverty rate in FY 2015 is better than most, yet it still translates to over 75,000 persons living below the federal poverty level. *(Note: Census data are reported based upon the calendar year (CY) rather than the fiscal year and are typically available on a one-year delay. FY 2015 data represent CY 2014 data.)*

The next two measures, **percent of homeowners that pay 30 percent or more of household income on housing** and **percent of renters that pay 30 percent or more of household income on rent,** relate the cost of housing to income and provide an indication of the relative affordability of living in Fairfax County. That capacity has an effect on other aspects of the County's economy. For example, if housing is so expensive that businesses cannot attract employees locally, they may choose to relocate from Fairfax County, thus resulting in a loss of jobs. In FY 2015, 26.0 percent of homeowners paid 30 percent or more of their household income on housing, while a substantially greater number of renters, 46.1 percent, paid 30 percent or more of their household income on rent. *(Note: Census data are reported based upon the calendar year rather than the fiscal year and are typically available on a one-year delay. FY 2015 data represent CY 2014 data.)*



Finally, the **direct (excludes sublet space) office space vacancy rate** reflects yet another aspect of the health of the business community. The direct office vacancy rate decreased from 16.3 percent in 2014 to 16.2 percent as of year-end 2015. Including sublet space, the overall office vacancy rate as of year-end 2015 was 17.2 percent, a decrease from the 17.7 percent recorded as of year-end 2014. The amount of empty office space was slightly short of 20 million square feet. Industry experts anticipate vacancy rates to remain high through 2016 due to sluggish economic conditions and concerns about the federal budget as well as the national election, which historically has forestalled site location decisions. A further obstacle to filling office space is that employers today are leasing substantially less space per employee than in the past. Total office leasing activity during 2015 was over 10 million square feet, an increase from the 9.8 million square feet leased in 2014. Demand for newer space, and space near Metro rail stations, remained strong while many older buildings experienced an increase vacancy.

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

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

Key County Indicators	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual
Unhealthy Air Days recorded on Virginia Department of Environmental Quality (DEQ) monitors located in Fairfax County based on the EPA Air Quality Index (Calendar Year)	1	4	8
Overall Level of Stream Quality as a weighted index of overall watershed/ stream conditions on a scale of 5 (Excellent) to 1 (Very Poor)	2.8	2.6	2.7
Percent of Tree Coverage in County	50%	50%	50%
Number of homes that could be powered as a result of County alternative power initiatives	44,342	45,884	42,618
Solid Waste Recycled as a percentage of the waste generated within the County (Calendar Year)	48%	48%	50%

The Environmental Stewardship Vision Element demonstrates the County’s continued commitment to the environment. Rapid growth and development since the 1980’s created new challenges for environmental preservation and stewardship. In recent years, Fairfax County has sought greater integration of environmental issues into all levels of agency decision-making and a proactive approach in preventing environmental problems and associated costs. Success in this area continues to be demonstrated by the County’s Department of Vehicle Services having earned the Virginia Department of Environmental Quality’s designation as Environmental Enterprises, or E2, in accordance with Virginia's Environmental Excellence Program. The Wastewater Management Program achieved an Exemplary Environmental Enterprise (E3) rating. These designations are given if a facility has a record of significant compliance with environmental laws and requirements and can demonstrate its commitment to improving environmental quality. In addition, in FY 2006 and FY 2007, the County was presented with a National Association of Counties Achievement Award (NACo) for its efforts to improve air quality and for its Environmental Improvement Program (EIP). In FY 2009, the County was presented with a NACo Best in Category Achievement Award in Environmental Protection and Energy for its Tree Conservation Ordinance. In FY 2013, the County was presented with a NACo Best in Category Achievement Award for its stream restoration project at the Government Center and pond retrofits on county property. In FY 2014, the County was awarded the National Association of Clean Water Agencies (NACWA) Platinum Peak Performance Award for its compliance with the National Pollutant Discharge Elimination System (NPDES) permit limits for five or more consecutive years at the Noman M. Cole, Jr. Pollution Control Plant. In FY 2015, the County was presented with a NACo Best in Category Achievement Award for teaching high school students about stormwater, watersheds and water quality monitoring.

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

Board's Environmental Agenda. The EIP is a tactical plan with concrete strategies, programs and policies that directly support the goals and objectives of the Board's Environmental Agenda.

Fairfax County partnered with a select group of counties across the United States and the Sierra Club to create a template for local governments to begin reducing their greenhouse gas emissions in favor of more environmentally friendly practices. This "Cool Counties" initiative was inaugurated at the NACo annual conference in July 2007. It identifies specific strategies and actions for the nation's 3,000 counties to adopt as part of the regional, national and global effort to pursue smarter, cleaner energy solutions. A number of "Cool County" strategies have already been implemented in Fairfax County, including the purchase of hybrid and electric drive vehicles (now totaling approximately 123 vehicles). DVS has also undertaken a Diesel Exhaust Retrofit project, in which it retrofitted 1,012 school buses and 113 heavy duty trucks with exhaust after-treatments that reduce particulate emissions.

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

The Fairfax County Department of Information Technology received the "Green 15" award for its PC power management initiative that automatically shuts down over 14,000 County computers after working hours, resulting in electricity savings for the County. Other on-going environmental initiatives are detailed below, include minimizing unhealthy air days, enhancing stream quality, expanding tree coverage, exploring alternative forms of energy, and recycling.

In support of the regional goal of attaining the federal ambient air quality standard for ozone levels, Fairfax County is committed to minimizing **unhealthy air days** as measured and defined by all criteria pollutants. Fairfax County has implemented air quality improvement strategies that include the purchasing of wind energy credits, reducing County vehicle emissions through the purchase of hybrid vehicles, diesel retrofits and the use of ultra-low sulfur fuel, not allowing refueling of County vehicles except emergency vehicles on Code Red Days, encouraging County residents to use the FAIRFAX CONNECTOR bus rides on Code Red Days, teleworking, not allowing mowing of grass at County properties on Code Red Days, use of low Volatile Organic Compound (VOC) paints, promoting County building energy efficiency programs, tree canopy and planting activities, green building actions, community outreach and maintaining standards and procedures that promote healthy air. In addition to supporting the regional efforts to improve the air quality, in 2007 Fairfax County joined other counties across the country to create the cool counties climate stabilization initiative with the goal of reducing emissions that contribute to global warming by 80 percent by the year 2050.

Air quality monitoring in the County is conducted by the Virginia Department of Environmental Quality (DEQ). Air quality in the County has improved significantly since 1990. The County is in attainment for all criteria pollutants except for ground-level ozone. The EPA calculates the Air Quality Index (AQI) for five major air pollutants regulated by the Clean Air Act: ground-level ozone, particulate matter, carbon monoxide, sulfur dioxide, and nitrogen dioxide. The Air Quality Index for the criteria pollutants assigns colors to levels of health concern, code orange indicating unhealthy for sensitive groups; code red – unhealthy for everyone; purple - very unhealthy; and maroon - hazardous. The County uses the same color indicator on unhealthy air days. The number of unhealthy air days in FY 2014 was 4, which went up to 8 days in FY 2015 as reported by Metropolitan Washington Council of Governments (MWCOG). In July 2012, the Environmental Protection Agency (EPA) changed the Metropolitan DC area designation from moderate non-attainment to marginal non-attainment for the new eight-hour ozone National Ambient Air Quality Standards (NAAQS) (0.075 ppm) indicating significant improvements are being made. On October 1, 2015, the EPA strengthened the NAAQS for primary and secondary 8-hour ground-level ozone to 70 parts per billion (ppb). These actions set in motion a long and complex implementation process. EPA will now work with state, federal, and tribal air quality agencies to carry out the duties of air quality management for these revised ozone standards. According to the EPA this update will improve public health protection, particularly for children, the elderly, and people of all ages who have lung diseases such as asthma. The update will also improve protection for trees, plants and ecosystems. The County continues to work with MWCOG and the Clean Air Partners, a volunteer, non-profit organization chartered by the MWCOG, and the Baltimore Metropolitan Council (BMC) to examine the adequacy of current air pollution control measures and practices, education and notification processes, and codes and regulations to make further progress.

Stream quality in Fairfax County may affect residents' recreational use of streams and other water bodies as well as the quality of our drinking water. Monitoring the health of waterways and preparing watershed management plans provide a head start for the County in satisfying the federal and state regulatory requirements as dictated by the County's MS4 permit and Total Maximum Daily Loads (TMDLs) already established for several streams. A Chesapeake Bay TMDL was also established in December 2010 with the goal of restoring the Chesapeake Bay and eventually removing it from the national list of impaired bodies of water. Between 2005 and 2011, Fairfax County developed 13 watershed management plans for the County's 30 watersheds in order to restore the health of local streams, meet regulatory requirements and help satisfy restoration goals for water quality and living resources for the Chesapeake Bay. All 13 plans have been adopted by the Board of Supervisors. These plans provide a systematic project framework for establishing restoration goals, implementation strategies, and prioritization of the most cost-effective projects that will help restore and protect our streams and watersheds countywide. Additional information on watershed management planning may be found at www.fairfaxcounty.gov/DPWES/watersheds/. Since 2006, significant resources have been expended towards the watershed improvement program which implements water quality improvement projects such as retrofits to existing stormwater management facilities, new stormwater management facilities, low impact development (LID) practices and stream restorations. Fairfax County has taken significant steps toward meeting the goal of improving stream conditions countywide and contributing to the restoration of the Chesapeake Bay. Since 2004, a stratified random sampling procedure has been used to assess and report the ecological conditions in the County's streams.

A stream quality indicator (SQI) was developed from the annual benthic macroinvertebrate monitoring data to establish overall watershed/stream conditions countywide. The SQI is an index value ranging from 5 to 1, with the following qualitative interpretations associated with the index values: 5 (Excellent), 4 (Good), 3 (Fair), 2 (Poor) to 1 (Very Poor). The SQI continued to fluctuate over the last eleven years between 2.0 at its low and 2.9 at its highest level as the County strives to meet the goal of a future average stream quality index value of 3 or greater (Fair to Good stream quality). Fluctuations in the SQI score is to be expected as sites are selected randomly and could result in more good or bad sites being selected year to year. Variability in annual weather patterns (i.e. drought or snowfall) may also affect these fluctuations. Fairfax County continues to work collaboratively with other area jurisdictions toward the common goal of a cleaner Chesapeake Bay. In 2013, Fairfax County received a National Association of Counties (NACo) Best in Category award for the Government Center stream restoration project. The County also produced a television public service announcement about the environmental harm cigarette butts may cause that won a 3rd place award in 2013 from the National Association of Telecommunications Officers and Advisors (NAOTA). In addition, a video produced by the County entitled, "Stormy the Raindrop's Watershed Journey," was awarded a 2013 first place Hometown Award from the Alliance for Community Media. In 2014, NACo granted Fairfax County a 2014 Achievement Award for its program titled "Fairfax County 5th Grade Field Guide Development Project," in the category of Environmental Protection and Energy. Fairfax County won a 2015 award from NACo in the category of Children and Youth and an Achievement Award from the Virginia Association of Counties (VACo) for outstanding local programs for the "Stream Crime Investigation" lab created by staff for high school students. These are a few examples of the recognition the County has received for its dedicated effort towards the environment.

Fairfax County's urban forest is critical to enhancing the livability and sustainability of our community. Tree canopy (**Tree Coverage**) improves air quality, water quality, stormwater management, carbon sequestration, energy conservation and human health and well-being. Management of the trees within urban forests to maximize the multitude of benefits they provide to residents is an essential step in successfully reaching the commitments and goals of the Board of Supervisor's Environmental Agenda, the Tree Action Plan, the Cool Counties Climate Stabilization Initiative, and other County public health, livability and sustainability initiatives and programs. Tree coverage in the County is expressed as the percent of the County's land mass covered by the canopies of trees. Recent analysis conducted by the University of Vermont's Geospatial Laboratory utilizing state-of-the-art urban tree canopy detection techniques and high resolution satellite imagery has estimated that the County has a tree canopy level of approximately 50 percent which is significantly higher than previous estimates of 40 to 45 percent. The County has exceeded its 30-year canopy goal of 45 percent. This satellite imagery was updated in the summer of 2015 and a new analysis of tree canopy and land use will be published in the summer of 2016.

Tree canopy coverage was analyzed for all 30 major watersheds found within Fairfax County. This analysis and additional studies on the structure, function and value of the County's urban forest is being used to guide urban forest management decisions in the County. The benefits of the urban forest are also being used to incorporate urban forest management into regulatory requirements and processes such as Total Maximum Daily Load (TMDL) water quality planning and the Municipal Separate Storm Sewer System permit process.

Alternative power initiatives highlight County efforts to contribute to pollution prevention through the use of cleaner, more efficient energy sources. These initiatives are expressed through the actions of the Fairfax County Solid Waste Management Program (SWMP) by its ability to generate alternative forms of energy. County **alternative power initiatives** are expressed as the equivalent number of homes that could be powered by energy realized from alternative sources, such as the energy from the Energy/Resource Recovery Facility (E/RRF) generated from County waste and from methane recovery at the County's two closed landfills. The average energy usage for Virginia residents is 1,172 kilowatt-hours (kWh) per month based on the latest data from the U.S. Energy Information Administration, part of the U.S. Department of Energy. Landfill gas extraction and energy production was reduced in FY 2015, due to the natural decline in landfill gas generation, lower incoming waste to the E/RRF and an increase in average energy use factor, resulting in a decrease to 42,618 homes.

Solid waste management is a key environmental responsibility of Fairfax County. Fairfax County manages trash and **recycling** according to the solid waste hierarchy that prefers reduction, reuse and recycling before incineration or landfilling. The County's Solid Waste Management Program (SWMP) has responsibility for providing a system for municipal solid waste generated as documented in the 20-Year Solid Waste Management Plan approved by the Board of Supervisors in May 2015. This plan, mandated by state law and administered by the Virginia Department of Environmental Quality (DEQ), documents the County's integrated management system and provides long-range planning for waste disposal and recycling for the next 20 years. Fairfax County's waste is disposed of in a state-of-the-art Waste-to-Energy (WTE) facility that combusts about 3,000 tons of waste per day generated in the County. Power generated through the combustion of waste is sold to Dominion Virginia. Revenue is generated by the sale of electricity to the power company and for each ton of waste delivered to either of the County's two solid waste disposal complexes located in Fairfax and Lorton. Revenue generated is used to support the County's solid waste management program that receives no funding from the Fairfax County General Fund.

Fairfax County's integrated Solid Waste Management Program is responsible for setting parameters for the collection, transport, recycling and/or disposal of waste generated in the county. This is accomplished through the County's solid waste ordinance, Chapter 109.1, which regulates all aspects of the management of municipal solid waste. The County's solid waste program provides opportunities for both residents and businesses to properly manage waste that they generate. The SWMP operates facilities for residents to properly dispose of hazardous waste generated within in residential properties such as fluorescent lamps, rechargeable batteries, obsolete electronic equipment, car batteries and a variety of other hazardous substances commonly used in home environments. Residents can recycle motor oil, antifreeze, and used cooking oil at the County's two solid waste management complexes. There are eight unstaffed recycling drop-off centers throughout the County where residents or businesses can deliver their recyclables (at no charge) for processing and eventual sale. Fairfax County continues to administer and enforce requirements to recycle paper and cardboard from all residential and non-residential properties, including multi-family residential properties. The County's recycling rate is calculated on a calendar year basis according to a procedure defined by state regulations and is due to the Virginia Department of Environmental Quality on April 30 of each calendar year. The annual countywide recycling rate, as reported to the Department of Environmental Quality, is 50 percent (for calendar year 2015), which exceeds the state-mandated requirement of 25 percent.

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

Strategic Linkages

Key County Indicators	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual
Volunteerism for Public Health and Community Improvement (Medical Reserve Corps and Volunteer Fairfax)[1]	29,742	13,449	23,609
Volunteer hours leveraged by the Consolidated Community Funding Pool	464,380	479,813	440,351
Residents completing educational programs about local government (includes Citizens Police Academy and Fairfax County Youth Leadership Program)	114	121	142
Percent of registered voters who voted in general and special elections	80.5%	46.8%	45.7%
Percent of Park Authority, Fairfax County Public Schools, and Community and Recreation Services athletic fields adopted by community groups	29.0%	28.0%	28.6%

[1] FY 2014 indicators decrease as a result of a revised classification methodology for determining the number of volunteers in the Medical Reserve Corps and a reduction in the Volunteer Fairfax individuals primarily associated with a participation spike for the Presidential Inauguration activities in FY 2013. A discussion of the Medical Reserve Corps revision is provided below. FY 2015 indicators increase associated with a Volunteer Fairfax contract to provide recruitment for the World Police & Fire Games – Fairfax 2015. Output indicators include directly placed volunteers and hours.

Volunteerism for Public Health and Community Improvement is strongly evident in two local programs: the **Medical Reserve Corps (MRC) and Volunteer Fairfax.** Fairfax County benefits greatly from citizens who are knowledgeable about and actively involved in community programs and initiatives. Nationally, the Medical Reserve Corps (MRC) consists of more than 200,000 volunteers organized into 1,000 individual units, whose purpose is to build strong, healthy, and prepared communities. At the local level, over 500 active medical and non-medical volunteers serve in the Fairfax MRC. Volunteers participate in trainings, exercises and response activities to augment local resources that serve Fairfax residents prior to, during, and after a public health emergency. To be classified as an "active" MRC volunteer, individuals must complete three mandatory trainings (total time commitment is about 10 hours) – MRC orientation, introduction to the National Incident Management System (NIMS), and introduction to the Incident Command System (ICS) in their first year with the program. In addition, they must participate in at least one activity in subsequent years to maintain "active" status.

During FY 2015, Fairfax MRC volunteers participated in 51 trainings and exercises, as well as several real-world emergencies and planned events. Over 50 volunteers dedicated more than 300 hours in support of the 2015 World Police and Fire Games. In addition, 13 MRC volunteers gave 325 hours of service in support of ongoing Ebola monitoring activities. Nearly 300 volunteers participated in local, regional and statewide exercises and trainings related to the National Incident Management Systems (NIMS), the Incident Command System (ICS), personal and household preparedness, epidemiology, and various outreach events throughout the County. FY 2015 saw the successful rollout of the use of MRC volunteers to support in-school vision and hearing screenings. Twenty-one MRC volunteers contributed 189 hours of service in support of this critical endeavor. Additionally, MRC volunteers provided medical and non-medical assistance to the five district offices in support of back to school vaccinations; 18 volunteers dedicated approximately 235 hours of service, providing vaccination, administrative support and language interpretation. In addition, 51 hours of online and in-person training were completed by medical volunteers to be eligible for this assignment. FY 2015 saw 237 new volunteers recruited and working on their mandatory training requirements. In total, MRC volunteers contributed 3,177 hours in service to the County in FY 2015.

Current and future efforts are focused on enhancing volunteer skills and capabilities by increasing the number of volunteers that have completed their required training, increasing volunteer engagement in emergency preparedness and response-related as well as routine public health and outreach activities, and recruiting diverse volunteers that better-represent the population of the County. The Fairfax MRC will continue to engage volunteers with beneficial training and exercise opportunities to better prepare them to support the Fairfax County Health Department in responding to natural and man-made disasters and emergencies.

Volunteer Fairfax, a private, nonprofit corporation (created in 1975) to promote volunteerism through a network of over 900 nonprofit agencies, has mobilized people and other resources to meet regional community needs. Volunteer Fairfax connects individuals, youth, seniors, families and corporations to volunteer opportunities, honors volunteers for their hard work and accomplishments, and educates the nonprofit sector on best practices in volunteer and nonprofit management. Through various programs and services, Volunteer Fairfax has referred or connected 22,893 individuals in FY 2015 which equates to 82,181 hours volunteers contributed to Fairfax County with a value of $2.05 million.

Volunteerism not only reflects a broad-based level of engagement with diverse organizations and residents throughout Fairfax County, but also greatly benefits County residents through the receipt of expertise and assistance at minimal cost to the County. As indicated by the number of volunteer hours garnered by the **Consolidated Community Funding Pool** (CCFP), there is a strong nucleus and core of invested volunteers who participate in vital community programs, and they make a difference in the community. Numbers fluctuate from year to year since new and revamped programs are funded every two years.

In addition to its many volunteer opportunities, Fairfax County has designed several programs to educate citizens about local government. The **Citizens Police Academy** is an educational outreach program designed to provide a unique “glimpse behind the badge” as participants learn about police department resources, programs, and the men and women who comprise an organization nationally recognized as a leader in the law enforcement community. Participants learn about the breadth of resources involved in preventing and solving crime and the daily challenges faced by Fairfax County police officers. The Fairfax County Police Department hosts four programs under the CPA concept. Academies for adults are held twice a year and are ten weeks in duration. Classes meet one night a week for 3.5 hours and are a combination of lecture, tour, and hands-on activities. Shorter community-based academies may also be offered at the request of station commanders. In 2014 the FCPD launched two new programs for high school students. The Teen Police Academy is a week-long program hosted each summer for high school students and provides an opportunity for participants to learn more about the Fairfax County Police Department and explore careers in law enforcement. Future Women Leaders in Law Enforcement is a week-long program hosted each summer for high school girls who are interested in exploring careers for women in law enforcement. The Fairfax County Citizens Police Academy was selected “best in the nation” in 2009 by the National Citizens Police Academy Association (NCPAA). In FY 2015, 115 residents completed a CPA course.

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

Strategic Linkages

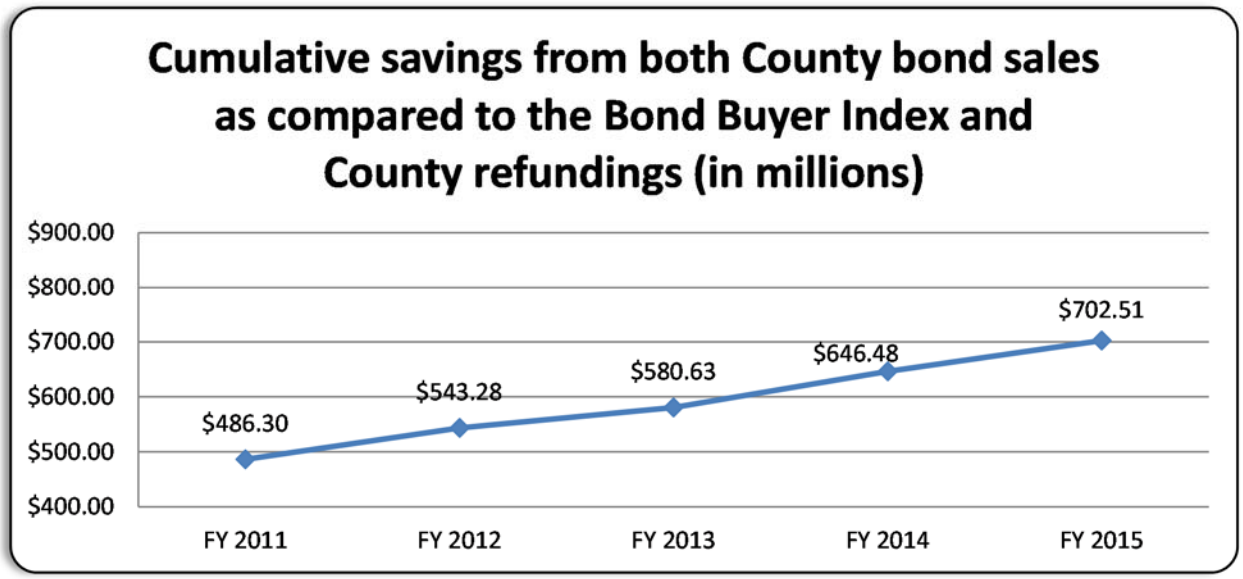
Fairfax County has a civic-minded population. Voter participation levels reflect a community that is well informed, engaged, and involved with their local government to address community needs and opportunities. The percent of Fairfax County residents voting in recent elections has exceeded national and state averages. The County turnout for the November 2014 Mid-term Election (FY 2015) was 45.7 percent compared to a statewide average of 41.6 percent. The County's 45.7 percent turnout represents 279,853 citizens who voted at the polls on Election Day and 28,544 voters who applied for absentee ballots. In addition, more than 2,300 civic minded citizens and over 350 high school students volunteered at County polling places to conduct the 2014 Election.

Another aspect of an engaged community is the extent to which residents take advantage of opportunities to improve their physical surroundings and to maintain the facilities they use. The percent of athletic field adoptions – 28.6 percent in FY 2015 – by community groups is solid and evidenced by the consistent community support of approximately one-third of total fields over the recent period. Athletic field adoptions reduce the County's financial burden to maintain these types of public facilities and improve their quality. Analysis indicates that organizations in Fairfax County annually provide over $4 million in support for facility maintenance and development. In addition to natural turf field maintenance, community organizations continue to develop synthetic turf fields by partnering with the County and funding the development independently. New incentives have recently been put into place to encourage groups to maintain and increase adoptions despite the current economic climate. The Department of Neighborhood and Community Services, Fairfax County Park Authority (FCPA), and Fairfax County Public Schools (FCPS) continue to work with a very involved athletic community to design and implement the FCPS diamond field maintenance plan. This plan established an enhanced level of consistent and regular field maintenance at school softball and baseball game-fields. This benefits both scholastic users as well as community groups that are reliant upon use of these fields to operate their sports programs throughout the year.

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

Key County Indicators	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate
Average tax collection rate for Real Estate Taxes, Personal Property Taxes and Business, Professional, and Occupational License Taxes	99.72%	99.33%	99.69%	99.48%	99.49%
County direct expenditures per capita	$1,143	$1,160	$1,198	$1,294	$1,307
Percent of household income spent on residential Real Estate Tax	4.35%	4.58%	4.87%	4.93%	5.02%
County (merit regular) positions per 1,000 citizens	11.06	11.05	11.04	11.02	11.02
Number of consecutive years receipt of highest possible bond rating from major rating agencies (Aaa/AAA/AAA)	35	36	37	38	39
Cumulative savings from both County bond sales as compared to the Bond Buyer Index and County refundings (in millions)	$580.63	$646.48	$702.51	$772.42	$772.42
Number of consecutive years receipt of unqualified audit	32	33	34	35	36

The Corporate Stewardship Vision Element is intended to demonstrate the level of effort and success that the County has in responsibly and effectively managing the public resources allocated to it. The County is well regarded for its strong financial management as evidenced by its long history of high quality financial management and reporting (See chart above for "**number of consecutive years receipt of highest possible bond rating" and "unqualified audit"**). The Board of Supervisors adopted *Ten Principles of Sound Financial Management* on October 22, 1975, to ensure prudent and responsible allocation of County resources. These principles, which are reviewed, revised and updated as needed to keep County policy and practice current, have resulted in the County receiving and maintaining a Aaa bond rating from Moody's Investors Service since 1975, AAA from Standard and Poor's Corporation since 1978 and AAA from Fitch Investors Services since 1997. Maintenance of the highest rating from the major rating agencies has resulted in significant flexibility for the County in managing financial resources generating **cumulative savings from County bond sales and refundings** of $772.42 million since 1978. This savings was achieved as a result of the strength of County credit compared to other highly rated jurisdictions on both new money bond sales and refundings of existing debt at lower interest rates. This means that the interest costs that need to be funded by County revenues are significantly lower than they would have been if the County was not so highly regarded in financial circles as having a thoughtful and well implemented set of fiscal policies.



Recent recognitions of sound County management include continuing annual recognition by the Government Finance Officers Association (GFOA) for excellence in financial reporting and budgeting, and receipt of the International City/County Management Association (ICMA) 2015 Certificate of Excellence for the County's use of performance data from 15 different government service areas (such as police, fire and rescue, libraries, etc.) to achieve improved planning and decision-making, training, and accountability. Fairfax County was one of 33 jurisdictions that earned this prestigious certificate out of 160 jurisdictions participating in ICMA's Center for Performance Measurement.

The success in managing County resources has been accompanied by the number of **merit regular positions per 1,000 citizens** being managed very closely. Since FY 1992 the ratio has declined from 13.57 to 11.02 in FY 2017. The ratio has declined since FY 2013 due to limited position growth while the County population has increased at a faster rate. The long-term decline in the positions to citizen ratio indicates a number of efficiencies and approaches - success in utilizing technology, best management processes and success in identifying public-private partnerships and/or contractual provision of service.

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

County direct expenditures per capita of $1,307 in FY 2017 represent a slight increase from FY 2016. Budget shortfalls in recent years have prevented significant growth. Recent budgets have accommodated operating adjustments for new facilities, critical infrastructure requirements, population growth and workload increases with modest expenditure increases. More cost per capita data, showing how much Fairfax County spends in each of the program areas, e.g., public safety, health and welfare, community development, etc., is included at the beginning of each program area section in Volume 1 of the FY 2017 Adopted Budget Plan. The jurisdictions selected for comparison are the Northern Virginia localities as well as those with a population of 100,000 or more elsewhere in the state (the Auditor of Public Accounts for the Commonwealth of Virginia collects this data and publishes it annually). Fairfax County's cost per capita in each of the program areas is highly competitive with others in the state.

The **percent of household income spent on residential Real Estate Tax** increased from FY 2013 to FY 2017, primarily reflecting an increase in Real Estate Taxes per "typical" household due to growth in the mean assessed value of residential properties within the County and an increase in the Real Estate Tax rate. It should be noted that Fairfax County continues to rely heavily on the Real Estate Tax at least in part due to the lack of tax diversification options for counties in Virginia. In FY 2017, real property taxes total **64.8** percent of total General Fund revenues.

Fairfax County Public Schools (FCPS) Strategic Governance

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

FCPS Overview

- **FY 2016, FCPS' total approved membership is 188,545; nation's 10th largest school district.**
- **197 schools and centers.**
- **Full-day kindergarten at all elementary schools.**
- **Needs-based staffing at all schools.**
- **Nearly ninety-three percent of FCPS graduates plan to continue to post-secondary education.**
- **Thomas Jefferson High School of Science and Technology was ranked by *U.S. News and World Report* as the number three gold medal school and number two for the best STEM school in the nation.**

Beliefs

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

Vision

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

Mission

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

FCPS is Efficient

- **FCPS ranks 5th when compared to other local districts in average cost per pupil (FY 2015 WABE Guide).**

Student Achievement Goals

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

Fairfax County Public Schools' beliefs, vision, mission, and student achievement goals are discussed in more detail at: http://www.fcps.edu/schlbd/bmv.shtml

FCPS students scored an average of 1669 on the SAT, exceeding both the state and national average for 2014-2015 school year:

FCPS	**1669**
VA	**1523**
Nation	**1462**

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

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FY 2017

Adopted Budget Plan

General Fund Statement

FY 2017 ADOPTED FUND STATEMENT
FUND 10001, GENERAL FUND

	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Inc/(Dec) Over Revised	% Inc/(Dec) Over Revised
Beginning Balance	$156,391,257	$75,915,037	$164,916,223	$84,943,436	$88,589,636	($76,326,587)	(46.28%)
Revenue							
Real Property Taxes	$2,357,117,530	$2,434,215,819	$2,434,215,819	$2,600,366,481	$2,600,366,481	$166,150,662	6.83%
Personal Property Taxes [1]	370,292,221	369,389,423	376,197,577	383,274,181	383,274,181	7,076,604	1.88%
General Other Local Taxes	506,567,278	495,137,332	504,309,764	510,976,755	510,976,755	6,666,991	1.32%
Permit, Fees & Regulatory Licenses	45,545,990	45,572,818	46,549,359	47,384,162	47,384,162	834,803	1.79%
Fines & Forfeitures	13,115,761	13,348,086	12,443,009	12,443,009	12,443,009	0	0.00%
Revenue from Use of Money & Property	15,118,488	21,003,774	21,116,191	22,582,955	22,582,955	1,466,764	6.95%
Charges for Services	72,911,452	74,616,185	74,937,994	76,031,208	76,031,208	1,093,214	1.46%
Revenue from the Commonwealth [1]	300,717,720	309,599,935	308,222,768	308,650,318	309,930,318	1,707,550	0.55%
Revenue from the Federal Government	36,351,177	29,289,909	30,272,223	29,979,502	31,501,656	1,229,433	4.06%
Recovered Costs/Other Revenue	20,126,106	18,334,374	16,713,329	16,425,616	16,471,349	(241,980)	(1.45%)
Total Revenue	$3,737,863,723	$3,810,507,655	$3,824,978,033	$4,008,114,187	$4,010,962,074	$185,984,041	4.86%
Transfers In							
Fund 40030 Cable Communications	$3,148,516	$3,532,217	$3,532,217	$3,869,872	$3,869,872	$337,655	9.56%
Fund 40040 Fairfax-Falls Church Community Services Board	4,000,000	0	0	0	0	0	-
Fund 40080 Integrated Pest Management	138,000	141,000	141,000	141,000	141,000	0	0.00%
Fund 40100 Stormwater Services	1,000,000	1,125,000	1,125,000	1,125,000	1,125,000	0	0.00%
Fund 40140 Refuse Collection and Recycling Operations	535,000	548,000	548,000	548,000	548,000	0	0.00%
Fund 40150 Refuse Disposal	535,000	577,000	577,000	577,000	577,000	0	0.00%
Fund 40160 Energy Resource Recovery (ERR) Facility	42,000	49,000	49,000	49,000	49,000	0	0.00%
Fund 40170 I-95 Refuse Disposal	175,000	186,000	186,000	186,000	186,000	0	0.00%
Fund 69010 Sewer Operation and Maintenance	1,800,000	2,850,000	2,850,000	2,850,000	2,850,000	0	0.00%
Fund 80000 Park Revenue	775,000	820,000	820,000	820,000	820,000	0	0.00%
Total Transfers In	$12,148,516	$9,828,217	$9,828,217	$10,165,872	$10,165,872	$337,655	3.44%
Total Available	$3,906,403,496	$3,896,250,909	$3,999,722,473	$4,103,223,495	$4,109,717,582	$109,995,109	2.75%
Direct Expenditures							
Personnel Services	$734,577,718	$773,546,456	$773,240,167	$805,471,026	$808,169,412	$34,929,245	4.52%
Operating Expenses	338,563,398	342,454,643	382,446,460	351,019,493	345,803,713	(36,642,747)	(9.58%)
Recovered Costs	(42,467,566)	(44,489,319)	(44,304,319)	(35,130,994)	(35,130,994)	9,173,325	(20.71%)
Capital Equipment	2,128,669	126,017	2,544,112	632,645	860,822	(1,683,290)	(66.16%)
Fringe Benefits	307,188,662	338,338,526	340,260,210	355,880,829	354,853,322	14,593,112	4.29%
Total Direct Expenditures	$1,339,990,881	$1,409,976,323	$1,454,186,630	$1,477,872,999	$1,474,556,275	$20,369,645	1.40%
Transfers Out							
Fund S10000 School Operating	$1,768,498,393	$1,825,153,345	$1,825,153,345	$1,879,907,945	$1,913,518,902	$88,365,557	4.84%
Fund S31000 School Construction	0	0	13,100,000	13,100,000	13,100,000	0	0.00%
Fund 10010 Revenue Stabilization [2]	10,345,428	536,848	15,381,802	9,392,382	10,711,034	(4,670,768)	(30.37%)
Fund 10020 Community Funding Pool	10,611,143	10,611,143	10,611,143	11,141,700	11,141,700	530,557	5.00%
Fund 10030 Contributory Fund	15,020,884	12,894,637	14,894,637	13,158,773	13,158,773	(1,735,864)	(11.65%)
Fund 10040 Information Technology	11,251,260	2,700,000	2,700,000	4,770,240	4,770,240	2,070,240	76.68%

FY 2017 ADOPTED FUND STATEMENT
FUND 10001, GENERAL FUND

	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Inc/(Dec) Over Revised	% Inc/(Dec) Over Revised
Transfers Out (Cont.)							
Fund 20000 County Debt Service	133,742,157	127,793,296	127,793,296	136,752,654	136,752,654	8,959,358	7.01%
Fund 20001 School Debt Service	177,141,176	187,157,477	187,157,477	189,870,099	189,870,099	2,712,622	1.45%
Fund 30000 Metro Operations and Construction	11,298,296	11,298,296	11,298,296	13,557,955	13,557,955	2,259,659	20.00%
Fund 30010 General Construction and Contributions	26,082,606	19,041,768	28,561,768	23,353,427	17,733,427	(10,828,341)	(37.91%)
Fund 30020 Infrastructure Replacement and Upgrades	5,550,000	2,700,000	13,353,356	5,000,000	1,408,449	(11,944,907)	(89.45%)
Fund 30060 Pedestrian Walkway Improvements	300,000	300,000	300,000	400,000	400,000	100,000	33.33%
Fund 30070 Public Safety Construction	5,750,000	0	100,000	100,000	0	(100,000)	(100.00%)
Fund 40000 County Transit Systems	34,547,739	34,547,739	33,407,739	34,929,649	34,929,649	1,521,910	4.56%
Fund 40040 Fairfax-Falls Church Community Services Board	112,186,215	115,488,498	116,243,498	122,885,940	124,877,551	8,634,053	7.43%
Fund 40330 Elderly Housing Programs	1,869,683	1,896,649	1,896,649	1,923,159	1,923,159	26,510	1.40%
Fund 50000 Federal/State Grants	5,208,464	5,408,464	5,408,464	5,480,836	5,480,836	72,372	1.34%
Fund 60000 County Insurance	40,267,550	23,278,826	25,819,826	24,162,115	24,162,115	(1,657,711)	(6.42%)
Fund 60020 Document Services Division	2,398,233	2,278,233	2,278,233	3,941,831	3,941,831	1,663,598	73.02%
Fund 60040 Health Benefits	1,000,000	0	0	0	0	0	-
Fund 73030 OPEB Trust	28,000,000	26,000,000	21,000,000	16,000,000	16,000,000	(5,000,000)	(23.81%)
Fund 83000 Alcohol Safety Action Program	427,165	486,678	486,678	545,171	545,171	58,493	12.02%
Total Transfers Out	$2,401,496,392	$2,409,571,897	$2,456,946,207	$2,510,373,876	$2,537,983,545	$81,037,338	3.30%
Total Disbursements	$3,741,487,273	$3,819,548,220	$3,911,132,837	$3,988,246,875	$4,012,539,820	$101,406,983	2.59%
Total Ending Balance	$164,916,223	$76,702,689	$88,589,636	$114,976,620	$97,177,762	$8,588,126	9.69%
Less:							
Managed Reserve [3]	$75,915,037	$76,702,689	$88,589,636	$92,450,526	$97,177,762	$8,588,126	9.69%
Reserve for Board Adjustments [4]				22,526,094		0	-
Total Available	$89,001,186	$0	$0	$0	$0	$0	-

[1] Personal Property Taxes of $211,313,944 that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Revenue from the Commonwealth category in accordance with guidelines from the State Auditor of Public Accounts.

[2] Target funding for the Revenue Stabilization Fund is 5.00 percent of total General Fund disbursements, consistent with the County's *Ten Principles of Sound Financial Management* as updated by the Board of Supervisors on April 21, 2015. As a result of reserve adjustments included in the FY 2017 Adopted Budget Plan, the FY 2017 projected balance in the Revenue Stabilization Fund is $166.48 million, or 4.15 percent of total General Fund disbursements.

[3] Target funding for the Managed Reserve is 4.00 percent of total General Fund disbursements, consistent with the County's *Ten Principles of Sound Financial Management* as updated by the Board of Supervisors on April 21, 2015. As a result of reserve adjustments included in the FY 2017 Adopted Budget Plan, the FY 2017 projected balance in the Managed Reserve is $97.18 million, or 2.42 percent of total General Fund disbursements.

[4] As part of the FY 2017 Advertised Budget Plan, an amount of $22,526,094 was available for the consideration of the Board of Supervisors during their deliberations on the FY 2017 budget. This funding, along with additional funding identified during the mark-up process, is transferred to Fund S10000, School Operating, as part of the FY 2017 Adopted Budget Plan.

FY 2017 ADOPTED SUMMARY GENERAL FUND DIRECT EXPENDITURES

#	Agency Title	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Inc/(Dec) Over Revised	% Inc/(Dec) Over Revised
	Legislative-Executive Functions / Central Services							
01	Board of Supervisors	$4,701,988	$5,588,122	$5,587,682	$5,848,161	$5,848,161	$260,479	4.66%
02	Office of the County Executive	5,868,895	6,548,294	6,553,163	6,718,712	6,718,712	165,549	2.53%
04	Department of Cable and Consumer Services	834,766	956,395	999,760	0	0	(999,760)	(100.00%)
06	Department of Finance	7,407,181	8,268,986	9,135,706	8,476,753	8,476,753	(658,953)	(7.21%)
11	Department of Human Resources	7,215,555	7,306,424	7,404,161	7,476,553	7,476,553	72,392	0.98%
12	Department of Procurement and Material Management	4,354,735	4,643,774	4,938,725	4,739,981	4,739,981	(198,744)	(4.02%)
13	Office of Public Affairs	1,146,688	1,226,162	1,292,473	1,271,906	1,271,906	(20,567)	(1.59%)
15	Office of Elections	3,493,964	4,032,359	5,604,901	5,098,565	4,098,565	(1,506,336)	(26.88%)
17	Office of the County Attorney	6,538,964	6,714,266	8,001,981	7,212,543	7,212,543	(789,438)	(9.87%)
20	Department of Management and Budget	4,424,741	4,539,311	4,545,556	4,528,121	4,528,121	(17,435)	(0.38%)
37	Office of the Financial and Program Auditor	230,864	367,963	366,284	378,512	378,512	12,228	3.34%
41	Civil Service Commission	370,213	429,088	430,835	439,953	439,953	9,118	2.12%
57	Department of Tax Administration	23,087,505	23,619,724	23,718,853	24,209,865	24,209,865	491,012	2.07%
70	Department of Information Technology	33,198,737	31,288,662	32,713,827	32,622,609	32,622,609	(91,218)	(0.28%)
	Total Legislative-Executive Functions / Central Services	$102,874,796	$105,529,530	$111,293,907	$109,022,234	$108,022,234	($3,271,673)	(2.94%)
	Judicial Administration							
80	Circuit Court and Records	$10,570,642	$10,837,645	$10,876,231	$11,137,339	$11,137,339	$261,108	2.40%
82	Office of the Commonwealth's Attorney	3,376,105	3,718,255	3,736,115	3,845,240	3,845,240	109,125	2.92%
85	General District Court	2,098,003	2,370,845	2,554,668	2,421,762	3,783,472	1,228,804	48.10%
91	Office of the Sheriff	20,079,843	18,583,128	19,120,614	19,029,350	19,029,350	(91,264)	(0.48%)
	Total Judicial Administration	$36,124,593	$35,509,873	$36,287,628	$36,433,691	$37,795,401	$1,507,773	4.16%
	Public Safety							
04	Department of Cable and Consumer Services	$756,869	$698,177	$698,177	$808,305	$808,305	$110,128	15.77%
31	Land Development Services	9,818,170	10,104,746	10,262,042	10,353,488	10,353,488	91,446	0.89%
81	Juvenile and Domestic Relations District Court	21,957,740	22,589,661	22,815,343	22,605,899	22,802,735	(12,608)	(0.06%)
90	Police Department	178,721,676	180,792,263	185,614,863	189,252,555	189,745,479	4,130,616	2.23%
91	Office of the Sheriff	41,671,629	46,196,681	47,030,032	47,435,363	47,842,043	812,011	1.73%
92	Fire and Rescue Department	182,769,246	186,829,813	192,672,943	196,468,261	196,655,196	3,982,253	2.07%
93	Office of Emergency Management	1,877,335	1,836,708	2,379,017	1,872,473	1,872,473	(506,544)	(21.29%)
97	Department of Code Compliance	3,943,145	4,225,341	4,229,648	4,339,241	4,339,241	109,593	2.59%
	Total Public Safety	$441,515,810	$453,273,390	$465,702,065	$473,135,585	$474,418,960	$8,716,895	1.87%
	Public Works							
08	Facilities Management Department	$52,395,116	$54,523,321	$57,117,485	$57,393,164	$57,393,164	$275,679	0.48%
25	Business Planning and Support	903,588	1,205,527	1,207,298	1,258,884	1,258,884	51,586	4.27%
26	Office of Capital Facilities	13,150,051	13,475,164	13,849,297	14,033,088	14,033,088	183,791	1.33%
87	Unclassified Administrative Expenses	3,233,528	3,391,562	5,284,598	3,665,562	3,665,562	(1,619,036)	(30.64%)
	Total Public Works	$69,682,283	$72,595,574	$77,458,678	$76,350,698	$76,350,698	($1,107,980)	(1.43%)

FY 2017 ADOPTED SUMMARY GENERAL FUND DIRECT EXPENDITURES

# Agency Title	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Inc/(Dec) Over Revised	% Inc/(Dec) Over Revised
Health and Welfare							
67 Department of Family Services	$183,351,821	$195,671,254	$199,771,770	$200,960,146	$202,003,003	$2,231,233	1.12%
68 Department of Administration for Human Services	12,368,239	12,995,921	13,091,282	13,490,180	13,490,180	398,898	3.05%
71 Health Department	51,873,700	55,083,029	58,754,832	58,507,785	58,526,590	(228,242)	(0.39%)
73 Office to Prevent and End Homelessness	10,914,595	12,141,549	13,439,031	12,971,017	12,971,017	(468,014)	(3.48%)
79 Department of Neighborhood and Community Services	27,765,259	28,096,455	28,710,337	29,546,148	29,635,648	925,311	3.22%
Total Health and Welfare	$286,273,614	$303,988,208	$313,767,252	$315,475,276	$316,626,438	$2,859,186	0.91%
Parks and Libraries							
51 Fairfax County Park Authority	$23,085,651	$23,440,278	$23,844,953	$24,135,401	$24,142,901	$297,948	1.25%
52 Fairfax County Public Library	26,849,179	27,669,124	30,190,829	27,908,287	27,908,287	(2,282,542)	(7.56%)
Total Parks and Libraries	$49,934,830	$51,109,402	$54,035,782	$52,043,688	$52,051,188	($1,984,594)	(3.67%)
Community Development							
16 Economic Development Authority	$7,335,920	$7,463,150	$7,463,150	$7,570,640	$7,570,640	$107,490	1.44%
31 Land Development Services	12,662,071	14,909,179	16,486,114	15,255,591	15,255,591	(1,230,523)	(7.46%)
35 Department of Planning and Zoning	9,896,563	10,670,696	11,950,528	10,973,643	10,973,643	(976,885)	(8.17%)
36 Planning Commission	633,700	754,387	754,587	820,729	820,729	66,142	8.77%
38 Department of Housing and Community Development	5,799,580	6,255,389	6,330,366	6,366,067	6,366,067	35,701	0.56%
39 Office of Human Rights and Equity Programs	1,382,453	1,534,778	1,534,790	1,527,648	1,527,648	(7,142)	(0.47%)
40 Department of Transportation	7,538,750	7,856,391	9,009,627	8,128,830	8,128,830	(880,797)	(9.78%)
Total Community Development	$45,249,037	$49,443,970	$53,529,162	$50,643,148	$50,643,148	($2,886,014)	(5.39%)
Nondepartmental							
87 Unclassified Administrative Expenses	$2,000	($1,200,000)	$1,925	$7,500,000	$2,407,036	$2,405,111	124940.83%
89 Employee Benefits	308,333,918	339,726,376	342,110,231	357,268,679	356,241,172	14,130,941	4.13%
Total Nondepartmental	$308,335,918	$338,526,376	$342,112,156	$364,768,679	$358,648,208	$16,536,052	4.83%
Total General Fund Direct Expenditures	$1,339,990,881	$1,409,976,323	$1,454,186,630	$1,477,872,999	$1,474,556,275	$20,369,645	1.40%

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FY 2017

Adopted Budget Plan

General Fund Revenue Overview

SUMMARY OF GENERAL FUND REVENUE AND TRANSFERS IN

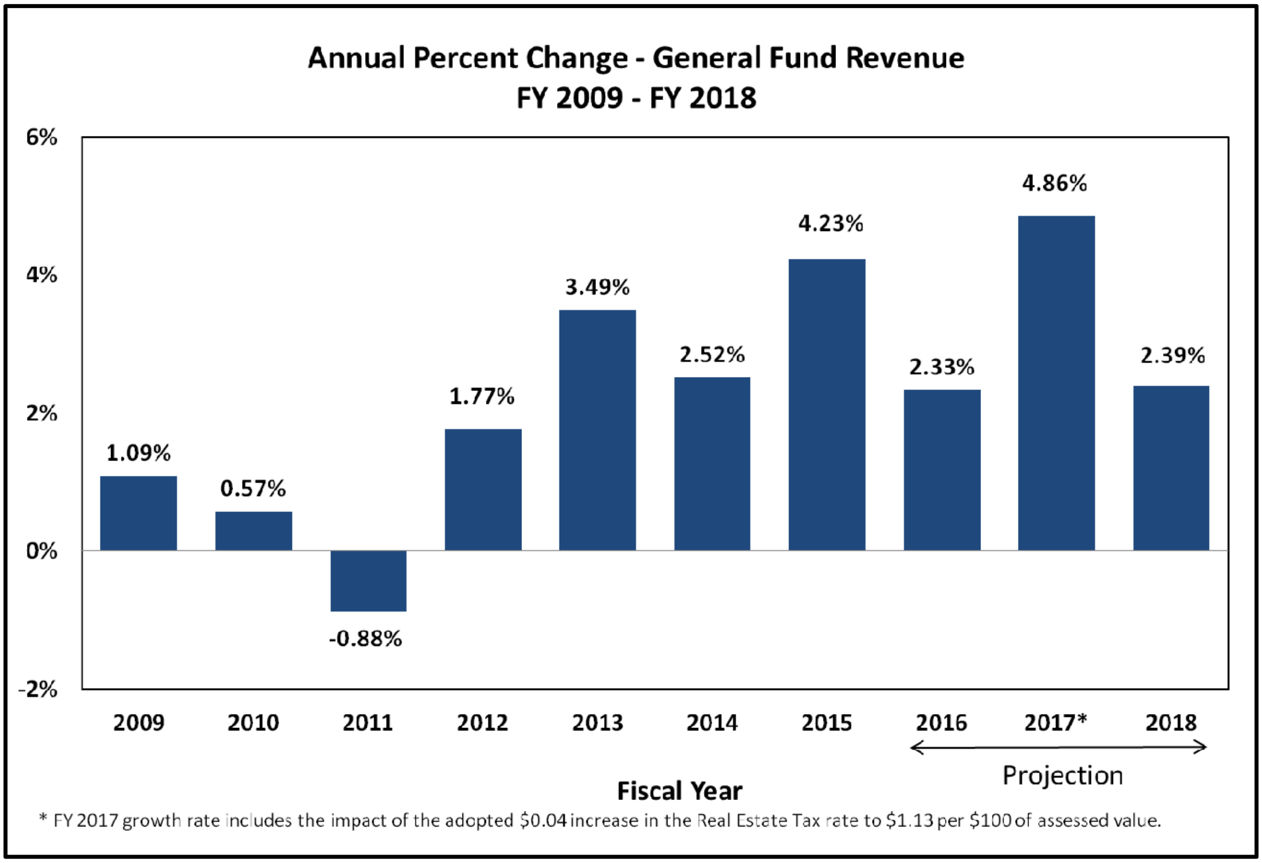
Category	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Change from the FY 2017 Advertised Budget Plan Increase/ (Decrease)	Percent Change
Real Estate Taxes - Current and Delinquent	$2,357,117,530	$2,434,215,819	$2,434,215,819	$2,600,366,481	$2,600,366,481	$0	0.0%
Personal Property Taxes - Current and Delinquent[1]	581,606,165	580,703,367	587,511,521	594,588,125	594,588,125	0	0.0%
Other Local Taxes	506,567,278	495,137,332	504,309,764	510,976,755	510,976,755	0	0.0%
Permits, Fees and Regulatory Licenses	45,545,990	45,572,818	46,549,359	47,384,162	47,384,162	0	0.0%
Fines and Forfeitures	13,115,761	13,348,086	12,443,009	12,443,009	12,443,009	0	0.0%
Revenue from Use of Money/Property	15,118,488	21,003,774	21,116,191	22,582,955	22,582,955	0	0.0%
Charges for Services	72,911,452	74,616,185	74,937,994	76,031,208	76,031,208	0	0.0%
Revenue from the Commonwealth and Federal Government[1]	125,754,953	127,575,900	127,181,047	127,315,876	130,118,030	2,802,154	2.2%
Recovered Costs / Other Revenue	20,126,106	18,334,374	16,713,329	16,425,616	16,471,349	45,733	0.3%
Total Revenue	**$3,737,863,723**	**$3,810,507,655**	**$3,824,978,033**	**$4,008,114,187**	**$4,010,962,074**	**$2,847,887**	**0.1%**
Transfers In	12,148,516	9,828,217	9,828,217	10,165,872	10,165,872	0	0.0%
Total Receipts	**$3,750,012,239**	**$3,820,335,872**	**$3,834,806,250**	**$4,018,280,059**	**$4,021,127,946**	**$2,847,887**	**0.1%**

[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 2017 General Fund revenues are projected to be $4,010,962,074, an increase of $2,847,887, or 0.1 percent over the FY 2017 Advertised Budget Plan. The increase is primarily due to additional revenue from the Commonwealth and the Federal Government.

Incorporating Transfers In, FY 2017 General Fund receipts are anticipated to be $4,021,127,946. The Transfers In to the General Fund total $10.2 million and reflect $3.9 million from Fund 40030, Cable Communications, $2.9 million from Fund 69010, Sewer Operation and Maintenance, $1.1 million from Fund 40100, Stormwater Services, and $2.3 million from various other funds for indirect support provided by the County's General Fund agencies.

The following chart shows General Fund revenue growth since FY 2009. Since the Great Recession, revenues have risen at a modest rate, averaging annual increases of 1.9 percent in the period from FY 2009 to FY 2015. General Fund revenue in FY 2016 is projected to increase 2.33 percent primarily due to an increase in current Real Estate Taxes resulting from a 3.46 percent increase in total assessed real property. FY 2017 revenue is expected to increase 4.86 percent as a result of a 2.98 percent rise in real estate assessments and a 4 cent increase in the Real Estate tax rate from $1.09 to $1.13 per $100 of assessed value as well as modest growth in other revenue categories. General Fund revenue growth of 2.39 percent is projected in FY 2018.



Economic Indicators

The U.S. economy expanded at a rate of just 0.8 percent during the first quarter of 2016 after growing 1.4 percent in the fourth quarter of 2015. Consumer spending, which makes up more than two-thirds of economic activity, grew 1.9 percent in the first quarter, compared to 2.4 percent in the fourth quarter. Overall government expenditures increased 1.2 percent, though federal expenditures decreased 1.6 percent. For all of 2015, the U.S. economy grew 2.4 percent, the same rate as in 2014. The headwind for the economy going forward in 2016 will likely be the weakness in global growth and the negative effect on exports from a stronger dollar, which makes U.S. goods more expensive for foreign buyers.

The Federal Reserve raised the target range for the federal funds rate by a quarter-percentage point in December 2015 for the first time in almost a decade as policy makers cited the improved labor market conditions and the solid pace of economic activity. The Fed is expected to raise interest rates gradually in 2016 but the pace will be determined by incoming economic data.

Nationwide, job growth was robust throughout 2015. In 2015, 2.7 million jobs were added, compared with 3.1 million in 2014. The latest jobs report in May, however, showed weakness, with only 38,000 jobs added, which was the smallest monthly gain in five years. Job growth in the last three months has averaged only 116,000 jobs per month, down from the monthly average of 219,000 jobs in the 12 months ending in April. Whether this is a prolonged trend or a brief pause in the job market remains to be seen in the coming months.

Gains in home prices nationwide were strong during 2015 supported by the continued improvement in the labor market, low mortgage rates, and low inventory of homes for sale on the market. Gains continued during the first quarter of 2016. According to the S&P/Case-Shiller home price index, home prices were up 5.4 percent for the 12 months ending March 2016. Home prices in the Washington Metropolitan area posted a more modest 1.5 percent gain during the same period. This was the smallest increase among the 20 cities included in the S&P/Case-Shiller Index.

During the recession, the proximity to the federal government and federal stimulus spending helped the local economy. As the effects of anti-recessionary federal spending wore off and federal sequestration budget cuts were implemented, economic growth in the Washington DC region slowed. Job growth was anemic and occurred in lower-paying sectors. In Fairfax County, employment fell 0.6 percent in 2013 and another 1.2 percent in 2014. The cornerstone sectors of the local economy – federal government and professional services – lost jobs. During 2015, the labor market in the County showed a tepid improvement. Employment increased by almost 7,600 jobs, an increase of 1.3 percent compared to 2014. Industry sectors that created new jobs include Leisure and Hospitality, Education and Health Services, and Financial Activities. Employment in Professional and Business Services, which includes most federal contractors, remained essentially flat during the year. The County's unemployment rate is 3.3 percent as of March 2016, down from 3.8 percent in March 2015.

According to estimates from IHS, Gross County Product (GCP), adjusted for inflation, increased at a rate of 1.7 percent in 2015 after decreasing 1.2 percent in 2013 and 1.6 percent in 2014.

Local Housing Market

Based on information from the Metropolitan Regional Information System (MRIS), the average sales price of homes sold in Fairfax County rose a modest 1.1 percent from $538,280 in 2014 to $544,055 in 2015. The average 2015 home selling price is just barely higher than the previous peak value of $543,271 achieved in 2005. MRIS also reported that 14,850 homes sold in the County in 2015, up 9.6 percent over 2014. Homes that sold during 2015 were on the market for an average of 52 days, 7 days longer than the 2014 level of 45 days.

Local Nonresidential Market

According to the Fairfax Economic Development Authority, the direct office vacancy was 16.2 percent at year-end 2015, down from 16.3 percent at year-end 2014. The overall office vacancy rate, which includes empty sublet space, was 17.2 percent at year-end 2015, a decrease from the 17.7 percent recorded at year-end 2014. The amount of empty office space was slightly less than 20 million square feet. Industry experts anticipate vacancy rates to remain high through 2016 due to sluggish economic conditions and concerns about the federal budget as well as the national election, which historically has forestalled site location decisions. A further obstacle to filling office space is that employers today are leasing substantially less space per employee than in the past.

In 2015, office development continued around Metro stations in the Silver Line corridor and in southeastern Fairfax County near Fort Belvoir. New office deliveries exceeded 370,000 square feet in three buildings during all of 2015, compared with roughly 1.5 million square feet of space delivered in all of 2014. At year-end 2015, seven buildings totaling nearly 2.5 million square feet were under construction countywide. More than 80 percent of the new office space under construction was leased at year-end 2015.

Office leasing activity topped 10.2 million square feet during 2015. As has been the case for the past three years, the overwhelming majority of leasing activity in 2015 involved renewals and consolidations. Lease rates for new space are adjusting to market conditions as many tenants are taking advantage of favorable rates, and others are looking to capitalize on market conditions by consolidating operations in newer space near Metro stations.

Revenue

In FY 2017, current and delinquent Real Estate Tax revenue comprises 64.8 percent of total County General Fund revenues. FY 2017 Real Estate property values were established as of January 1, 2016 and reflect market activity through calendar year 2015. The Real Estate Tax base is projected to increase 2.98 percent in FY 2017, and is made up of a 1.94 percent increase in total equalization (reassessment of existing residential and nonresidential properties), and an increase of 1.04 percent for new construction.

The FY 2016 and FY 2017 General Fund revenue estimates discussed in this section are based on a review of Fairfax County economic indicators, actual FY 2015 receipts, and FY 2016 year-to-date collection trends. Forecasts of economic activity in the County are provided by IHS and a variety of national economic forecasts are considered. Based on analysis of projected trends, revenue categories are expected to experience moderate growth through FY 2017.

MAJOR REVENUE SOURCES

The following major revenue categories discussed in this section comprise 98.4 percent of total FY 2017 General Fund revenue. Unless otherwise indicated, comparative data are presented relative to the FY 2017 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 titled "Financial, Statistical and Summary Tables."

Category	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Change from the FY 2017 Advertised Budget Plan: Increase / (Decrease)	Change from the FY 2017 Advertised Budget Plan: Percent Change
Real Estate Tax - Current	$2,347,110,528	$2,425,254,804	$2,425,254,804	$2,591,405,466	$2,591,405,466	$0	0.0%
Personal Property Tax							
Current[1]	568,187,789	568,371,027	574,458,434	581,535,038	581,535,038	0	0.0%
Paid Locally	356,873,845	357,057,083	363,144,490	370,221,094	370,221,094	0	0.0%
Reimbursed by Commonwealth	211,313,944	211,313,944	211,313,944	211,313,944	211,313,944	0	0.0%
Business, Professional and Occupational License Tax-Current	152,533,993	146,818,108	152,533,993	154,059,333	154,059,333	0	0.0%
Local Sales Tax	176,374,517	175,815,535	179,020,134	183,495,638	183,495,638	0	0.0%
Recordation/Deed of Conveyance Taxes	30,257,610	24,861,788	28,689,513	28,976,408	28,976,408	0	0.0%
Gas & Electric Utility Taxes	45,812,447	46,044,609	46,044,609	46,274,832	46,274,832	0	0.0%
Communications Sales Tax	20,816,708	21,882,460	16,705,277	16,005,070	16,005,070	0	0.0%
Vehicle License Fee - Current	26,075,806	26,441,703	26,441,703	26,573,911	26,573,911	0	0.0%
Transient Occupancy Tax	20,040,188	19,325,499	20,541,193	21,054,723	21,054,723	0	0.0%
Cigarette Tax	7,377,057	7,181,484	7,109,457	7,073,909	7,073,909	0	0.0%
Permits, Fees and Regulatory Licenses	45,545,990	45,572,818	46,549,359	47,384,162	47,384,162	0	0.0%
Investment Interest	10,659,349	15,761,539	15,761,539	19,724,724	19,724,724	0	0.0%
Charges for Services	72,911,452	74,616,185	74,937,994	76,031,208	76,031,208	0	0.0%
Recovered Costs / Other Revenue	20,126,106	18,334,374	16,713,329	16,425,616	16,471,349	45,733	0.3%
Revenue from the Commonwealth and Federal Government[1]	125,754,953	127,575,900	127,181,047	127,315,876	130,118,030	2,802,154	2.2%
Total Major Revenue Sources	**$3,669,584,493**	**$3,743,857,833**	**$3,757,942,385**	**$3,943,335,914**	**$3,946,183,801**	**2,847,887**	**0.1%**

[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.

REAL ESTATE TAX-CURRENT

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted	Increase/ (Decrease)	Percent Change
$2,347,110,528	$2,425,254,804	$2,425,254,804	$2,591,405,466	$2,591,405,466	$0	0.0%

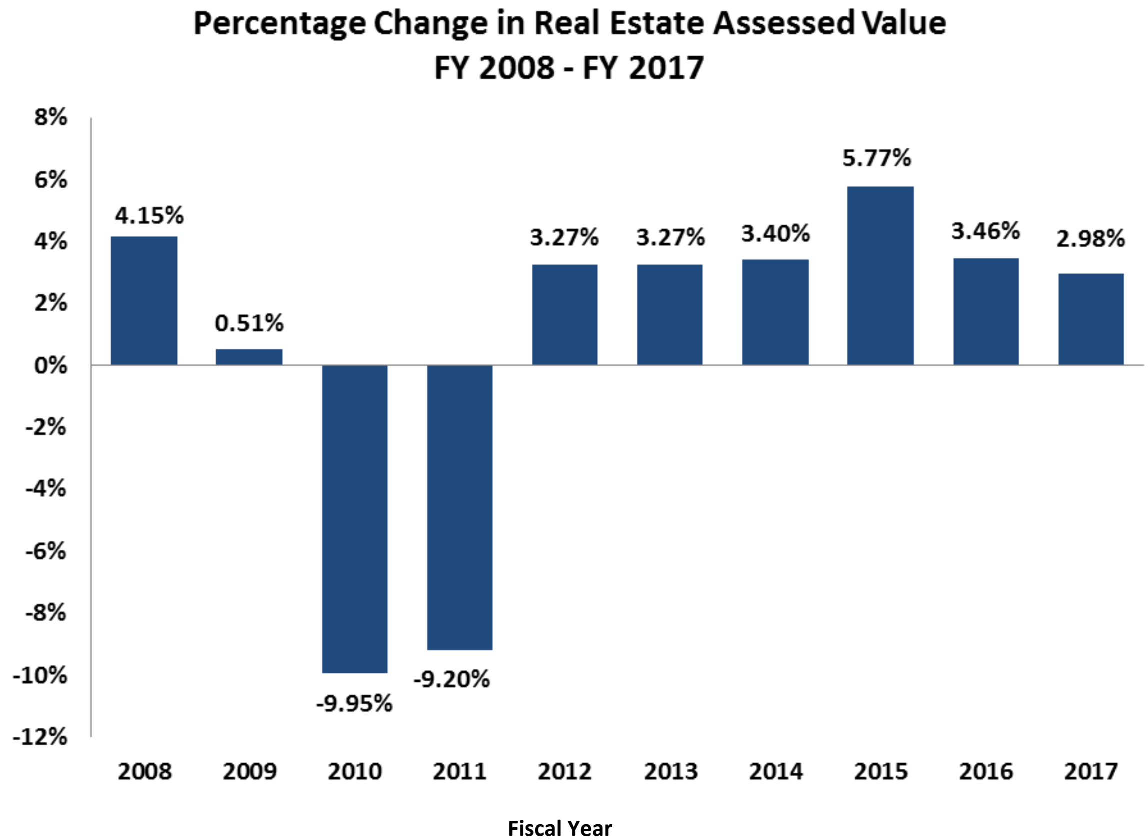
The FY 2017 Adopted Budget Plan estimate for Current Real Estate Taxes is $2,591,405,466 and represents no change from the FY 2017 Advertised Budget Plan and an increase of $166,150,662 or 6.9 percent over the *FY 2016 Revised Budget Plan*. The increase is the result of the rise of the Real Estate tax base of 2.98 percent and an increase in the adopted Real Estate Tax rate from $1.09 to $1.13 per $100 of assessed value. The increase in Real Estate revenue associated with the $0.04 increase in the Real Estate Tax rate is $92,145,328. In addition, the Real Estate Tax rate impacts two classes of personal property: mobile homes and non-vehicle Public Service Corporation property. The total General Fund impact of the $0.04 increase is $93,229,296.

The FY 2017 value of assessed real property represents an increase of 2.98 percent, as compared to the FY 2016 Real Estate Land Book, and is comprised of an increase in equalization of 1.94 percent and an increase of 1.04 percent associated with new construction. The FY 2017 figures reflected in this document are based on final assessments for Tax Year 2016 (FY 2017), which were established as of January 1, 2016. In addition to the revenue shown in the table above, the projected value of one-half penny on the Real Estate Tax rate ($11.7 million) is allocated to The Penny for Affordable Housing Fund. Throughout FY 2017, Real Estate Tax revenues will be adjusted as necessary to reflect changes in exonerations, tax abatements, and supplemental assessments, as well as any differences in the projected collection rate of 99.70 percent.

The FY 2017 **Main Assessment Book Value** is $233,373,141,270 and represents an increase of $6,764,154,870, or 2.98 percent, over the FY 2016 main assessment book value of $226,608,986,400.

From FY 2005 through FY 2007, the assessment base experienced double digit advances. Deceleration began in FY 2008, when the assessment base rose just 4.15 percent, and continued in FY 2009 with a modest increase of 0.51 percent. Following the financial crisis and a general decline in economic conditions, the FY 2010 assessment base declined 9.95 percent, which was the largest drop on record. The assessment base decreased for a second consecutive year in FY 2011, declining 9.20 percent. Since then, the assessment base increased 3.27 percent in both FY 2012 and FY 2013, 3.40 percent in FY 2014, 5.77 percent in FY 2015 and 3.46 percent in FY 2016.

The following chart shows changes in the County's assessed value base from FY 2008 to FY 2017.



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Equalization	**2.47%**	**-1.02%**	**-10.52%**	**-8.98%**	**2.67%**	**2.53%**	**2.63%**	**4.84%**	**2.40%**	**1.94%**
Res	-0.33	-3.38	-12.55	-5.56	2.34	0.71	3.50	6.54	3.39%	1.64%
NonRes	13.57	7.00	-4.51	-18.29	3.73	8.21	0.14	-0.10	-0.60%	2.87%
Growth	**1.68%**	**1.53%**	**0.57%**	**-0.22%**	**0.60%**	**0.74%**	**0.77%**	**0.93%**	**1.06%**	**1.04%**
TOTAL	**4.15%**	**0.51%**	**-9.95%**	**-9.20%**	**3.27%**	**3.27%**	**3.40%**	**5.77%**	**3.46%**	**2.98%**

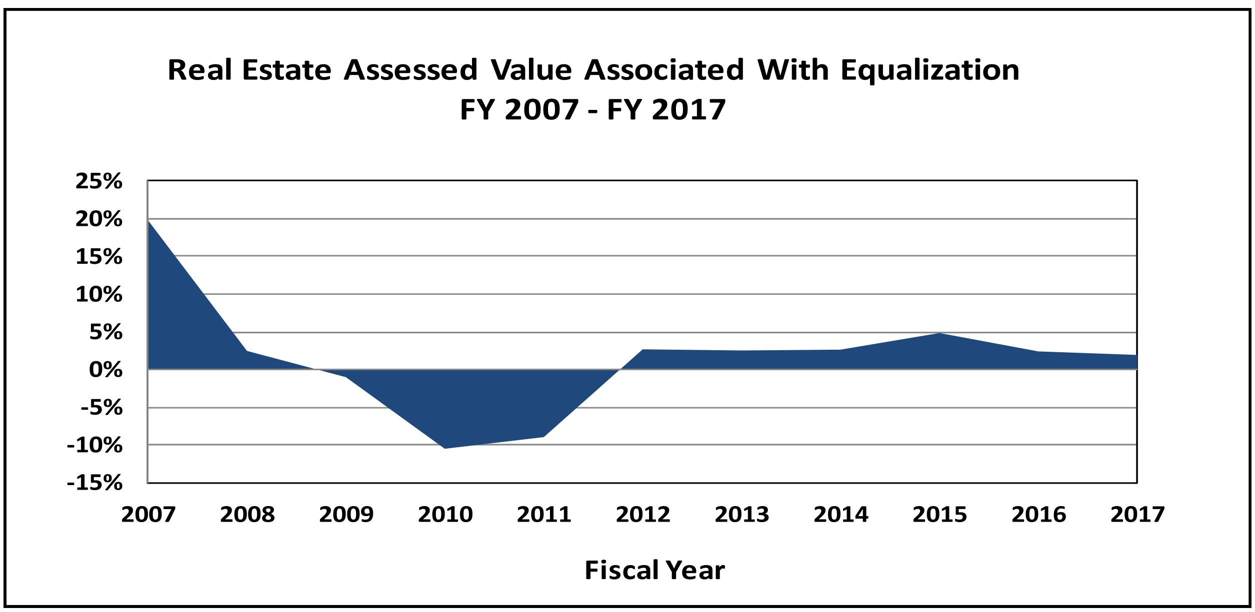
The overall change in the assessment base is comprised of **equalization** and **normal growth.** For reporting purposes, individual properties are identified as being in either the equalization category or the growth category, but not both. Equalization properties are those whose values change due to market fluctuations. Growth is a category of properties whose value changes are also influenced by new construction, remodeling or rezonings. Once growth factors are identified, *the entire property value* is shown in the growth category, even though the property is also influenced by equalization. The FY 2017 assessment base reflects a total equalization increase of 1.94 percent and an increase of 1.04 percent associated with the growth component. As a result of changes in equalization and growth, the residential portion of the total assessment base decreased from 75.64 percent in FY 2016 to 75.07 percent in FY 2017. The following table reflects changes in the Real Estate Tax assessment base from FY 2011 through FY 2017.

Main Real Estate Assessment Book Value and Changes

(in millions)

Assessed Base Change Due To:	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Equalization	**($18,570.1)**	**$5,015.3**	**$4,904.1**	**$5,259.4**	**$10,026.1**	**$5,269.7**	**$4,401.5**
% Change	(8.98%)	2.67%	2.53%	2.63%	4.84%	2.40%	1.94%
Residential	(5.56%)	2.34%	0.71%	3.50%	6.54%	3.39%	1.64%
Nonresidential	(18.29%)	3.73%	8.21%	0.14%	(0.10%)	(0.60%)	2.87%
Normal Growth	**($457.9)**	**$1,123.5**	**$1,440.4**	**$1,550.4**	**$1,922.0**	**$2,318.0**	**$2,362.6**
% Change	(0.22%)	0.60%	0.74%	0.77%	0.93%	1.06%	1.04%
Residential	0.12%	0.37%	0.26%	0.42%	0.51%	0.51%	0.56%
Nonresidential	(1.16%)	1.31%	2.26%	1.79%	2.13%	2.74%	2.54%
Total Change	**($19,028.0)**	**$6,138.8**	**$6,344.5**	**$6,809.8**	**$11,948.1**	**$7,587.7**	**$6,764.2**
% Change	(9.20%)	3.27%	3.27%	3.40%	5.77%	3.46%	2.98%
Total Book	$187,780.1	$193,918.9	$200,263.3	$207,073.1	$219,021.3	$226,609.0	$233,373.1

Equalization, or reassessment of existing residential and nonresidential property, represents an increase in value of $4,401,541,100, or 1.94 percent, in FY 2017. Both residential and non-residential property values rose in FY 2017. Existing residential property values have increased in each of the last six years, indicating a stable residential housing market. The number of homes sold increased in calendar year 2015 and the average price of homes sold rose modestly. Overall, residential equalization reflects a 1.64 percent increase in FY 2017, compared to a 3.39 percent increase in FY 2016. Changes in the assessment base as a result of equalization are shown in the following graph.



Residential equalization rose at double digit rates from FY 2002 through FY 2007 due to high demand but a limited supply of housing. Strong job growth, the easy availability of credit and profit-led speculation contributed to price appreciation in the local housing market. In FY 2008, FY 2009, FY 2010, and FY 2011, overall residential equalization declined 0.33 percent, 3.38 percent, 12.55 percent, and 5.56 percent, respectively, as the inventory of homes for sale grew and home prices fell in the County, as they did throughout the Northern Virginia area. After falling four consecutive years, the value of residential properties in the County increased in the last six years: 2.34 percent in FY 2012, a slight 0.71 percent in FY 2013, 3.50 percent in FY 2014, 6.54 percent in FY 2015, 3.39 percent in FY 2016, and 1.64 percent in FY 2017. The total value of residential properties including new construction in FY 2017 is $175.2 billion.

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

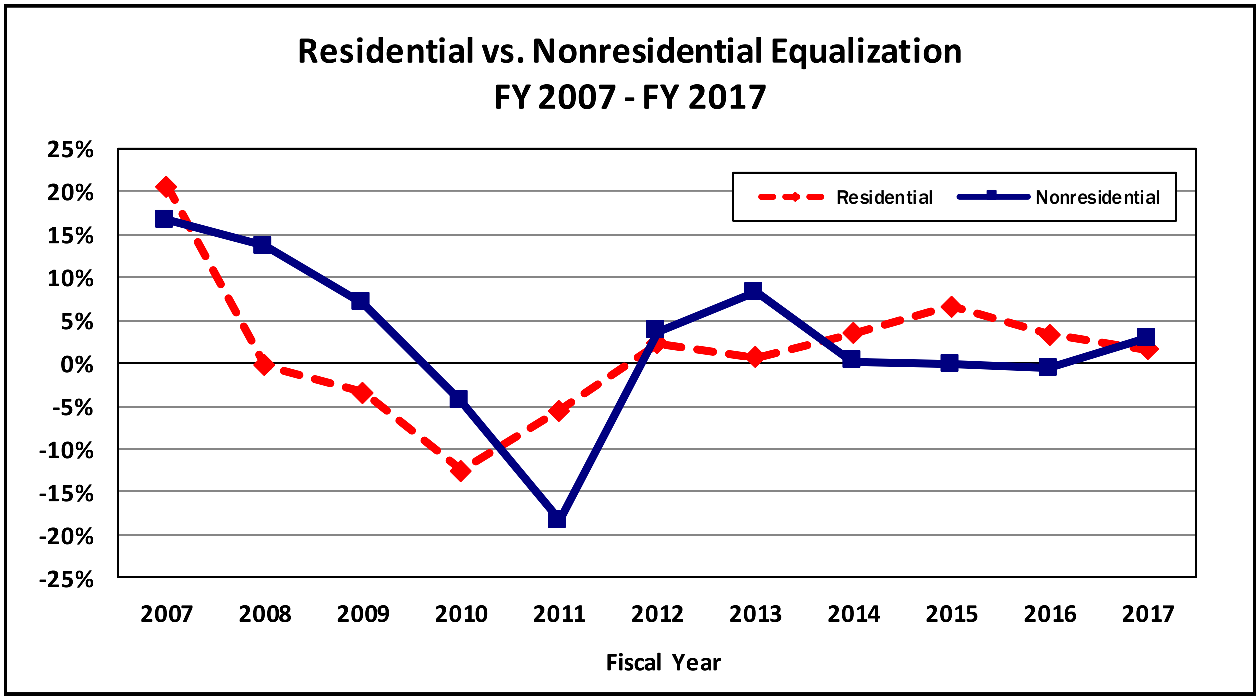
Overall, single family property values increased 1.69 percent in FY 2017. The value of single family homes has the most impact on the total residential base because they represent nearly 72 percent of the total. The value of condominium properties increased 0.73 percent in FY 2017, while that of townhouse properties rose 2.05 percent. Changes in residential equalization by housing type since FY 2012 are shown in the following table. Changes represented in this chart are for the category as a whole. Individual neighborhoods and properties may have increased or decreased by different percentages based on neighborhood selling prices.

Residential Equalization Changes

Housing Type/ (Percent of Base)	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Single Family (71.7%)	2.10%	0.70%	3.13%	5.82%	3.27%	1.69%
Townhouse/Duplex (19.5%)	3.73%	1.20%	4.50%	8.39%	3.81%	2.05%
Condominiums (8.2%)	2.53%	(0.06%)	5.42%	10.51%	4.48%	0.73%
Vacant Land (0.5%)	(3.50%)	(1.66%)	2.89%	3.38%	3.03%	0.92%
Other (0.1%)[1]	2.69%	2.56%	4.74%	3.42%	2.56%	6.42%
Total Residential Equalization (100%)	**2.34%**	**0.71%**	**3.50%**	**6.54%**	**3.39%**	**1.64%**

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

As a result of the increase in residential equalization, the mean assessed value of all residential property in the County is $527,648. This is an increase of $8,514 over the FY 2016 value of $519,134. At the adopted Real Estate tax rate of $1.13 per $100 of assessed value, the typical residential annual tax bill will rise, on average, $303.86 in FY 2017 to $5,962.42.



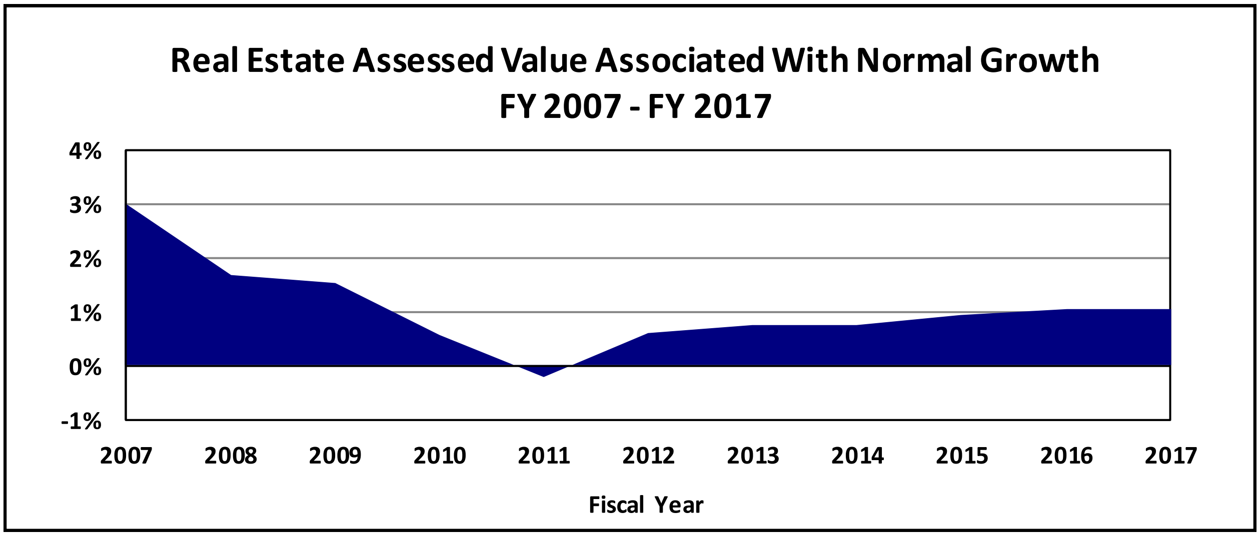
After experiencing a record decline of 18.29 percent in FY 2011, **nonresidential equalization** rebounded 3.73 percent in FY 2012, and a strong 8.21 percent in FY 2013. In FY 2014, nonresidential values stayed essentially level with FY 2013, increasing only 0.14 percent. In FY 2015 and FY 2016, nonresidential values decreased a slight 0.10 percent and another 0.60 percent, respectively. In FY 2017, nonresidential values increased 2.87 percent due to equalization. The total value of nonresidential properties including new construction in FY 2017 is $58.2 billion.

The main cause for the FY 2017 increase in nonresidential values is the increase in the values of Office Elevator properties. Office Elevator properties (mid- and high-rises), the largest component of the nonresidential tax base at 34.5 percent, experienced a 3.42 percent increase in FY 2017 after declining 4.67 percent in FY 2016. Apartment values, which represent 24.3 percent of the total nonresidential base, rose 2.92 percent in FY 2017. Nonresidential equalization changes by category since FY 2012 are presented in the following table.

Nonresidential Equalization Changes

Category (Percent of Base)	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Apartments (24.3%)	14.54%	12.60%	4.90%	3.59%	1.20%	2.92%
Office Condominiums (4.3%)	(1.53%)	(0.31%)	(0.66%)	(0.07%)	0.58%	1.86%
Industrial (7.0%)	(0.31%)	6.75%	0.69%	1.77%	5.83%	7.43%
Retail (14.5%)	1.90%	7.16%	1.18%	1.52%	2.46%	1.60%
Office Elevator (34.5%)	1.88%	11.34%	(2.41%)	(2.93%)	(4.67%)	3.42%
Office - Low Rise (3.2%)	0.49%	7.18%	(1.72%)	(2.41%)	(5.00%)	1.73%
Vacant Land (3.3%)	(2.07%)	2.01%	(0.74%)	(1.19%)	(4.62%)	1.50%
Hotels (3.3%)	11.35%	3.87%	(3.94%)	(4.82%)	0.26%	3.61%
Other (5.6%)	2.37%	3.27%	1.17%	2.37%	5.26%	3.70%
Nonresidential Equalization (100%)	**3.73%**	**8.21%**	**0.14%**	**(0.10%)**	**(0.60%)**	**2.87%**

The **Growth** component increased the FY 2017 assessment base by $2,362,613,770, or 1.04 percent, over the FY 2016 assessment book value. New construction increased the residential property base by 0.56 percent and nonresidential properties by 2.54 percent.



In addition to the final equalization and normal growth adjustments in the Main Assessment Book, the following projected adjustments were made to the FY 2017 Real Estate Tax revenue estimate:

Additional Assessments expected to be included in the new Real Estate base total $457.0 million, or a levy increase of $5.2 million, and include both prorated assessments and additional supplemental assessments. Prorated assessments are supplemental assessments that include assessments which are made during the year for new construction that is completed subsequent to finalizing the original assessment book.

Exonerations, Certificates and Tax Abatements are anticipated to reduce the Real Estate assessment base by $598.2 million in FY 2017, resulting in a reduction in levy of $6.8 million.

Mosaic District Community Development Authority (CDA) was created to assist commercial investment in the Merrifield area of the County. The Mosaic CDA is funded with tax increment financing which reduces the taxable value of property in the district. The reduction is based on the current assessed property value in the CDA compared to the property value in 2007 when the district was created. In FY 2017, the CDA reduces the assessment base by $489.5 million and the tax levy by $5.5 million. For more information, see Fund 70040 in Volume 2 of the budget.

Tax Relief for the Elderly and Disabled is projected to reduce the Real Estate assessment base in FY 2017 by $2,581.5 million. The reduction in tax levy due to the Tax Relief program is approximately $29.2 million at the adopted Real Estate tax rate of $1.13 per $100 of assessed value. In FY 2017, the income limits of the Tax Relief program provide 100 percent exemption for elderly and disabled taxpayers with incomes up to $52,000; 50 percent exemption for eligible applicants with income between $52,001 and $62,000; and 25 percent exemption if income is between $62,001 and $72,000. The allowable asset limit in FY 2017 is $340,000 for all ranges of tax relief. Veterans, who have a 100 percent permanent and total disability related to military service, or their surviving spouse, are eligible for full Real Estate Tax relief regardless of income or assets. The table below shows FY 2017 income and asset thresholds for the Tax Relief Program for the Elderly and Disabled.

FY 2017
Real Estate Tax Relief for the Elderly and Disabled

	Income Limit	Asset Limit	Percent Relief
Elderly and Disabled	Up to $52,000	$340,000	100%
	Over $52,000 to $62,000		50%
	Over $62,000 to $72,000		25%
100% Disabled Veterans or Surviving Spouse	No Limit	No Limit	100%

The FY 2017 local assessment base of $230,160,879,133 is derived from the main assessment book and subsequent adjustments discussed above. From this local assessment base, a local tax levy of $2,600,817,934 is calculated using the adopted Real Estate Tax rate of $1.13 per $100 of assessed value. Based on an expected local collection rate of 99.70 percent, revenue from local assessments is estimated to be $2,593,015,480. In FY 2017, every 0.01 percentage point change in the collection rate on the locally assessed Real Estate Tax levy yields a revenue change of $0.3 million, while every penny on the tax rate yields $23.3 million in revenue.

FY 2017 Estimated Real Estate Assessments and Tax Levy

	Assessed Value	FY 2017 Tax Levy at $1.13/$100 of Assessed Value
FY 2016 Real Estate Book	$226,608,986,400	$2,560,681,546
FY 2017 Equalization	4,401,541,100	49,737,414
FY 2017 Growth	2,362,613,770	26,697,536
TOTAL FY 2017 REAL ESTATE BOOK	**$233,373,141,270**	**$2,637,116,496**
Exonerations	($514,009,573)	($5,808,308)
Certificates	(8,335,360)	(94,190)
Tax Abatements	(75,903,479)	(857,709)
Subtotal Exonerations	($598,248,412)	($6,760,207)
Supplemental Assessments	$456,982,400	$5,163,901
Mosaic District TIF	(489,517,210)	(5,531,544)
Tax Relief	(2,581,478,915)	(29,170,712)
Local Assessments	**$230,160,879,133**	**$2,600,817,934**
Public Service Corporation	$892,919,132	$10,089,986
TOTAL	**$231,053,798,265**	**$2,610,907,920**

Added to the local assessment base is an estimated $892,919,132 in assessed value for Public Service Corporations (PSC) property. Using the adopted Real Estate tax rate of $1.13 per $100 of assessed value, the tax levy on PSC property is $10,089,986. The collection rate on PSC property is expected to be 100.0 percent.

The total assessment base, including Public Service Corporations, is $231,053,798,265, with a total tax levy of $2,610,907,920 at the adopted Real Estate Tax rate of $1.13 per $100 of assessed value. Estimated FY 2017 revenue from the Real Estate Tax, including receipts from Public Service Corporations, totals $2,603,105,466. Of this amount, the approximate value of one-half cent on the Real Estate Tax rate, $11,700,000, has been directed to Fund 30300, The Penny for Affordable Housing Fund.

Total General Fund revenue from the Real Estate Tax is $2,591,405,466, which reflects an overall collection rate of 99.70 percent. The total collection rates experienced in this category since FY 2002 are shown in the following table:

Real Estate Tax Collection Rates

Fiscal Year	Collection Rate	Fiscal Year	Collection Rate
2002	99.65%	2010	99.71%
2003	99.67%	2011	99.67%
2004	99.61%	2012	99.69%
2005	99.62%	2013	99.71%
2006	99.62%	2014	99.74%
2007	99.64%	2015	99.77%
2008	99.66%	2016 (estimated)[1]	99.70%
2009	99.66%	2017 (estimated)[1]	99.70%

[1] In FY 2017, every 0.1 percentage point change in the collection rate yields a revenue change of $2,600,818.

The Commercial/Industrial percentage of the County's FY 2017 Real Estate Tax base is 18.89 percent, an increase of 0.22 percentage points over the FY 2016 level of 18.67 percent. Commercial/Industrial property values as a percentage of the Real Estate Tax base increased in FY 2017 as a result of new office construction and a slower increase experienced in the residential portion of the Real Estate Tax base. The Commercial/Industrial percentage is based on Virginia land use codes and includes all nonresidential property except multi-family rental apartments, which make up 6.04 percent of the County's Real Estate Tax base in FY 2017. Fairfax County's historical Commercial/Industrial percentages are detailed in the following table:

Commercial/Industrial Percentages

Fiscal Year	Percentage	Fiscal Year	Percentage
2002	24.84%	2010	22.67%
2003	21.97%	2011	19.70%
2004	19.14%	2012	19.64%
2005	18.20%	2013	20.77%
2006	17.36%	2014	19.96%
2007	17.22%	2015	19.01%
2008	19.23%	2016	18.67%
2009	21.06%	2017	18.89%

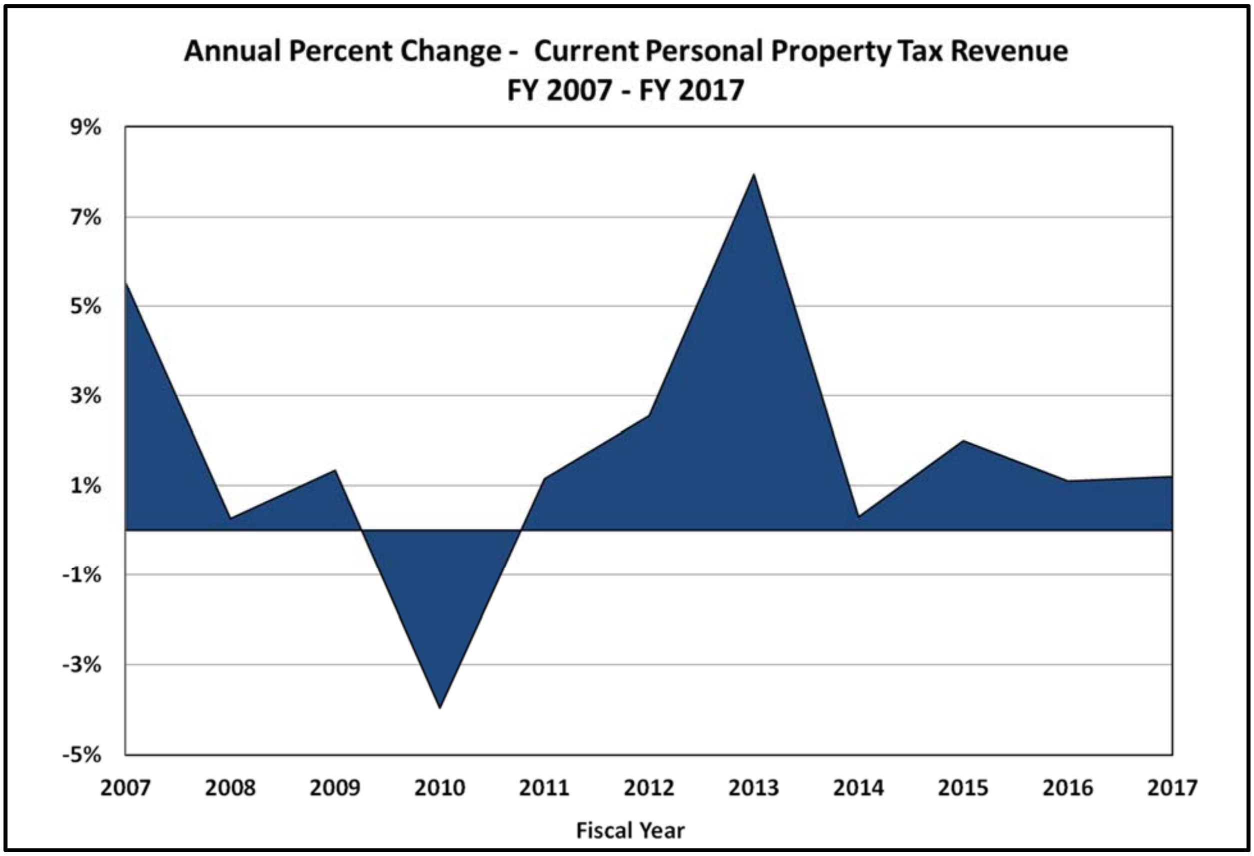
PERSONAL PROPERTY TAX-CURRENT

	FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted	Increase/ (Decrease)	Percent Change
Paid Locally	$356,873,845	$357,057,083	$363,144,490	$370,221,094	$370,221,094	$0	0.0%
Reimbursed by State	211,313,944	211,313,944	211,313,944	211,313,944	211,313,944	0	0.0%
Total	$568,187,789	$568,371,027	$574,458,434	$581,535,038	$581,535,038	$0	0.0%

The FY 2017 Adopted Budget Plan estimate for Personal Property Tax revenue of $581,535,038 represents no change from the FY 2017 Advertised Budget Plan and an increase of $7.1 million or 1.2 percent over the *FY 2016 Revised Budget Plan*. The increase is primarily due to an increase in the vehicle levy based on an analysis of vehicles currently in the County valued with information from the National Automobile Dealers Association, as well as an increase in the Business Personal Property levy. In addition, the adopted $0.04 increase in the Real Estate Tax rate to $1.13 per $100 of assessed value impacts two classes of personal property: mobile homes and nonvehicle Public Service Corporation property resulting in a revenue increase of $1.1 million.

The Personal Property Tax on vehicles represents over 73 percent of the total assessment base in FY 2017. The vehicle component is comprised of two parts, that which is paid locally and that which is reimbursed by the Commonwealth of Virginia to the County as a result of the Personal Property Tax Relief Act (PPTRA) of 1998. The PPTRA reduces the Personal Property Tax paid on the first $20,000 of the value for vehicles owned by individuals. In FY 1999, the first year of implementation, taxpayers were billed for the entire amount of tax levy and received a refund of 12.5 percent of the tax on the first $20,000 of the value of their personal vehicle from the Commonwealth of Virginia. Vehicles valued less than $1,000 were refunded 100 percent. From FY 2000 to FY 2002, the PPTRA reduced the Personal Property Taxes paid by citizens by 27.5 percent, 47.5 percent, and 70 percent, respectively, with an offsetting reimbursement paid to the County by the Commonwealth. Under the original approved plan, taxes paid by individuals were to be reduced by 100 percent in FY 2003. However, due to the Commonwealth's lower than anticipated General Fund revenue growth, the reimbursement rate remained at 70 percent in FY 2003 through FY 2006. The 2004 General Assembly approved legislation that capped statewide Personal Property Tax reimbursements at $950 million in FY 2007 and beyond. Fairfax County's allocation has been set at $211.3 million based on the County's share of statewide tax year 2004 collections. Each year County staff must determine the reimbursement percentage based on the County's fixed reimbursement from the state and an estimate of the number and value of vehicles that will be eligible for tax relief. As the number and value of vehicles in the County vary, the percentage attributed to the state will vary. Based on a County staff analysis, the effective state reimbursement percentage was 66.67 percent, 67.0 percent, and 68.5 percent in FY 2007, FY 2008 and FY 2009, respectively. The reimbursement percentage was set at 70.0 percent in both FY 2010 and FY 2011, and at 68.0 percent in FY 2012. Due to a continued increase in vehicle volume and average levy, the reimbursement percentage was lowered to 63.0 percent in FY 2013 where it remained in FY 2014. In FY 2015 and FY 2016, the reimbursement percentage was lowered again to 62.0 percent. Based on an estimate of the number and value of vehicles that will be eligible for tax relief in FY 2017, the reimbursement percentage remains at 62.0 percent.

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



Personal Property tax receipts grew 5.5 percent in FY 2007. As the economy began to slow, Personal Property Tax receipts rose modestly in FY 2008 and FY 2009 at rates of 0.3 percent and 1.3 percent, respectively. In FY 2010, receipts decreased 4.0 percent mainly as a result of a significant decline of 10.8 percent in average vehicle levy reflecting the downturn in the economy in calendar year 2009. FY 2011 Personal Property Tax receipts increased 1.1 percent due to an increase in the average vehicle levy, partially offset with a decrease in business volume and average business levy. FY 2012 Personal Property Tax receipts increased 2.6 percent due to an increase in both the average vehicle and business levies. FY 2013 receipts increased a solid 7.9 percent mainly as a result of a rise of 7.1 percent in total vehicle levy. A reduction in the supply of new vehicles increased prices of both new and used automobiles. The decrease in supply was a result of a decline in U.S. auto production due to the slowdown in the economy and the earthquake and tsunami in Japan, which not only impacted Japanese automakers but also U.S. automakers that rely on parts from Japan. This situation caused the value of many used vehicles to depreciate less than what traditionally has been experienced and resulted in some vehicles actually appreciating over the year. This was not unique to Fairfax County, but was experienced nationwide. Total FY 2014 Personal Property Tax revenue increased a slight 0.3 percent as the depreciation of vehicles returned to more normal levels, followed by an increase of 2.0 percent in FY 2015. In FY 2016, receipts are expected to increase 1.1 percent and a similar 1.2 percent increase is anticipated in FY 2017 Personal Property Tax revenue. The vehicle component, which comprises over 73 percent of total Personal Property levy, is expected to increase 0.7 percent based on an analysis of vehicles in the County valued with information from the National

Automobile Dealers Associations (NADA). Total vehicle volume is forecast to increase 0.7 percent in FY 2017.

Changes in vehicle volume and average vehicle levy since FY 2007 are shown in the following table.

Fairfax County
Personal Property Vehicles

Fiscal Year	% Change in Vehicle Volume	Average Vehicle Levy	% Change in Average Levy
FY 2007	(0.6%)	$431	4.9%
FY 2008	(0.1%)	$424	(1.6%)
FY 2009	0.8%	$434	2.4%
FY 2010	0.1%	$387	(10.8%)
FY 2011	0.9%	$397	2.6%
FY 2012	0.7%	$411	3.5%
FY 2013	0.7%	$437	6.3%
FY 2014	0.9%	$445	1.8%
FY 2015	0.0%	$451	1.3%
FY 2016 (est.)	0.1%	$459	1.8%
FY 2017 (est.)	0.7%	$459	0.0%

Business Personal Property is primarily composed of assessments on furniture, fixtures and computer equipment. Business levy is impacted by the number of new businesses and whether existing businesses are expanding or contracting. As government contractors cut back employment due to lower federal procurement spending, they delayed business expansions. Business levy rose a modest 0.8 percent in FY 2014 and 1.0 percent in FY 2015. Growth of 0.5 percent is projected in FY 2016. Business levy is anticipated to grow 1.6 percent in FY 2017 based on the expectation that economic conditions will improve modestly and businesses will increase purchases of new equipment.

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

Personal Property Tax revenue estimates are based on a tax rate of $4.57 per $100 of valuation for vehicles and business property, and a tax rate of $1.13 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 2017 Estimated Personal Property Assessments and Tax Levy

Category	FY 2017 Assessed Value	Tax Rate (per $100)	FY 2017 Tax Levy	Percent of Total Levy
Vehicles				
Privately Owned	$9,921,458,689	$4.57	$372,604,656	63.3%
Business Owned	560,188,765	4.57	20,708,398	3.5%
Leased	1,186,000,381	4.57	39,460,381	6.7%
Subtotal	$11,667,647,835		$432,773,435	73.5%
Business Personal Property				
Furniture and Fixtures	$1,828,013,071	$4.57	$83,767,252	14.2%
Computer Equipment	759,766,982	4.57	34,837,715	5.9%
Machinery and Tools	32,907,795	4.57	1,508,713	0.3%
Research and Development	466,405	4.57	21,383	0.0%
Subtotal	$2,621,154,253		$120,135,063	20.4%
Public Service Corporations				
Equalized	$2,694,649,305	$1.13	$30,449,537	5.2%
Vehicles	8,253,435	4.57	377,182	0.1%
Subtotal	$2,702,902,740		$30,826,719	5.3%
Other				
Mobile Homes	$15,468,042	$1.13	$174,789	0.1%
Other (Trailers, Misc.)	17,141,398	4.57	741,545	0.1%
Subtotal	$32,609,440		$916,334	0.2%
Penalty for Late Filing			$3,809,857	0.6%
TOTAL	**$17,024,314,268**		**$588,461,408**	**100.0%**

FY 2017 Personal Property Tax assessments including Public Service Corporations are $17,024,314,268, with a total tax levy of $588,461,408. Personal Property Tax revenue collections are projected to be $581,535,038, of which $211.3 million will be reimbursed from the state. The collection rate associated with the taxpayer's share is estimated to be 98.0 percent. Total collection rates experienced in this category since FY 2002 are shown in the following table:

Personal Property Tax Collection Rates

Fiscal Year	Collection Rate	Fiscal Year	Collection Rate
2002	96.3%	**2010**	97.8%
2003	96.8%	**2011**	97.9%
2004	96.9%	**2012**	98.2%
2005	97.9%	**2013**	98.4%
2006	98.1%	**2014**	97.4%
2007	98.3%	**2015**	98.4%
2008	98.0%	**2016 (estimated)**[1]	98.0%
2009	97.9%	**2017 (estimated)**[1]	98.0%

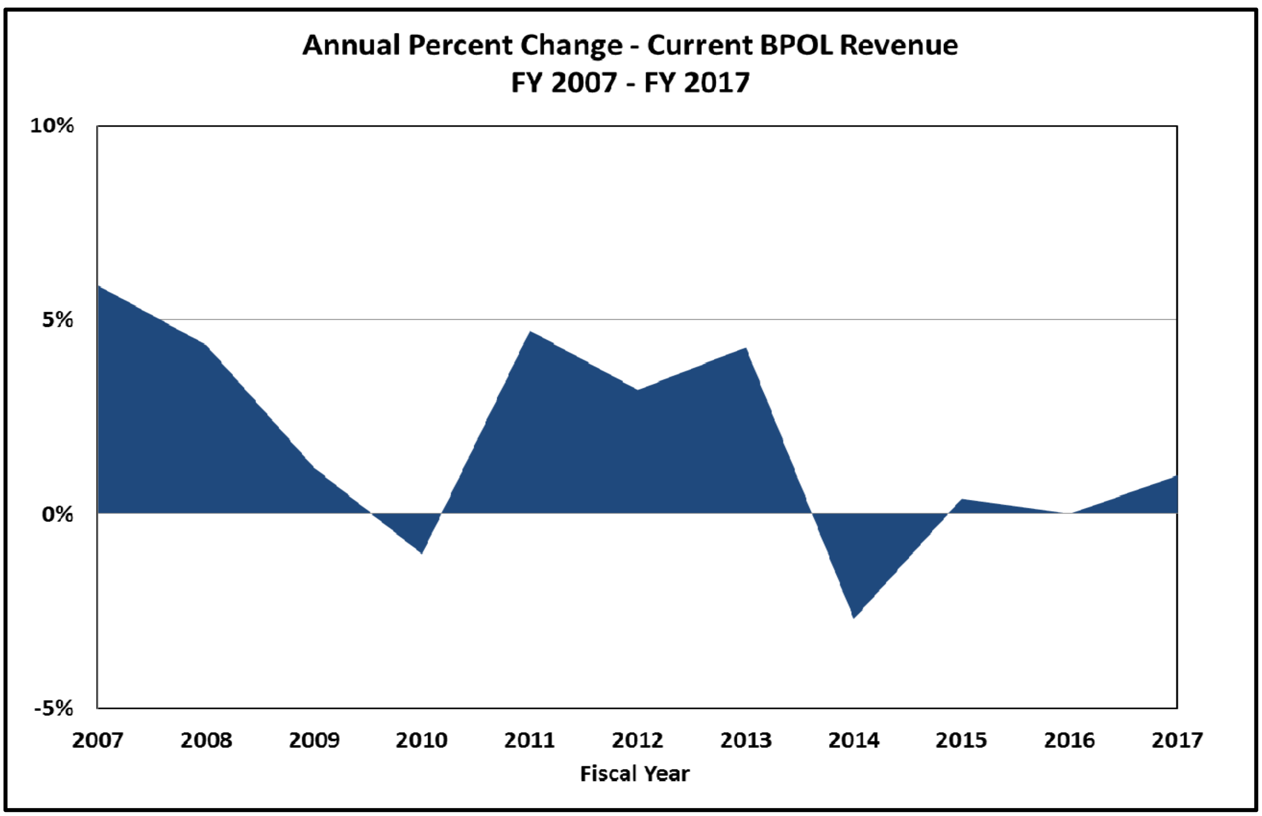
[1] Each 0.1 percentage point change in the collection rate on the local tax levy will impact revenues by approximately $0.3 million, and each penny on the tax rate yields a revenue change of $1.2 million.

FY 2016 Personal Property Tax Revenue
The FY 2016 Personal Property Tax estimate was increased $6.1 million during the fall 2015 revenue review as a result of higher than projected vehicle and business levy.

BUSINESS, PROFESSIONAL AND OCCUPATIONAL LICENSE TAX-CURRENT

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted	Increase/ (Decrease)	Percent Change
$152,533,993	$146,818,108	$152,533,993	$154,059,333	$154,059,333	$0	0.0%

The FY 2017 Adopted Budget Plan estimate for Business, Professional, and Occupational License Taxes (BPOL) of $154,059,333 reflects no change from the FY 2017 Advertised Budget Plan and an increase of $1,525,340 or 1.0 percent over the *FY 2016 Revised Budget Plan* estimate. As shown in the chart below, growth in BPOL receipts was 5.9 percent and 4.4 percent in FY 2007 and FY 2008, respectively. In FY 2009, BPOL receipts were up just 1.2 percent over FY 2008. This modest rate of growth reflected the downturn in the local economy late in 2008. In FY 2010, BPOL receipts, which were based on the gross receipts of businesses in calendar year 2009, fell 1.0 percent. Growth of 4.7 percent in FY 2011 BPOL receipts reflected the improvement in local economic conditions. Receipts increased a moderate 3.2 percent in FY 2012, and 4.3 percent in FY 2013, but decreased 2.7 percent in FY 2014 likely due to lower federal government procurement spending. Due to anemic job growth, BPOL receipts were essentially flat in FY 2015, increasing only 0.4 percent over FY 2014. The combined Consultant and Business Service Occupations categories, which together represent 43 percent of total BPOL receipts, decreased 1.9 percent in FY 2015. The remaining categories rose 2.2 percent. The Retail category, which represents 20 percent of total BPOL receipts, rose a strong 4.1 percent in FY 2015.



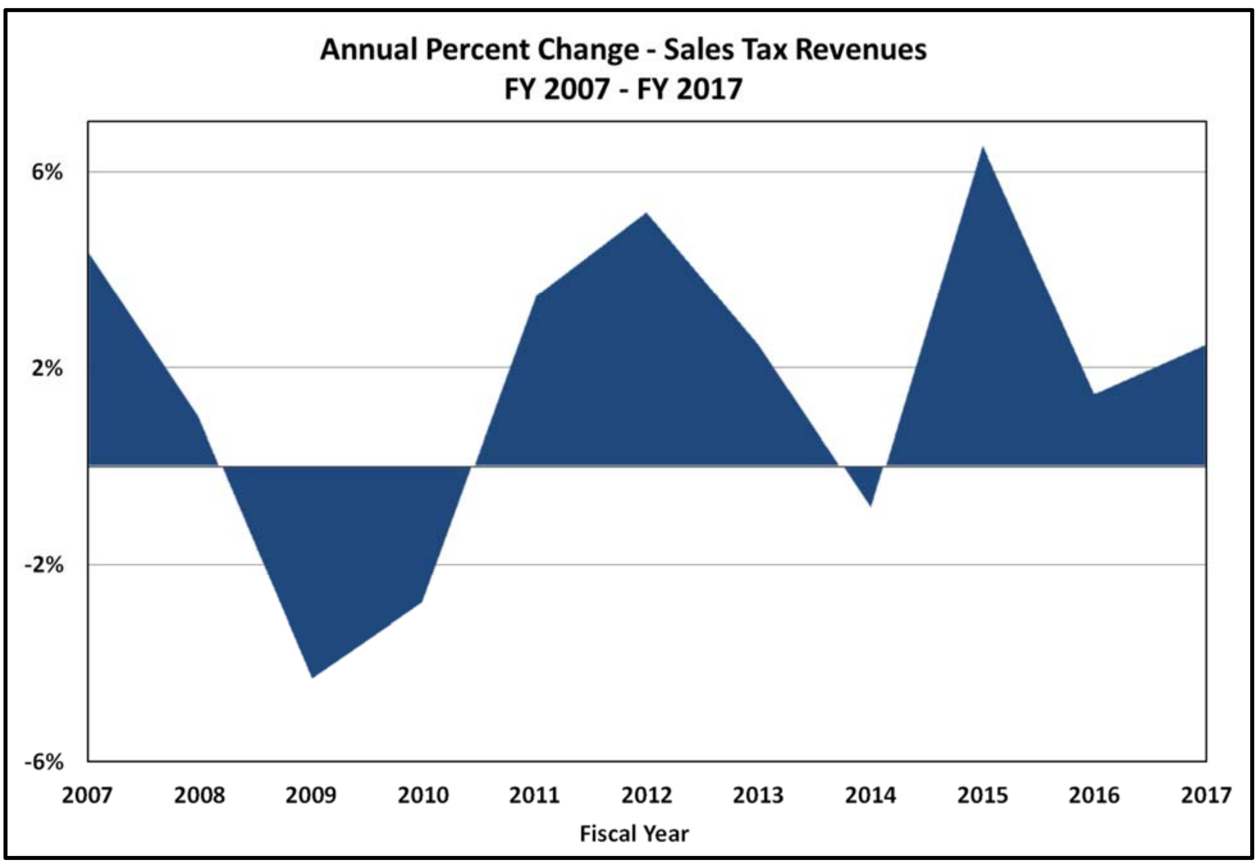
Based on actual FY 2015 receipts and an econometric model using calendar year Sales Tax receipts and employment as predictors, the FY 2016 BPOL estimate was increased $5.7 million during the fall 2015 revenue review to the same level received in FY 2015. A 1.0 percent growth in BPOL receipts is projected in FY 2017.

In January 2015, the Virginia Supreme Court affirmed a Virginia Commissioner of the Revenue formula to deduct gross receipts from out-of-state operations for the purposes of determining the BPOL tax basis. Currently, Fairfax County has eight appeals based on the new formula. These appeals are for multiple years and total approximately $37 million including interest. The Board of Supervisors established a litigation reserve in FY 2014 for the refunds which are not anticipated to be made until FY 2017.

LOCAL SALES TAX

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted	Increase/ (Decrease)	Percent Change
$176,374,517	$175,815,535	$179,020,134	$183,495,638	$183,495,638	$0	0.0%

The FY 2017 Adopted Budget Plan estimate for Sales Tax receipts of $183,495,638 reflects no change from the FY 2017 Advertised Budget Plan and an increase of $4,475,504, or 2.5 percent, over the *FY 2016 Revised Budget Plan*. The following chart illustrates that the level of Sales Tax receipts has varied with economic conditions.



In FY 2007, Sales Tax receipts experienced moderate growth, increasing 4.4 percent. The national recession began in December 2007 and FY 2008 Sales Tax revenue rose just 1.0 percent, followed by a decline of 4.4 percent in FY 2009. This was the first decline since FY 2002 and only the third decrease in over 30 years. Although the national recession was reported to have reached its trough in December 2009, job losses continued and Sales Tax collections fell 2.8 percent in FY 2010. Sales Tax receipts rose 3.5 percent in FY 2011, the first increase since FY 2008. Growth continued in FY 2012 with Sales taxes rising 5.2 percent, the strongest rate of growth since FY 2005. In FY 2013, Sales Tax receipts continued to grow but at a more modest rate of 2.5 percent. Total FY 2014 Sales Tax receipts were down 0.9 percent, the first decline in four years. The decline was primarily due to the severe winter weather, as well as federal sequestration and refunds for prior year's receipts totaling $2.0 million. In FY 2015, Sales Tax receipts increased a strong 6.6 percent. During the fall 2015 revenue review, the FY 2016 estimate was increased $3.2 million, reflecting growth of 1.5 percent over the FY 2015 level. While Sales Tax collections were up 2.5 percent through March 2016, the rate was considered to be artificially high due to $2.2 million in taxes received by the County in December from prior years from a state audit. As a result, no adjustment was made to the FY 2016 Sales Tax estimate as part of the *FY 2016 Third Quarter Review*. Sales Tax receipts in FY 2017 are projected to rise 2.5 percent over the FY 2016 estimate based on the anticipation that consumer spending will increase moderately throughout FY 2017.

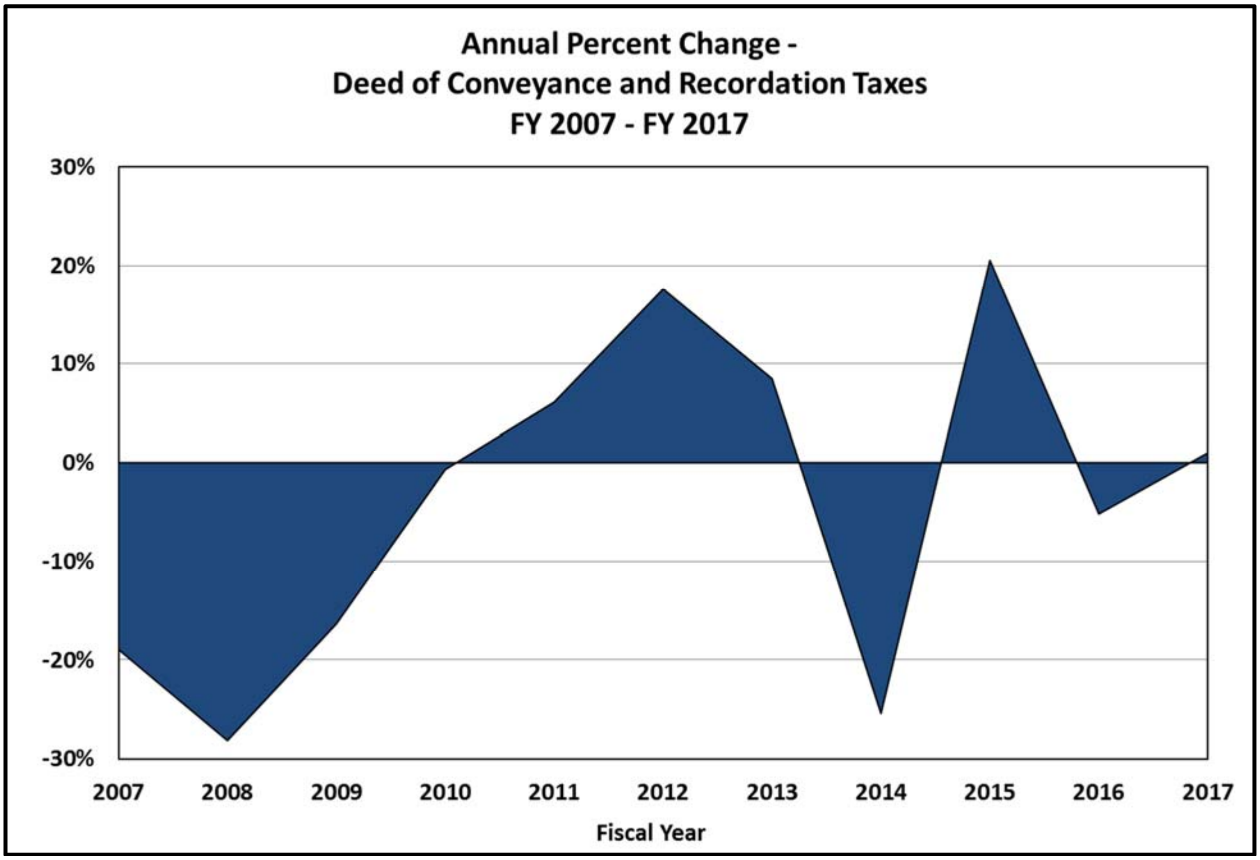
RECORDATION/DEED OF CONVEYANCE TAXES

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted	Increase/ (Decrease)	Percent Change
$30,257,610	$24,861,788	$28,689,513	$28,976,408	$28,976,408	$0	0.0%

The FY 2017 Adopted Budget Plan estimate for Recordation and Deed of Conveyance Taxes of $28,976,408 represents no change from the FY 2017 Advertised Budget Plan and an increase of $286,895, or 1.0 percent, over the *FY 2016 Revised Budget Plan* estimate. The FY 2017 estimate is comprised of $22,972,125 in Recordation Tax revenues and $6,004,283 in Deed of Conveyance Tax revenues. Recordation and Deed of Conveyance Taxes are levied in association with the sale or transfer of real property located in the County. Recordation Taxes are also levied when mortgages on property located in the County are refinanced, making Recordation Tax revenues more sensitive to interest rate fluctuations than Deed of Conveyance Taxes. Home values and interest rate projections are used in an econometric model that assists in developing estimates for these categories.

Fairfax County's Deed of Conveyance Tax is assessed at a rate of $0.05 per $100. Local Recordation Taxes are set at one-third the State's Tax rate. From September 2004 through FY 2012, the State Recordation Tax was $0.25 per $100 of value. The rate was lowered on mortgage refinancing transactions to $0.18 per $100 of value effective July 1, 2012; however, all refinancing transactions are now taxable, whereas previously refinancing with the same lender was exempt from the tax. The State Recordation Tax rate on home purchases was not reduced and remained at $0.25 per $100. Therefore, as of FY 2013, the County's Recordation Tax rate on home purchases is $0.0833 per $100 of value, while the tax rate on mortgage refinancing is $0.06 per $100 of value.

During the housing slump, revenue from these categories decreased a combined 18.9 percent in FY 2007, 28.1 percent in FY 2008, 16.4 percent in FY 2009, and a slight 0.7 percent in FY 2010. Primarily due to increased mortgage refinancing activity as a result of historically low mortgage interest rates, revenues increased 6.1 percent in FY 2011, 17.6 percent in FY 2012, and 8.5 percent in FY 2013. FY 2014 receipts declined a combined 25.4 percent due to a decline in mortgage refinancing as a result of higher interest rates, as well as a decline in the number of home sales. FY 2015 receipts increased a strong 20.5 percent. Based on actual FY 2015 receipts and year-to-date collection trends, the FY 2016 estimate for Recordation and Deed of Conveyance Taxes was increased $3.8 million, reflecting a decrease of 5.2 percent from the FY 2015 level. The FY 2017 estimate for Recordation and Deed of Conveyance Taxes reflects a 1.0 percent growth. Mortgage refinancing and home sales are expected to stabilize, while home values are anticipated to increase in FY 2017.



CONSUMER UTILITY TAXES - GAS AND ELECTRIC

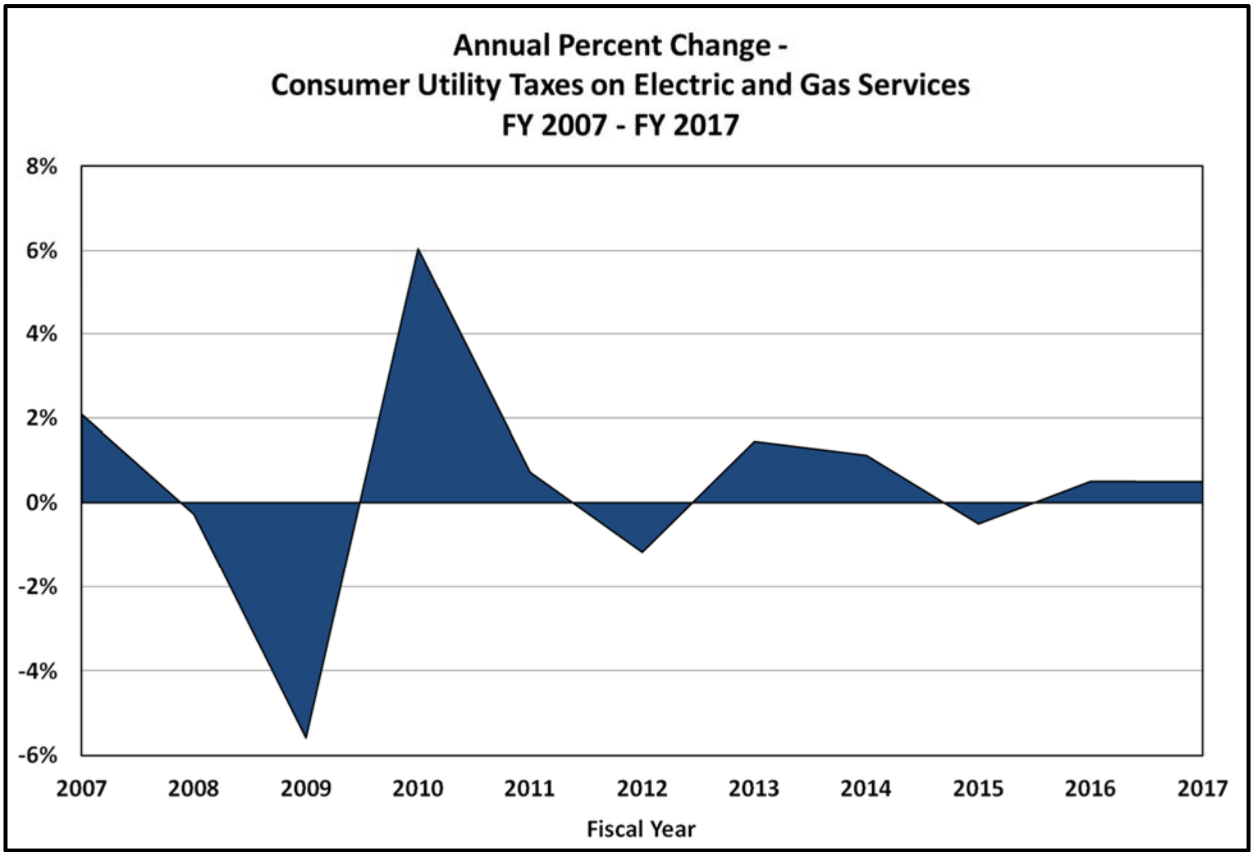
FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted	Increase/ (Decrease)	Percent Change
$45,812,447	$46,044,609	$46,044,609	$46,274,832	$46,274,832	$0	0.0%

The FY 2017 Adopted Budget Plan estimate for Consumer Utility Taxes on gas and electric services of $46,274,832 represents no change from the FY 2017 Advertised Budget Plan and an increase of $230,223 or 0.5 percent over the *FY 2016 Revised Budget Plan*. The FY 2017 estimate is comprised of $36,497,022 in taxes on electric service and $9,777,810 in taxes on gas service. County residents and businesses are subject to Consumer Utility Taxes based on their consumption of electricity and gas services. Tax rates by customer class are shown in the table below.

CONSUMER UTILITY TAXES ON ELECTRICITY AND NATURAL GAS

ELECTRICITY		NATURAL GAS	
Electric Power Customer Class	**Monthly Tax FY 2001 - FY 2017**	**Natural Gas Customer Class**	**Monthly Tax FY 2001 - FY 2017**
Residential	$0.00605 per kWh	**Residential**	$0.05259 per CCF
Minimum	+$0.56 per bill	Minimum	+$0.56 per bill
Maximum	$4.00 per bill	Maximum	$4.00 per bill
Master Metered Apartments	$0.00323 per kWh	**Master Metered Apartments**	$0.01192 per CCF
Minimum	+$0.56 / dwelling unit	Minimum	+$0.56 / dwelling unit
Maximum	$4.00 / dwelling unit	Maximum	$4.00 / dwelling unit
Commercial	$0.00594 per kWh	**Nonresidential**	$0.04794 per CCF
Minimum	+ $1.15 per bill	Minimum	+ $0.845 per bill
Maximum	$1,000 per bill	Maximum	$300 per bill
Industrial	$0.00707 per kWh	**Nonresidential Interruptible**	$0.00563 per CCF
Minimum	+$1.15 per bill	Minimum	+$4.50 per meter
Maximum	$1,000 per bill	Maximum	$300 per meter

Revenue from Consumer Utility Taxes on gas and electric services from FY 2007 to FY 2014 grew at an average annual rate of just 0.2 percent. Receipts in FY 2015 fell 0.5 percent. The FY 2016 revenue estimate reflects an increase of 0.5 percent. Based on collection trends over the past several years, receipts in FY 2017 are expected to increase a modest 0.5 percent.



COMMUNICATIONS SALES TAX

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted	Increase/ (Decrease)	Percent Change
$20,816,708	$21,882,460	$16,705,277	$16,005,070	$16,005,070	$0	0.0%

The FY 2017 Adopted Budget Plan estimate for the General Fund portion of the Communications Sales Tax of $16,005,070 reflects no change from the FY 2017 Advertised Budget Plan and a decrease of $700,207, or 4.2 percent, from the *FY 2016 Revised Budget Plan*. The decrease is based on a change in the distribution of revenue among funds within the County, which was implemented in FY 2015. The Communications Tax is a statewide tax that was first implemented in January 2007, after the 2006 Virginia General Assembly session approved legislation that changed the way in which taxes are levied on communications services. Based on this legislation, local taxes on land line and wireless telephone services were replaced with a 5 percent statewide Communication Sales Tax. In addition to the communications services previously taxed, the 5 percent Communication Sales Tax applies to satellite television and radio services, internet calling and long-distance telephone charges. As part of this legislation, local E-911 fees were repealed and replaced with a statewide $0.75 per line fee. These rates were meant to provide revenue neutrality with FY 2006 receipts. All communications taxes are remitted to the state for distribution to localities based on the locality's share of total statewide FY 2006 collections of these taxes. Fairfax County's share is determined by the state and is set at 18.89 percent. Of the total tax, the Cable Franchise portion is directed to Fund 40030, Cable Communications. Prior to FY 2015, the percentage of the remaining revenue was directed to Fund 40090, E-911 and the General Fund based on their relative share of the tax in FY 2006. However, to cover all the expenses in the E-911 Fund, a transfer from the General Fund was still required. To eliminate the need for a General Fund transfer, beginning in FY 2015, more Communications Sales Tax revenue is directed to Fund 40090, E-911. In FY 2017, total Communications Sales Taxes are projected to be $76.3 million. Of the total tax, Cable Franchise Fees of $18.3 million will be directed to Fund 40030, Cable Communications. Of the remaining tax, $42.0 million will be posted in Fund 40090, E-911 and $16.0 million to the General Fund in FY 2017. The distribution of the tax since FY 2015 is shown below.

Communications Sales Tax Revenue

Fund	FY 2015	FY 2016 Projected	FY 2017 Projected
Fund 40030, Cable Communications	$18,125,762	$17,800,000	$18,300,000
Fund 40090, E-911	40,294,990	41,320,122	42,012,354
General Fund	20,816,708	16,705,277	16,005,070
Total	$79,237,460	$75,825,399	$76,317,424

Since its inception, this statewide tax has been fraught with errors in under-reporting by some providers and over-collection by others. The Commonwealth found that revenue during FY 2007 was lower than anticipated due to errors in reporting the tax by two large communications providers which resulted in an under-collection of the statewide tax during FY 2007 and part of FY 2008. These providers remitted back taxes and corrected the errors in FY 2008. In FY 2009, the Virginia Department of Taxation verified that taxes totaling $21.3 million statewide had been collected by service providers from entities that should have been tax exempt. Therefore, refunds were made over four months spanning FY 2009 and FY 2010. Fairfax County's share of the refunds was $4.0 million. Due in part to the refunds, Fairfax County's General Fund receipts in this category fell 3.9 percent in FY 2009 and another 3.2 percent in FY 2010. FY 2011 General Fund collections declined an additional 2.6 percent. FY 2012 receipts fell 7.3 percent, as a $14.3 million statewide refund was processed relating to the erroneous collection of taxes on data services by a wireless provider. The County's share of this refund was $2.7 million. Even without the refunds, collections in FY 2012 would have been lower possibly due to continued declines in land line telephones. FY 2013 General Fund revenue from the tax was $47.9 million, an increase of 1.9 percent over FY 2012. This was the first increase since 2008, the first full fiscal year of statewide tax collection. FY 2014 General Fund receipts decreased 4.4 percent. The FY 2016 General Fund estimate was reduced $5.2 million as part of the fall 2015 revenue review based on actual receipts during FY 2015 and collection trends during FY 2016. The FY 2017 General Fund estimate reflects the redistribution of revenue to Fund 40090, E-911 based on actual requirements.

VEHICLE REGISTRATION LICENSE FEE - CURRENT

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted	Increase/ (Decrease)	Percent Change
$26,075,806	$26,441,703	$26,441,703	$26,573,911	$26,573,911	$0	0.0%

The FY 2017 Adopted Budget Plan estimate for Vehicle Registration Fee revenue of $26,573,911 reflects no change from the FY 2017 Advertised Budget Plan and an increase of $132,208, or 0.5 percent, over the *FY 2016 Revised Budget Plan*. Fairfax County levies the fee at $33 for passenger vehicles that weigh 4,000 pounds or less and $38 on passenger vehicles that weigh more than 4,000 pounds. In addition, fees are $18 for motorcycles and $25 for buses used for transportation to and from church. The County does not require the display of a decal on the vehicle. The FY 2017 estimate represents an increase of 0.5 percent primarily due to an increase in projected vehicle volume. Payment of Vehicle Registration License Fees is linked to the payment of Personal Property Taxes on October 5 each year. Vehicles owned by disabled veterans, members of volunteer fire departments and auxiliary police officers are exempt from the fee.

TRANSIENT OCCUPANCY TAX

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted	Increase/ (Decrease)	Percent Change
$20,040,188	$19,325,499	$20,541,193	$21,054,723	$21,054,723	$0	0.0%

The FY 2017 Adopted Budget Plan estimate for Transient Occupancy Tax of $21,054,723 represents no change from the FY 2017 Advertised Budget Plan and an increase of $513,530, or 2.5 percent, over the *FY 2016 Revised Budget Plan* estimate. Transient Occupancy Taxes are charged as part of a hotel bill and remitted by the hotel to the County. The Transient Occupancy Tax has been levied at 4 percent since the Virginia General Assembly permitted the Board of Supervisors to levy an additional 2.0 percent Transient Occupancy Tax in FY 2005. A portion, 25 percent, of the additional 2.0 percent must be appropriated to a nonprofit convention and visitors' bureau located in the County. The remaining 75 percent must be used by the County to promote tourism.

FY 2015 Transient Occupancy receipts rose a robust 9.3 percent after decreasing for two consecutive years. During FY 2013 and FY 2014, business travel was reported to have been down in the region due to federal spending reductions. Based on collection trends, as well as data on room and occupancy rates, the FY 2016 estimate was increased $1.2 million during the fall 2015 revenue review, reflecting a 2.5 percent increase over FY 2015. The FY 2017 estimate reflects the same level of growth, which assumes a continued improvement in tourism and business travel.

CIGARETTE TAX

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted	Increase/ (Decrease)	Percent Change
$7,377,057	$7,181,484	$7,109,457	$7,073,909	$7,073,909	$0	0.0%

The FY 2017 Adopted Budget Plan estimate for Cigarette Tax of $7,073,909 represents no change from the FY 2017 Advertised Budget Plan and a decrease of $35,548, or 0.5 percent, from the *FY 2016 Revised Budget Plan* estimate. Fairfax County and Arlington County are the only counties in Virginia authorized to levy a tax on cigarettes. The maximum rate authorized is the greater of 5.0 cents per pack or the rate levied by the Commonwealth. The County's rate is 30 cents per pack, the same as the state rate.

Cigarette Tax receipts fell for a third consecutive year, decreasing 5.8 percent in FY 2015 after declining 6.0 percent in FY 2014 and 7.3 percent in FY 2013. During the fall 2015 revenue review, the FY 2016 estimate was decreased $72,027, reflecting a decline of 3.6 percent, based on actual receipts during FY 2015 and collections trends. FY 2017 Cigarette Tax receipts are anticipated to decline 0.5 percent based on trends experienced over the last several years.

PERMITS, FEES AND REGULATORY LICENSES

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted	Increase/ (Decrease)	Percent Change
$45,545,990	$45,572,818	$46,549,359	$47,384,162	$47,384,162	$0	0.0%

The FY 2017 Adopted Budget Plan estimate for Permits, Fees, and Regulatory Licenses of $47,384,162 represents no change from the FY 2017 Advertised Budget Plan and an increase of $834,803, or 1.8 percent, over the *FY 2016 Revised Budget Plan* estimate. This increase is primarily due to an increase in projected Land Development Services (LDS) fees.

LDS fees for building permits, site plans, and inspection services make up over nearly three-quarters of the Permits, Fees, and Regulatory Licenses category. Changes in LDS fee revenue typically track closely to the current condition of the real estate market, as well as the size and complexity of projects submitted to LDS for review. During the fall 2015 revenue review, the LDS revenue estimate was increased $0.8 million to $34.8 million based on year-to-date collections. Continued growth in permitting activity is anticipated during FY 2017. As a result, FY 2017 receipts are projected to increase $0.7 million, or 2.0 percent.

During the fall 2015 revenue review, various other permits and fees were reviewed and, based on actual receipts during FY 2015 and year-to-date collections, FY 2016 estimates were increased a net $0.2 million.

INVESTMENT INTEREST

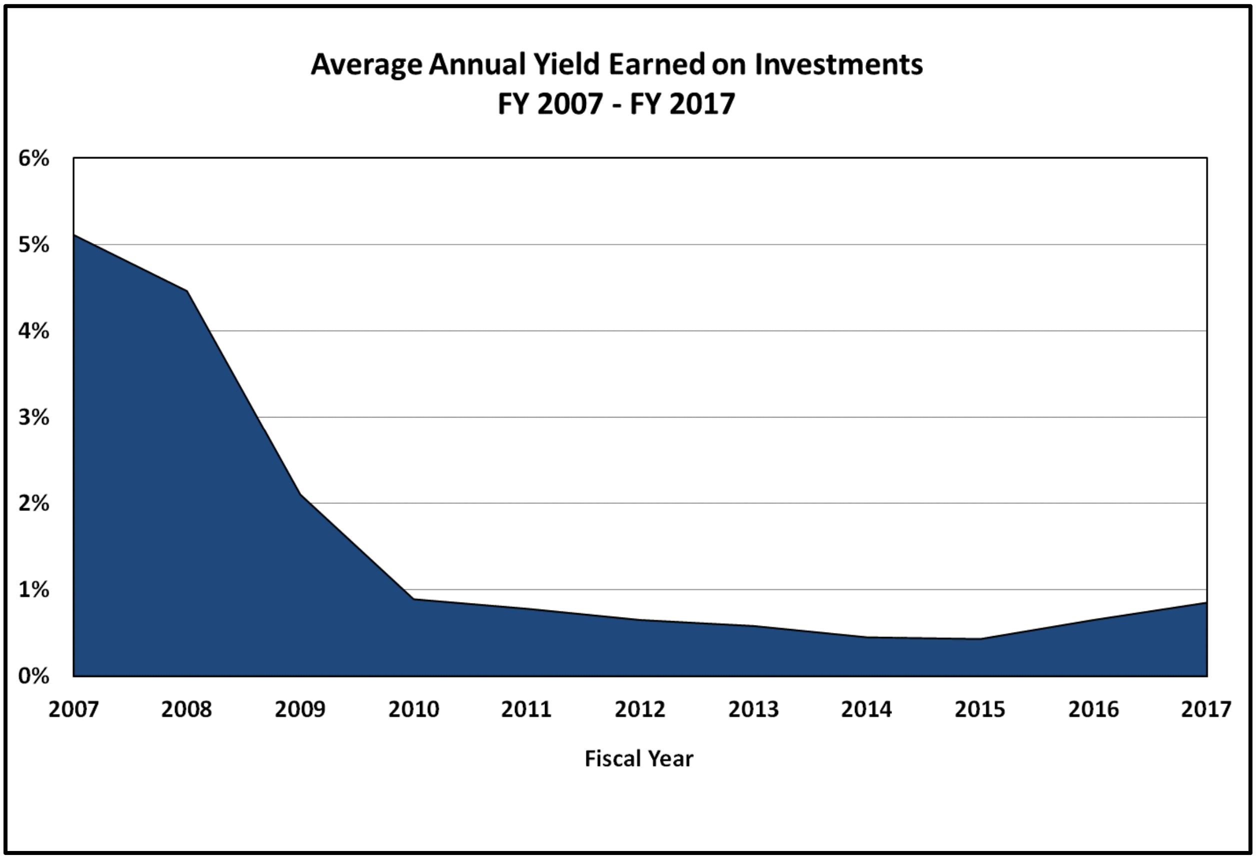
FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted	Increase/ (Decrease)	Percent Change
$10,659,349	$15,761,539	$15,761,539	$19,724,724	$19,724,724	$0	0.0%

The FY 2017 Adopted Budget Plan estimate for Investment Interest of $19,724,724 represents no change from the FY 2017 Advertised Budget Plan and an increase of $3,963,185, or 25.1 percent, over the *FY 2016 Revised Budget Plan* estimate. Revenue from this category is a function of the amount invested, the prevailing interest rates earned on investments, and the percentage of the total pooled investment portfolio attributable to the General Fund. The County's investment managers keep approximately 36 percent of investment holdings in short-term investments for liquidity needs such as meeting County and school payrolls. The remainder is invested with a maximum maturity of two years. These longer-term investments generally earn a higher yield.

Revenue from Interest on Investments is highly dependent on Federal Reserve actions. From 2004 to 2006, the Federal Reserve increased interest rates from 1.0 percent to 5.25 percent in an effort to stem inflation. As a result of higher rates, the annual average yield on County investments was 5.1 percent in FY 2007, and revenue from Interest on Investments was a record high of $92.1 million. In FY 2008, the County's portfolio generated $78.2 million for the General Fund, with an average annual yield of 4.46 percent. The federal funds rate remained unchanged from the end of 2008 to December 2015. During this period, it was set at 0.0 to 0.25 percent, its lowest in history, "to promote the resumption of sustainable economic growth" in the wake of the Great Recession. The yield earned in FY 2009 was 2.1 percent and General Fund revenue from Investment Interest was $36.5 million. In FY 2010, the County's portfolio generated $16.8 million for the General Fund, with an average annual yield of 0.89 percent. The yield continued to fall in FY 2011 and FY 2012 to 0.78 percent and 0.60 percent, respectively. The average annual yield was 0.58 percent in FY 2013 and decreased again in FY 2014 to 0.45 percent. Interest on Investments was $10.7 million in FY 2015, a slight decrease of $0.1 million from the $10.8 million earned in FY 2014. The FY 2015 annual yield was 0.43 percent.

In December 2015, the Federal Reserve raised the target range for the federal funds rate by a quarter-percentage point for the first time in almost a decade as policy makers cited the improved labor market conditions and the solid pace of economic activity. The Fed is expected to raise interest rates gradually in 2016 but the pace would be determined by incoming economic data. Interest on Investments is anticipated to increase $5.1 million to $15.8 million in FY 2016. The projected annual yield for FY 2016 is 0.65 percent, an increase of 22 basis points compared to the FY 2015 yield of 0.43 percent. The FY 2017 Adopted Budget Plan estimate for Investment Interest of $19.7 million is based on a projected average yield of 0.85 percent, a portfolio size of $2.8 billion and a General Fund percentage net of administrative fees of 73.75 percent. All available resources are pooled for investment purposes and the net interest earned is distributed among the various County funds, based on the average dollars invested from each fund as a percentage of the total pooled investment. Total Interest on Investments for all funds is estimated to be $23.8 million in FY 2017.

The following table shows the yield earned on investments since FY 2007.



General Fund Revenue Overview

CHARGES FOR SERVICES

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted	Increase/ (Decrease)	Percent Change
$72,911,452	$74,616,185	$74,937,994	$76,031,208	$76,031,208	$0	0.0%

The FY 2017 Adopted Budget Plan estimate for Charges for Services revenue of $76,031,208 represents no change from the FY 2017 Advertised Budget Plan and an increase of $1,093,214, or 1.5 percent, over the *FY 2016 Revised Budget Plan*. This increase is primarily the result of increase in School Age Child Care (SACC) revenue.

SACC fees of $39.3 million comprise almost 52 percent of the total Charges for Services category. The projected increase in SACC revenue of $0.8 million is the result of newly identified space and increased capacity of the SACC program in FY 2017. In addition, revenue from the Health Department Lab Services fees is projected to increase $0.1 million.

The FY 2016 estimate for SACC fee revenue was increased $1.1 million as part of the *FY 2015 Carryover Review* as a result of additional space identified by County staff for use by the SACC program. In addition, FY 2016 estimates of various fees and charges were adjusted during the fall 2015 revenue review based on prior year actual receipts and current collection trends. The estimate for Police Reimbursement revenue was reduced $0.4 million and the estimate for Recreation Classes fees was reduced $0.4 million. As a result of these adjustments, the FY 2016 Charges for Services estimate was increased a net $0.3 million.

RECOVERED COSTS / OTHER REVENUE

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted	Increase/ (Decrease)	Percent Change
$20,126,106	$18,334,374	$16,713,329	$16,425,616	$16,471,349	$45,733	0.3%

The FY 2017 Adopted Budget Plan estimate for Recovered Costs/Other Revenue of $16,471,349 reflects an increase of $45,733, or 0.3 percent, over the FY 2017 Advertised Budget Plan. The increase is associated with the School Health position for City of Falls Church and is fully offset with an expenditure increase. The FY 2017 Adopted Budget Plan estimate represents a net decrease of $241,980, or 1.4 percent, from the *FY 2016 Revised Budget Plan* estimate. The decrease is primarily due to one-time revenue received in FY 2016 that was the result of the County's agreement with the District of Columbia (DC) to utilize 11 beds of available space at the County's Juvenile Detention Center for DC youth awaiting placement in a treatment facility or group home.

During the fall 2015 revenue review, the FY 2016 estimate for Recovered Costs/Other Revenue was reduced a net $1.6 million as a result of the decision by the District of Columbia to terminate the program described above. Revenue from this program was received for three months in FY 2016. In addition, during the *FY 2016 Third Quarter Review*, the estimate was increased $8,794 as a result of an expenditure adjustment associated with the School Health position for City of Falls Church.

REVENUE FROM THE COMMONWEALTH/FEDERAL GOVERNMENT[1]

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted	Increase/ (Decrease)	Percent Change
$125,754,953	$127,575,900	$127,181,047	$127,315,876	$130,118,030	$2,802,154	2.2%

[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 2017 Adopted Budget Plan estimate for Revenue from the Commonwealth and Federal Government of $130,118,030 reflects an increase of $2,802,154, or 2.2 percent, over the FY 2017 Advertised Budget Plan. Of the increase, $1.3 million is the result of state budget amendments approved during the 2016 General Assembly session. The General Assembly approved an increase to the state-supported employee compensation of Constitutional Officers and their employees and an increase to State Aid to Localities with Police Departments (HB 599). In addition, an increase of $1.5 million is associated with Public Assistance categories and is fully offset with expenditure increases.

The *FY 2016 Revised Budget Plan* estimate for Revenue from the Commonwealth and Federal Government represents a decrease of $0.4 million from the FY 2016 Adopted Budget Plan estimate. The *FY 2015 Carryover Review* included an increase of $0.8 million in Public Assistance categories. During the fall 2015 review, the Sheriff's Office salary reimbursement from the Commonwealth was decreased $0.5 million based on actual FY 2015 experience and FY 2016 year-to-date collections. In addition, the state reimbursement for the County's Health Department was decreased $0.7 million based on the final approved amount in the Commonwealth's budget. As part of *FY 2016 Third Quarter Review*, the estimate was decreased further a net $57,279 as a result of expenditure adjustments associated with Public Assistance categories.

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FY 2017

Adopted Budget Plan

General Fund Disbursement Overview

SUMMARY OF GENERAL FUND DIRECT EXPENDITURES

Category	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Adopted Budget Plan	Increase/ (Decrease) Over Revised	Percent Increase/ (Decrease)
Positions / Full-Time Equivalents	9,765 / 9,641.11	9,757 / 9,633.39	9,812 / 9,689.14	9,831 / 9,708.64	19 / 19.50	0.19% / 0.20%
Personnel Services	$734,577,718	$773,546,456	$773,240,167	$808,169,412	$34,929,245	4.52%
Operating Expenses	338,563,398	342,454,643	382,446,460	345,803,713	(36,642,747)	(9.58%)
Recovered Costs	(42,467,566)	(44,489,319)	(44,304,319)	(35,130,994)	9,173,325	(20.71%)
Capital Equipment	2,128,669	126,017	2,544,112	860,822	(1,683,290)	(66.16%)
Fringe Benefits	307,188,662	338,338,526	340,260,210	354,853,322	14,593,112	4.29%
Total Direct Expenditures	$1,339,990,881	$1,409,976,323	$1,454,186,630	$1,474,556,275	$20,369,645	1.40%

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

The FY 2017 Adopted Budget Plan direct expenditure level of $1,474,556,275 represents an increase of $20,369,645 or 1.40 percent over the *FY 2016 Revised Budget Plan* direct expenditure level of $1,454,186,630. The FY 2017 funding level reflects an increase of $64,579,952, or 4.58 percent, over the FY 2016 Adopted Budget Plan direct expenditure level of $1,409,976,323.

Personnel Services

In FY 2017, funding for Personnel Services totals $808,169,412, an increase of $34,929,245, or 4.52 percent, over the *FY 2016 Revised Budget Plan* funding level of $773,240,167. Personnel Services increased $34,622,956, or 4.48 percent, over the FY 2016 Adopted Budget Plan funding level of $773,546,456. The net FY 2017 General Fund agency positions represent an increase of 19/19.50 FTE positions over the *FY 2016 Revised Budget Plan*. For agency-level detail, the FY 2017 Adopted Personnel Services by Agency chart in the Overview Volume under the *Financial, Statistical and Summary Tables* tab breaks out Personnel Services funding by each agency. The changes for each category of Personnel Services expenditures are provided as follows:

- **Regular Salary** funding (net of Position Turnover) of $738,299,723 reflects a net increase of $31,123,952 or 4.40 percent over the FY 2016 Adopted Budget Plan. This increase primarily reflects funding for a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees, both effective July 2016; merit and longevity increases (including the full-year impact of FY 2016 increases) for uniformed employees awarded on the employees' anniversary dates; employee pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions; and removal of the two-year hold at Step 8 in the uniformed public safety pay plans.

- **Limited Term** position funding (temporary and part-time employees) reflects an increase of $2,007,508 or 11.40 percent, over the FY 2016 Adopted Budget Plan, primarily due to an increase in the Department of Family Services associated with increasing capacity at elementary schools located throughout the County in the School-Age Child Care program and an increase in the Health Department primarily due to a reallocation of the agency's Personnel Services budget to more closely align with actuals.

- **Overtime Pay** funding reflects an increase of $1,491,496, or 3.37 percent, over the FY 2016 Adopted Budget Plan, primarily due to increases in both the Police Department and the Fire and Rescue Department primarily due to compensation adjustments and increases, effective July 2016.

- **Position Adjustments** in the FY 2017 Adopted Budget Plan reflect a net increase of 19/19.50 FTE positions over the *FY 2016 Revised Budget Plan*. Position adjustments totaling an increase of 53/53.0 FTE positions were partially offset by a decrease of 34/33.50 FTE positions in the following agencies:

  - An increase of 33/33.0 FTE positions in the Police Department includes 15/15.0 FTE positions to begin staffing the South County Police Station, 14/14.0 FTE positions based on an analysis of calls for service in the Patrol Division, 2/2.0 FTE positions to expedite the process of polygraph tests for all public safety applicants, and 2/2.0 FTE positions to perform critical work for the Northern Virginia Human Trafficking Task Force previously funded with grant support;

  - An increase of 11/11.0 FTE positions to support the Diversion First initiative designed to reduce the number of people with mental illness in the County, including an increase of 6/6.0 FTE positions to provide additional staff at the Merrifield Crisis Response Center, with 3/3.0 provided in each of the Office of the Sheriff and the Police Department. In addition, 5/5.0 FTE positions in General District Court to provide additional pretrial services, community supervision in lieu of incarceration, and administrative case support;

  - An increase of 6/6.0 FTE positions in the Facilities Management Department supports maintenance activities at the new Public Safety Headquarters and the original Mount Vernon High School;

  - A decrease of 12/11.50 FTE positions in the Fairfax County Park Authority is the result of a review of positions that have been vacant for an extended period of time;

  - A decrease of 18/18.0 FTE positions includes a decrease of 12/12.0 FTE positions in the Department of Cable and Consumer Services and 6/6.0 FTE positions in the Fairfax County Public Library due to a transfer to Fund 60020, Document Services, as part of a restructuring designed to facilitate the increased use of technology to perform mail services-related tasks and enhance the synchronization of scanning and archiving the County's temporary and historical records; and

  - An additional net decrease of 1/1.0 FTE positions spread throughout County agencies, including a decrease of 2/2.0 FTE positions in the Department of Cable and Consumer Services based on the Accounting and Finance section being transferred to Fund 40030, Cable Communications, and a decrease of 2/2.0 FTE positions in the Department of Management and Budget associated with savings resulting from an internal review of the provision of support functions within the departments of Management and Budget, Finance, and Procurement and Material Management, partially offset by an increase of 2/2.0 FTE positions in the Office of Elections to provide absentee voting and technical support and technical, and an increase of 1/1.0 FTE position in the Department of Administration for Human Services associated with the transfer from Fund 40040, Fairfax-Falls Church Community Services Board, as part of an interdepartmental realignment to better provide human services support.

Fringe Benefits

In FY 2017, funding for Fringe Benefits totals $354,853,322, an increase of $14,593,112, or 4.3 percent, over the *FY 2016 Revised Budget Plan* level of $340,260,210 and an increase of $16,514,796, or 4.9 percent, over the FY 2016 Adopted Budget Plan level of $338,338,526. The increase over the FY 2016 Adopted Budget Plan is primarily due to the following increases, partially offset by net savings in other areas.

- An increase of $8,267,051 reflects the impact of employee compensation adjustments, including a 1.33 percent market rate adjustment (MRA) for all employees and performance-based and longevity increases for non-uniformed merit employees, both effective July 2016; merit and longevity increases (including the full-year impact of FY 2016 increases) for uniformed employees awarded on the employees' anniversary dates; employee pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions; and removal of the two-year hold at Step 8 in the uniformed public safety pay plans. These increases impact Social Security and Retirement.

- An increase of $3,629,700 in employer contributions to the retirement systems is due to adjustments to the employer contribution rates, partially offset by savings based on year-to-date FY 2016 experience. The employer contribution rates for all three systems are increased primarily based on a change to the amortization schedule to increase the amortization level from 95 percent to 97 percent. Employer contribution rates are also increased as a result of a reduction in the Social Security offset for service-connected disability retirees from 15 percent to 10 percent in the Employees' and Uniformed systems.

- An increase of $3,752,678 in Fringe Benefits is based on funding for new positions added in FY 2017, funding required for the full-year impact of positions added in FY 2016, and to fund previously vacant positions, partially offset by savings based on reductions and realignments of existing positions. This increase impacts Health, Dental and Life Insurance, Social Security, and Retirement.

- An increase of $2,098,054 in Health Insurance premiums is due to projected premium increases of 7.0 percent for all health insurance plans, effective January 1, 2017, and the full-year impact of January 1, 2016, premium increases, partially offset by year-to-date FY 2016 experience.

Operating Expenses

In FY 2017, Operating Expenses total $345,803,713, a decrease of $36,642,747, or 9.58 percent, from the *FY 2016 Revised Budget Plan* funding level of $382,446,460. Operating Expenses increased by $3,349,070, or 0.98 percent, over the FY 2016 Adopted Budget Plan funding level of $342,454,643. Major adjustments from the FY 2016 Adopted Budget Plan are as follows:

- An increase of $3,607,036 in Unclassified Administrative Expenses is primarily associated with a reserve for the implementation of the recommendations of the Ad-Hoc Police Practices Review Commission, which recommended changes to the Police Department's policies and procedures, including implementation of the Diversion First initiative, a multi-agency collaboration with the goal of decreasing the use of arrest and incarceration of people experiencing mental health behavioral crises by diverting them to treatment instead of bringing them to jail.;

- A net increase of $3,142,640 in the Fire and Rescue Department is primarily associated with a multi-year process to gradually increase the annual contributions to the Large Apparatus Replacement Fund and Ambulance Replacement Fund, as well as increases to support the replacement of volunteer-owned large apparatus, and to cover the first year of a seven-year lease purchase agreement associated with replacing Self-Contained Breathing Apparatus equipment;

- A net increase of $2,625,448 in the Facilities Management Department is primarily associated with utilities, custodial contracts, and security at the new Public Safety Headquarters, lease rate adjustments, and utilities, custodial contracts, security, repair/maintenance, and grounds maintenance costs at the original Mount Vernon High School;

- An increase of $1,562,227 in the Health Department is primarily associated with an increase in one-on-one nursing services for medically fragile students enrolled in Fairfax County Public Schools, equipment and supplies to support enhanced laboratory testing for communicable diseases and environmental hazards, and a contract rate increase for the providers of contracted health services;

- A net increase of $852,505 in the Department of Family Services primarily consists of contract rate increases for the providers of mandated and non-mandated services, as well as a decrease in the Adopted Subsidy program due to the maximization of Medicaid as an alternative funding source;

- A net increase of $937,196 in the Department of Neighborhood and Community Services includes an increase to support the continuation of Opportunity Neighborhood activities in Region 1, Mount Vernon, and support the first phase for expanding Opportunity Neighborhoods in Region 3, Reston, as well as increases to support ongoing maintenance costs associated with the new Recreation Management System, the replacement of FASTRAN buses, the increase in custodial overtime hourly rates charged by Fairfax County Public Schools (FCPS) for the community use of FCPS facilities, and contract rate increases for the Middle School After School Program, Neighborhood Initiatives, and other contracted services; and

- A net decrease of $9,503,944 includes a net decrease of $6,205,323 in the Department of Information Technology and a decrease of $3,298,621 in the Department of Cable and Consumer Services primarily due to a restructuring of telecommunications billings and mail services-related tasks to Fund 60030, Technology Infrastructure Services, and Fund 60020, Document Services, respectively. These restructurings are based on efficiencies and are designed to facilitate the increased use of technology. A corresponding decrease in Recovered Costs is included.

Capital Equipment

In FY 2017, Capital Equipment funding for General Fund agencies totals $860,822, a decrease of $1,683,290, or 66.16 percent, from the *FY 2016 Revised Budget Plan* funding level of $2,544,112. Capital Equipment increased by $734,805 over the FY 2016 Adopted Budget Plan funding level of $126,017. The FY 2017 funding of $860,822 is required to purchase equipment for the Police Department and the Office of the Sheriff supporting the Diversion First initiative which is designed to reduce the number of people with mental illness in the County by diverting low-risk offenders experiencing a mental health crisis to treatment rather than bringing them to jail, as well as for the Police Department to purchase necessary equipment to support the addition of positions in the Patrol Division, and for Public Works to purchase replacement equipment, including seven snow plows and two sand/salt spreaders which have outlived their useful life and are critical for snow removal and emergency operations.

Recovered Costs

In FY 2017, Recovered Costs total $35,130,994, a decrease of $9,358,325 or 21.03 percent, from the FY 2016 Adopted Budget Plan level of $44,489,319 and a decrease of $9,173,325, or 20.71 percent, from the *FY 2016 Revised Budget Plan* level of $44,304,319. This is primarily due to a decrease in the Department of Cable and Consumer Services as a result transferring mail services-related tasks to Fund 60020, Document Services, and a decrease in the Department of Information Technology as a result of consolidating telecommunications billing processes with Fund 60030, Technology Infrastructure Services. A corresponding decrease in Operating Expenses is included.

SUMMARY OF GENERAL FUND TRANSFERS

The FY 2017 Transfers Out from the General Fund total $2,537,983,545, an increase of $81,037,338, or 3.3 percent, over the *FY 2016 Revised Budget Plan* Transfers Out of $2,456,946,207. These transfers support programs and activities that reflect the Board of Supervisors' priorities.

Adjustments are summarized below.

	Increase/ (Decrease) Over FY 2016 Revised
Fund S10000, Public School Operating	$88,365,557
Fund 10010, Revenue Stabilization Fund	(4,670,768)
Fund 10020, Consolidated Community Funding Pool	530,557
Fund 10030, Contributory Fund	(1,735,864)
Fund 10040, Information Technology	2,070,240
Funds 20000 and 20001, Consolidated Debt Service	11,671,980
Fund 30000, Metro Operations and Construction	2,259,659
Fund 30010, General Construction and Contributions	(10,828,341)
Fund 30020, Infrastructure Replacement and Upgrades	(11,944,907)
Fund 30060, Pedestrian Walkway Improvements	100,000
Fund 30070, Public Safety Construction	(100,000)
Fund 40000, County Transit Systems	1,521,910
Fund 40040, Fairfax-Falls Church Community Services Board	8,634,053
Fund 40330, Elderly Housing Programs	26,510
Fund 50000, Federal-State Grant Fund	72,372
Fund 60000, County Insurance Fund	(1,657,711)
Fund 60020, Document Services Division	1,663,598
Fund 73030, OPEB Trust	(5,000,000)
Fund 83000, Alcohol Safety Action Program	58,493
Total	**$81,037,338**

Fund S10000, Public School Operating

The FY 2017 General Fund transfer to Fund S10000, Public School Operating, is $1,913,518,902, an increase of $88,365,557, or 4.8 percent, over the *FY 2016 Revised Budget Plan* transfer of $1,825,153,345. The greatest share of the County budget is dedicated to Fairfax County Public Schools (FCPS), which underscores that education continues to be the highest priority. The transfer to Public School Operating, the School Construction Fund, and School Debt Service represents 52.7 percent of total General Fund Disbursements.

Fund 10010, Revenue Stabilization Fund

The FY 2017 General Fund transfer to Fund 10010, Revenue Stabilization, is $10,711,034, a decrease of $4,670,768, or 30.4 percent, from the *FY 2016 Revised Budget Plan* transfer of $15,381,802. This adjustment is based on the total change in General Fund Disbursements, as an amount equal to ten percent of the increase in General Fund disbursements is allocated between the Managed Reserve and the Revenue Stabilization Fund. It should be noted that a significant one-time increase was made in the *FY 2016 Revised Budget Plan* transfer in accordance with the Board's new reserve policy.

Fund 10020, Consolidated Community Funding Pool
The FY 2017 General Fund transfer to Fund 10020, Consolidated Community Funding Pool, is $11,141,700, an increase of $530,557, or 5.0 percent, over the *FY 2016 Revised Budget Plan* transfer of $10,611,143. This increase is associated with performance and leverage requirements for nonprofit organizations and provides additional funding to community organizations to meet human service needs in the County.

Fund 10030, Contributory Fund
The FY 2017 General Fund transfer to Fund 10030, Contributory Fund, is $13,158,773, a decrease of $1,735,864, or 11.7 percent, from the *FY 2016 Revised Budget Plan* transfer of $14,894,637. More detail on the Contributory Fund follows the General Fund Disbursement Overview.

Fund 10040, Information Technology
The FY 2017 General Fund transfer to Fund 10040, Information Technology, is $4,770,240, an increase of $2,070,240, or 76.7 percent, over the *FY 2016 Revised Budget Plan* transfer of $2,700,000. The FY 2017 transfer is provided for initiatives that meet one or multiple priorities established by the Senior Information Technology Steering Committee. These initiatives include a mix of projects that provide benefits for both citizens and employees and that adequately balance new and continuing initiatives with the need for securing and strengthening the County's technology infrastructure. Funded projects will support initiatives in general County services, public safety, human services and enterprise technology security and infrastructure. Detailed information on the Information Technology program may be found in the Fund 10040, Information Technology, narrative in Volume 2 of the FY 2017 Adopted Budget Plan.

Funds 20000 and 20001, Consolidated Debt Service
The FY 2017 General Fund transfer to Funds 20000 and 20001, Consolidated Debt Service, is $326,622,753, an increase of $11,671,980, or 3.7 percent, over the *FY 2016 Revised Budget Plan* transfer of $314,950,773. This increase is primarily attributable to scheduled requirements for existing debt service.

Fund 30000, Metro Operations and Construction
The FY 2017 General Fund transfer to Fund 30000, Metro Operations and Construction, is $13,557,955, an increase of $2,259,659, or 20.0 percent, over the *FY 2016 Revised Budget Plan* transfer of $11,298,296, based on anticipated subsidy requirements from local jurisdictions in FY 2017.

Fund 30010, General Construction and Contributions
The FY 2017 General Fund transfer to Fund 30010, General Construction and Contributions, is $17,733,427, a decrease of $10,828,341, or 37.9 percent, from the *FY 2016 Revised Budget Plan* transfer of $28,561,768. During deliberations on the FY 2017 Advertised Budget Plan, the Board of Supervisors approved funding for several FY 2017 projects as part of the *FY 2016 Third Quarter Review*. FY 2017 funding is limited to only the most critical priority projects.

Fund 30020, Infrastructure Replacement and Upgrades
The FY 2017 General Fund transfer to Fund 30020, Infrastructure Replacement and Upgrades, is $1,408,449, a decrease of $11,944,907, or 89.5 percent, from the *FY 2016 Revised Budget Plan* transfer of $13,353,356. During deliberations on the FY 2017 Advertised Budget Plan, the Board of Supervisors approved funding for several FY 2017 projects as part of the *FY 2016 Third Quarter Review*.

Fund 30060, Pedestrian Walkway Improvements
The FY 2017 General Fund transfer to Fund 30060, Pedestrian Walkway Improvements, is $400,000, an increase of $100,000, or 33.3 percent, over the *FY 2016 Revised Budget Plan* transfer of $300,000, to meet emergency and critical repairs for County trails, sidewalks, and pedestrian bridges.

Fund 30070, Public Safety Construction
The FY 2017 General Fund transfer to Fund 30070, Public Safety Construction, is $0, a decrease of $100,000 or 100 percent from the *FY 2016 Revised Budget Plan* transfer of $100,000. During deliberations on the FY 2017 Advertised Budget Plan, the Board of Supervisors approved funding for several FY 2017 projects as part of the *FY 2016 Third Quarter Review*.

Fund 40000, County Transit Systems
The FY 2017 General Fund transfer to Fund 40000, County Transit Systems, is $34,929,649, an increase of $1,521,910, or 4.6 percent, over the *FY 2016 Revised Budget Plan* transfer of $33,407,739, based on anticipated FAIRFAX CONNECTOR and Virginia Railway Express (VRE) requirements in FY 2017.

Fund 40040, Fairfax-Falls Church Community Services Board
The FY 2017 General Fund transfer to Fund 40040, Fairfax-Falls Church Community Services Board, is $124,877,551, an increase of $8,634,053, or 7.4 percent, over the *FY 2016 Revised Budget Plan* transfer of $116,243,498. The net increase is primarily due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees, as well as employee pay increases for specific job classes identified in the County's benchmark class survey; funding to fully operationalize the first year of the Diversion First program; additional support for the June 2016 special education graduates of FCPS turning 22 years of age who are eligible for day support and employment services who currently do not have a funding source for such services; a contract rate adjustment to fund individually-negotiated contracts; increased fringe benefit requirements in FY 2017; and additional funding and positions to provide support coordination services to individuals with intellectual and developmental disabilities in the community. Detailed information can be found in the Fund 40040, Fairfax-Falls Church Community Services Board, narrative in Volume 2 of the FY 2017 Adopted Budget Plan.

Fund 40330, Elderly Housing Programs
The FY 2017 General Fund transfer to Fund 40330, Elderly Housing Programs, is $1,923,159, an increase of $26,510, or 1.4 percent, over the *FY 2016 Revised Budget Plan* transfer of $1,896,649. This increase is due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees, both effective July 2016.

Fund 50000, Federal-State Grant Fund
The FY 2017 General Fund transfer to Fund 50000, Federal-State Grant Fund, is $5,480,836, an increase of $72,372, or 1.3 percent, over the *FY 2016 Revised Budget Plan* transfer of $5,408,464. The transfer reflects the anticipated Local Cash Match needed to maximize the County's ability to leverage Federal and State grant funding. The Reserve for Local Cash Match is a projection of the County contributions required for anticipated and unanticipated grant awards. This increase in Local Cash Match requirements is due an increase in requirements for the Department of Transportation, the Office to Prevent and End Homelessness, the Department of Neighborhood and Community Services and the Fire and Rescue Department, partially offset by a decrease in requirements for the Department of Family Services, the Juvenile and Domestic Relations District Court, and the Police Department.

Fund 60000, County Insurance Fund

The FY 2017 General Fund transfer to Fund 60000, County Insurance, is $24,162,115, a decrease of $1,657,711, or 6.4 percent, from the *FY 2016 Revised Budget Plan* transfer of $25,819,826. This decrease is primarily associated with one-time increases during the *FY 2016 Third Quarter Review* for accrued liability adjustments. Accrued liability adjustments are based on an actuarial analysis that is performed every year by an outside actuary to estimate the ultimate value of losses for which the County is liable. Detailed information on the County Insurance Fund can be found in the Fund 60000, County Insurance, narrative in Volume 2 of the FY 2017 Adopted Budget Plan.

Fund 60020, Document Services Division

The FY 2017 General Fund transfer to Fund 60020, Document Services, is $3,941,831, an increase of $1,663,598, or 73.0 percent, over the *FY 2016 Revised Budget Plan* transfer of $2,278,233. This increase is primarily associated with the transfer of the Mail Services section of the Department of Cable and Consumer Services and the Archives and Record Management section of the Fairfax County Public Library to Fund 60020, Document Services. Detailed information on these restructurings is available in the Fund 60020, Document Services, narrative in Volume 2 of the FY 2017 Adopted Budget Plan.

Fund 73030, OPEB Trust

The FY 2017 General Fund transfer to Fund 73030, OPEB Trust, is $16,000,000, a decrease of $5,000,000, or 23.8 percent, from the *FY 2016 Revised Budget Plan* transfer of $21,000,000 based on a net decrease in the Annual Required Contribution (ARC) that is primarily the result of the implementation of an Employer Group Waiver Plan for Medicare retiree prescription drug coverage. It is anticipated that this reduced transfer level, when combined with contributions from other funds and the implicit subsidy contribution, will fully fund the FY 2017 ARC. Detailed information on the OPEB Trust Fund can be found in the Fund 73030, OPEB Trust, narrative in Volume 2 of the FY 2017 Adopted Budget Plan.

Fund 83000, Alcohol Safety Action Program

The FY 2017 General Fund transfer to Fund 83000, Alcohol Safety Action Program, is $545,171, an increase of $58,493 or 12.0 percent over the *FY 2016 Revised Budget Plan* transfer of $486,678. This increase is primarily associated with a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees, both effective July 2016.

Summary of Contributory Agencies

Fund 10030, Contributory Fund, was established in FY 2001 to reflect General Fund support for agencies or organizations that receive County contributions. FY 2017 funding totals $13,184,484 and reflects an increase of $217,318 or 1.7 percent over the FY 2016 Adopted Budget Plan funding level of $12,967,166. The required Transfer In from the General Fund is $13,158,773. Individual contributions are described in detail in the narrative of Fund 10030, Contributory Fund, in Volume 2 of the FY 2017 Adopted Budget Plan.

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

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

Fairfax County	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan
Legislative-Executive Functions/Central Service Agencies:					
Dulles Area Transportation Association	$15,000	$15,000	$15,000	$15,000	$15,000
Metropolitan Washington Council of Governments	966,044	969,114	969,114	992,555	992,555
National Association of Counties	21,635	21,635	21,635	21,635	21,635
Northern Virginia Regional Commission	641,629	643,861	643,861	725,462	725,462
Northern Virginia Transportation Commission	167,903	168,142	168,142	170,160	170,160
Virginia Association of Counties	234,548	239,240	239,240	239,666	239,666
Washington Airports Task Force	50,000	50,000	50,000	50,000	50,000
Subtotal Legislative-Executive	**$2,096,759**	**$2,106,992**	**$2,106,992**	**$2,214,478**	**$2,214,478**
Public Safety:					
NOVARIS	$9,577	$9,577	$9,577	$9,577	$9,577
Subtotal Public Safety	**$9,577**	**$9,577**	**$9,577**	**$9,577**	**$9,577**
Health and Welfare:					
Health Systems Agency of Northern Virginia	$108,200	$108,200	$108,200	$108,200	$108,200
Medical Care for Children	237,000	237,000	237,000	237,000	237,000
Northern Virginia Healthcare Center/Birmingham Green Adult Care Residence	2,621,884	2,576,887	2,576,887	2,452,456	2,452,456
Volunteer Fairfax	335,772	405,772	405,772	405,772	405,772
Subtotal Health and Welfare	**$3,302,856**	**$3,327,859**	**$3,327,859**	**$3,203,428**	**$3,203,428**

Fund 10030
Summary of Contributory Agencies

Fairfax County	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan
Parks, Recreation and Cultural:					
Arts Council of Fairfax County	$331,694	$331,694	$331,694	$331,694	$331,694
Arts Council of Fairfax County - Arts Groups Grants	96,900	96,900	96,900	96,900	96,900
Challenge Grant Funding Pool for the Arts	444,125	444,125	444,125	444,125	444,125
Dulles Air and Space Museum	100,000	100,000	100,000	100,000	100,000
Fairfax Symphony Orchestra	261,032	261,032	261,032	261,032	261,032
Fort Belvoir Army Museum	100,000	150,000	150,000	150,000	150,000
Northern Virginia Regional Park Authority	2,114,158	2,137,446	2,137,446	2,149,947	2,149,947
Reston Historic Trust	16,150	16,150	16,150	16,150	16,150
Town of Herndon	40,000	40,000	40,000	40,000	40,000
Town of Vienna Teen Center	32,300	32,300	32,300	32,300	32,300
Wolf Trap Foundation for the Performing Arts	125,938	125,938	125,938	125,938	125,938
Subtotal Parks, Recreation & Cultural	**$3,662,297**	**$3,735,585**	**$3,735,585**	**$3,748,086**	**$3,748,086**
Community Development:					
Architectural Review Board	$3,500	$3,500	$3,500	$3,500	$3,500
Commission for Women	6,916	6,916	6,916	6,916	6,916
Convention and Visitors Corporation	2,690,283	2,506,188	2,506,188	2,728,925	2,728,925
Earth Sangha	16,150	16,150	16,150	16,150	16,150
Fairfax 2015 World Police and Fire Games	2,000,000	0	3,000,000	0	0
Fairfax County History Commission	21,013	21,013	21,013	21,013	21,013
Fairfax ReLeaf	41,990	41,990	41,990	41,990	41,990
Greater Reston Incubator	24,225	24,225	24,225	24,225	24,225
Inova Translational Medicine Institute	500,000	500,000	500,000	500,000	500,000
Northern Virginia 4-H Education Center	15,000	15,000	15,000	15,000	15,000
Northern Virginia Community College	89,635	88,418	88,418	87,443	87,443
Northern Virginia Conservation Trust	227,753	227,753	227,753	227,753	227,753
Southeast Fairfax Development Corporation	183,320	183,320	183,320	183,320	183,320
Women's Center of Northern Virginia	27,023	27,023	27,023	27,023	27,023
Subtotal Community Development	**$5,846,808**	**$3,661,496**	**$6,661,496**	**$3,883,258**	**$3,883,258**
Nondepartmental:					
Employee Advisory Council	$33,000	$33,000	$33,000	$33,000	$33,000
Fairfax Public Law Library	92,657	92,657	92,657	92,657	92,657
Subtotal Nondepartmental	**$125,657**	**$125,657**	**$125,657**	**$125,657**	**$125,657**
Total County Contributions	**$15,043,954**	**$12,967,166**	**$15,967,166**	**$13,184,484**	**$13,184,484**

FY 2017

Adopted Budget Plan

Other Funds Overview

OTHER FUNDS OVERVIEW

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

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

Other Funds expenditures are supported through a total available balance of $10,256,708,164 (excluding the General Fund) and total revenues of $3,945,695,251 (excluding the General Fund). The revenues are a decrease of $828,126,802, or 17.35 percent, from the *FY 2016 Revised Budget Plan* and an increase of $219,272,755, or 5.88 percent, over the FY 2016 Adopted Budget Plan. The decrease from the *FY 2016 Revised Budget Plan* is primarily the result of the carryover of authorized but unissued bonds for capital construction projects, County and regional transportation project revenue, Stormwater Services revenue, anticipated grant revenue, and various other changes rather than the result of changes in the revenue stream for Other Funds. The increase in revenues over the FY 2016 Adopted Budget Plan is due primarily to increased County and FCPS retirement fund-related revenues, school operating revenues, Stormwater Services and Sewer revenues, anticipated grant revenue and various other revenue changes. Details concerning significant changes in revenue growth are discussed for each specific fund in Volume 2, Capital Construction and Other Operating Funds, in the FY 2017 Adopted Budget Plan. Also, the FY 2017 revenues for Other Funds are summarized by revenue type and by fund type in the *Financial, Statistical and Summary Tables* section of this Overview Volume.

FY 2017 expenditures for Other Funds total $5,997,104,899 (excluding General Fund direct expenditures), and reflect a decrease of $1,738,326,057, or 22.47 percent, from the *FY 2016 Revised Budget Plan* funding level of $7,735,430,956. This decrease is primarily due to the effect of significant carryover for capital construction projects, stormwater projects, sewer construction projects, County and regional transportation projects, and grant-funded projects, and should not be perceived as a major change to programs or operations. Excluding adjustments in FY 2016, expenditures increased $277,209,593, or 4.85 percent, over the FY 2016 Adopted Budget Plan total of $5,719,895,306. Of this increase, an amount of $95,027,612 reflects an increase to the Public School Operating Fund and $2,212,338 reflects an increase to the Health Benefits Fund. In addition, an amount of $20,785,139 reflects the combined increase in the Employees, Uniformed, Police, and Educational Employees Retirement Funds resulting from a higher number of retirees and higher individual payment levels.

Other Funds Overview

The following is a brief summary of the various funds types. Not included in these discussions are Capital Projects Funds, which are presented in the Capital Projects Overview of this Overview Volume. A complete discussion of funding and program adjustments for all Other Funds is found in Volume 2, Capital Construction and Other Operating Funds in the FY 2017 Adopted Budget Plan. Summary information is provided in the *Financial, Statistical and Summary Tables* section of this Overview Volume. It should be noted that Special Revenue funding for the Fairfax County Public Schools is discussed in further detail in the Fairfax County School Board's FY 2017 Adopted Budget.

GENERAL FUND GROUP

The General Fund Group consists of four funds in addition to the General Fund and accounts for revenue and expenditures for the Consolidated Community Funding Pool, Contributory, Revenue Stabilization, and Information Technology Funds. Prior to the FY 2014 Adopted Budget Plan, all of these funds, except for the Revenue Stabilization Fund, were part of Special Revenue Funds. In FY 2017, General Fund Group expenditures total $31,140,184 (excluding the General Fund), a decrease of $38,322,948, or 55.17 percent, from the *FY 2016 Revised Budget Plan* funding level of $69,463,132 due primarily to the carryover of ongoing IT project funds. Excluding adjustments in FY 2016, expenditures increased $1,137,875, or 3.79 percent, over the FY 2016 Adopted Budget Plan level of $30,002,309.

DEBT SERVICE FUNDS

The Consolidated Debt Service Fund accounts for the general obligation bond debt service of the County as well as general obligation bond debt for the Fairfax County Public Schools (FCPS). In addition, debt service expenditures are included for the Economic Development Authority Lease Revenue bonds associated with County government and School facilities and payments for Fairfax County Redevelopment and Housing Authority (FCRHA) Lease Revenue bonds. Revenues for the debt service funds are derived principally from a transfer from the General Fund. Debt service on sewer revenue bonds is reflected in the Enterprise Funds. FY 2017 Debt Service expenditures total $320,522,544.

SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds from specific sources that are legally restricted to expenditures for a specific purpose. These proceeds include state and federal aid, income derived through activities performed by the Division of Solid Waste, special levies, program activity revenue, and operation of the public school system. In FY 2017, Special Revenue Fund expenditures total $3,501,710,207, a decrease of $544,021,902 or 13.45 percent, from the *FY 2016 Revised Budget Plan* funding level of $4,045,732,109 due primarily to the effect of significant carryover of unexpended project balances in the County and Regional Transportation Projects Fund, the Stormwater Services Fund, and the Public School Operating Fund, as well as the carryover of unexpended grant balances previously approved by the Board of Supervisors in the Federal/State Grant Fund. Excluding adjustments in FY 2016, expenditures increased $105,842,920, or 3.12 percent, over the FY 2016 Adopted Budget Plan level of $3,395,867,287.

INTERNAL SERVICE FUNDS

Internal Service Funds account for services commonly used by most agencies, and for which centralized organizations have been established in order to achieve economies of scale necessary to minimize costs. These internal agencies provide services to other agencies on a cost reimbursement basis. Such services consist of vehicle operations, maintenance, and replacement; insurance coverage (health, workers compensation, automobile liability, and other insurance); data communications and processing; and document services. Where possible, without degradation of quality, joint County and School service delivery (printing and vehicle maintenance) or joint procurement (health insurance) activities are conducted in order to achieve economies of scale and to minimize costs. FY 2017 Internal Service expenditures total $800,912,589, a decrease of $15,412,052, or 1.89 percent, from the *FY 2016 Revised Budget Plan* level of $816,324,641 primarily due to one-time FY 2016 expenditures in the County Insurance Fund. Excluding adjustments in FY 2016, expenditures increased $48,010,629, or 6.38 percent, over the FY 2016 Adopted Budget Plan level of $752,901,960.

ENTERPRISE FUNDS

Fairfax County's Enterprise Funds consist of five funds within the Wastewater Management Program (WWM), which account for the construction, maintenance and operational aspects of the countywide sewer system. The cost of providing sewer service to County citizens and businesses is financed or recovered primarily from user charges. FY 2017 Enterprise Funds expenditures for sewer operation and maintenance and sewer debt service total $328,070,120, an increase of $21,583,209, or 7.04 percent, over the *FY 2016 Revised Budget Plan* total of $306,486,911 primarily due to the carryover of unexpended project balances in the Sewer Bond Construction, Sewer Operation and Maintenance, and Sewer Construction Improvement Funds to provide funding for future treatment plant requirements. Excluding adjustments in FY 2016, expenditures increased $85,172,878, or 35.07 percent, over the FY 2016 Adopted Budget Plan level of $242,897,242.

The County's wastewater treatment plant serves an estimated 365,838 households with public sewer service.

AGENCY AND TRUST FUNDS

Agency and Trust funds account for assets held by the County in a trustee or agency capacity and include the four pension trust funds administered by the County and Schools, as well as County and Schools trust funds to pre-fund other post-employment benefits. FY 2017 Agency and Trust funds combined expenditures total $761,373,510, an increase of $28,607,562, or 3.90 percent, over the *FY 2016 Revised Budget Plan* funding level of $732,765,948. This increase is primarily due to increases in the four existing retirement funds resulting from a higher number of retirees and higher individual payment levels. Excluding adjustments in FY 2016, combined Agency and Trust funds expenditures increase $23,426,024, or 3.17 percent, over the FY 2016 Adopted Budget Plan level of $737,947,486.

FY 2017

Adopted Budget Plan

Capital Projects Overview

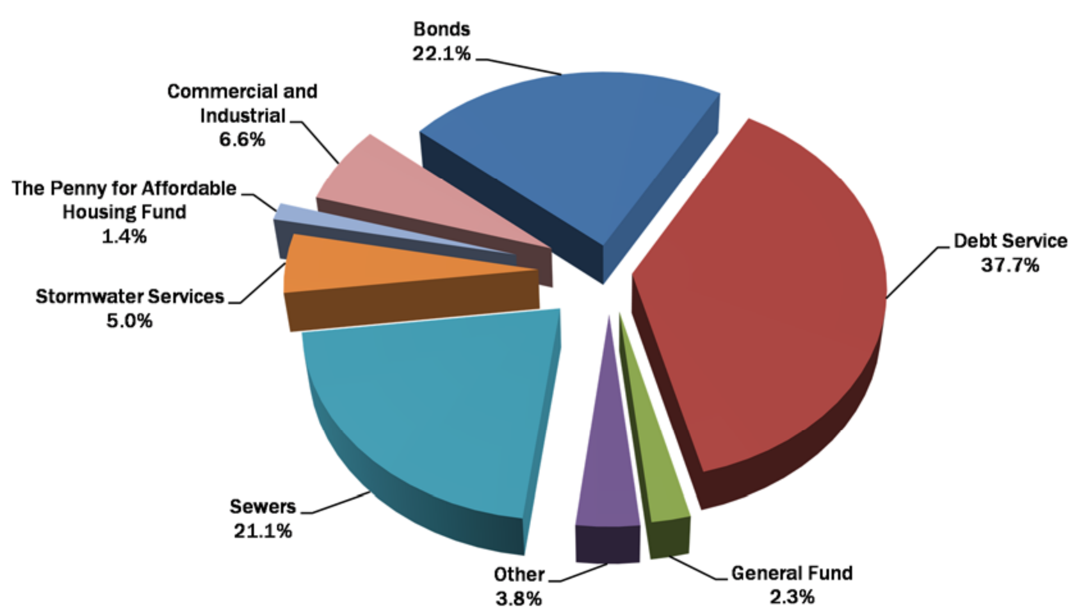
Summary of Capital Construction Program

The Capital Construction Program of Fairfax County is organized to meet the existing and anticipated future needs of the citizens of the County and to enable the County government to provide necessary services. The Capital Construction Program (other than sanitary sewer construction and resource recovery projects) is primarily financed through transfers from the General Fund and the sale of General Obligation Bonds. Supplementing the General Fund and General Obligation Bond monies are additional funding sources including federal and state grants, contributions, and tax revenues from special revenue districts.

The Fairfax County Capital Construction Program includes, but is not limited to construction of both new and renovated school facilities, park facilities, transportation facilities, libraries, trails/sidewalks, fire stations, government centers with police substations, stormwater management facilities, athletic fields, housing units to provide affordable housing opportunities to citizens, commercial revitalization initiatives and infrastructure replacement and upgrades at County facilities. In addition, the Program includes contributions and obligations in support of the capital construction.

Funding in the amount of $850,455,377 is included in FY 2017 for the County's Capital Construction Program. Of this amount, $320,522,544 is included for debt service and $529,932,833 is included for capital expenditures. The source of funding for capital expenditures includes: $19,541,876 from the General Fund; $188,000,000 in General Obligation Bonds; $179,643,827 in sewer system revenues; $12,251,850 in Real Estate revenues supporting the Affordable Housing Program; $42,511,612 in Stormwater Services revenue; $56,218,434 in Commercial and Industrial revenues; and $31,765,234 in financing from various other sources. Other sources of financing include, but are not limited to, transfers from other funds, pro rata share deposits, user fees, developer contributions and/or payments.

FY 2017 Capital Construction Program

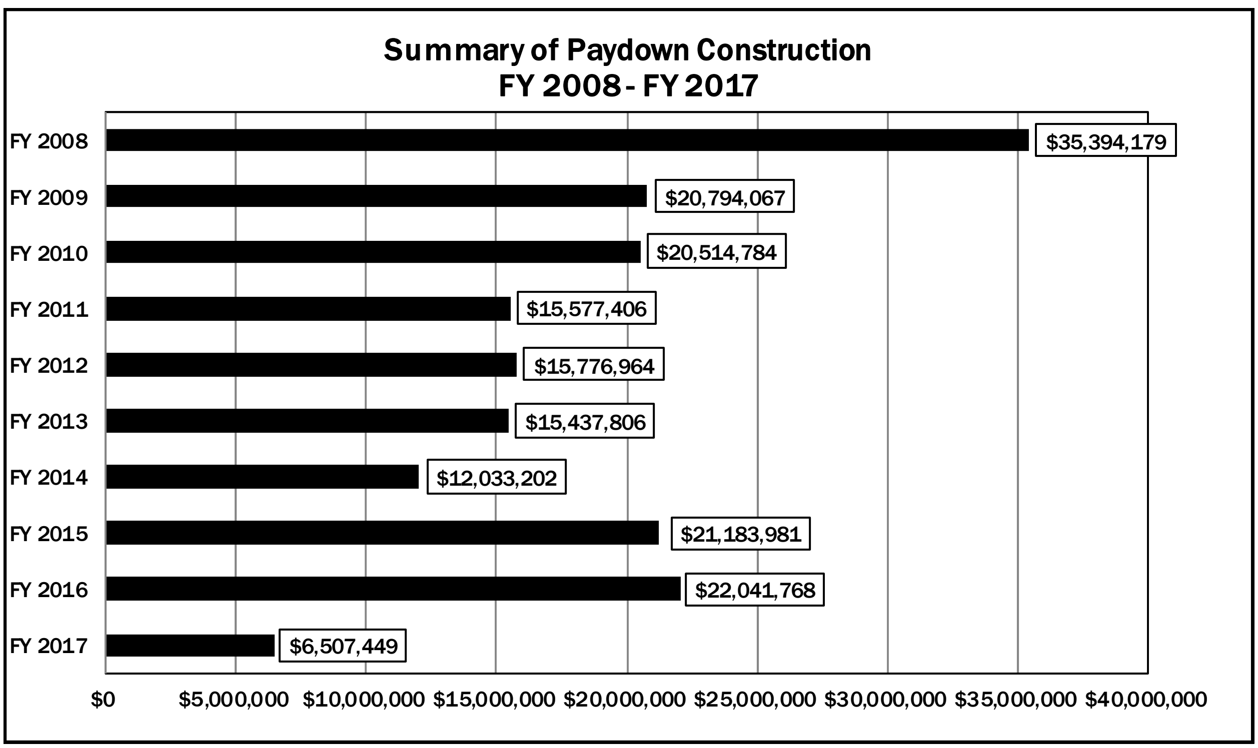


TOTAL CAPITAL PROGRAM = $850,455,377

General Fund Support

In FY 2017, an amount of $19,541,876 is supported by the General Fund for capital projects. This includes an amount of $13,034,427 for commitments, contributions and facility maintenance and $6,507,449 for Paydown projects. The Paydown program has been redesigned at the request of the Board of Supervisors to exclude those projects that are on-going maintenance projects or annual contributions. Paydown now includes infrastructure replacement and upgrades, ADA compliance, athletic fields and other capital improvements. In addition, during their deliberations on the FY 2017 Advertised Budget Plan, the Board of Supervisors approved pre-funding an amount of $9,311,551 as part of the *FY 2016 Third Quarter Review*, eliminating the need for this funding in FY 2017. Projects that were pre-funded as part of the *FY 2016 Third Quarter Review* include, ADA compliance at both Parks and County facilities, infrastructure replacement and upgrades projects at County facilities, design work associated with the Massey Building demolition and renovations required at the Burkholder Building, as well as funding to support planning efforts associated with the Massey complex and the future use of the original Mt. Vernon High School.

This graph below depicts the level of Paydown funding between FY 2008 and FY 2017. With the exception of FY 2008, Paydown funding has remained at a fairly consistent annual level. The increase in FY 2008 was attributed to several major projects that were supplemented with General Fund dollars including the McConnell Public Safety and Transportation Operations Center (MPSTOC). In addition, the approximate value of a penny of assessed real estate values was transferred from the General Fund to both the Penny for Affordable Housing Fund and the Stormwater Management Fund. The Penny for Affordable Housing fund is now funded directly by revenue from the Real Estate tax and the Stormwater Management Fund is now funded by a special service district. The decrease in FY 2017 is associated with a revised definition of Paydown, as well as the pre-funding of several projects in advance of FY 2017.



Specifics of the FY 2017 funding for General Fund supported projects and Paydown projects include:

Athletic Field Program Maintenance

FY 2017 funding in the amount of $7,610,338 has been included for the athletic field maintenance and sports program. This level of funding is supported by a General Fund transfer of $6,135,338 and revenue generated from the Athletic Services Fee in the amount of $1,475,000. Of the Athletic Services Fee total, $250,000 will be dedicated to maintenance of school athletic fields, $75,000 will be dedicated to synthetic turf field development, $800,000 will be dedicated to the turf field replacement program, $275,000 will be dedicated to custodial support for indoor sports organizations, and $75,000 will partially fund the Youth Sports Scholarship Program. Specific funding levels associated with maintenance include:

- An amount of $860,338 provides safe athletic fields needed for community use that the Park Authority does not own. In FY 2001, the Park Authority assumed the responsibility for specific contracted services aimed at improving the condition of athletic fields scheduled for community use at FCPS elementary schools, middle schools and centers; currently 171 sites and 361 athletic fields. Maintenance responsibilities include mowing at a frequency of 32 times per year and annual aeration/over-seeding. This effort is supported entirely by the General Fund and is managed by the Park Authority.

- An amount of $1,000,000 is dedicated to the maintenance of diamond fields at Fairfax County Public Schools and is partially supported by the revenue generated by the Athletic Services Fee. This program provides twice weekly infield dragging on elementary, middle, and high school game fields (113 fields); pre- or post-season infield renovations (200 fields); mowing of high school diamond fields after June 1 as well as a turf management program of the high school diamond fields (53 fields). Annual maintenance of elementary and middle school fields' irrigation (36 sites/73 fields) is also funded through this program. All field maintenance is coordinated between the Park Authority and the Department of Neighborhood and Community Services. Of the total funding, an amount of $250,000 is included for this program based on the FY 2017 projection of revenue generated from the Athletic Services Fee and $750,000 is supported by the General Fund.

- An amount of $50,000 is included for routine maintenance of girls' softball field amenities on select Fairfax County Public School sites. These amenities, such as dugouts, fencing and irrigation systems, were added or constructed by the County based on recommendations from the citizen-led Action Plan Review Team (APRT) in order to reduce disparities in the quality of fields assigned to boys' baseball and girls' softball organizations. Routine maintenance is necessary both to maintain equity and to ensure safety. For five years, funding of $200,000 was provided to support Girls' Fast Pitch Field Maintenance improvements to various girls' softball fields throughout the County as requested by the Fairfax Athletic Inequities Reform (FAIR). FY 2017 funding will provide maintenance to the improvements and amenities previously made to girls' softball fields. This project is supported entirely by the General Fund and coordinated by Department of Neighborhood and Community Services.

- An amount of $75,000 is included to support the development of synthetic turf fields. Fields are chosen through a review process based on the need in the community, projected community use and the field location and amenities. This effort is coordinated between the Park Authority and the Department of Neighborhood and Community Services and funding is provided from revenue generated from the Athletic Services Fee. It should be noted that as part of the *FY 2013 Carryover Review*, a Joint County School initiative was implemented to develop new synthetic turf fields throughout the County. This recommendation was based on the findings of the Synthetic Turf Field Task Force in its July 2013 report at which time it was estimated that $12.0 million would be required to fund 15 synthetic turf fields at the 8 remaining high schools in the County that did not currently have turf fields. The total original County and School commitment of $9.0 million is required to supplement the community funding and proffer funding, primarily in the Lee and Mt. Vernon Districts, which have been identified. The County and Schools each contributed $1.5 million at the FY 2013, FY 2014 and FY 2015 Carryover Reviews to reach the $9.0 million commitment. Funding of $500,000 had been dedicated to this program annually; however, based on the joint County/Schools initiative, all but $75,000 in athletic services fee revenue has been redirected to the turf field development program.

- An amount of $2,700,000 is included for athletic field maintenance and repairs, irrigation repairs, lighting repairs, turf maintenance, utility costs, and capital equipment replacement costs. In FY 2015, the Park Authority was responsible for full service maintenance on 268 athletic fields, of which 40 were synthetic turf, 228 natural turf, 113 were lighted and 113 were irrigated. The fields are used by more than 200 youth and adult sports organizations as well as Fairfax County citizens. This effort is supported entirely by the General Fund and is managed by the Park Authority.

- An amount of $275,000 is included for custodial support for indoor gyms used by sports organizations. The use of FCPS indoor facilities on the weekend requires FCPS to schedule a school system employee to open and close the facility. Revenue generated from the Athletic Services Fee is used to provide payment for FCPS staff, eliminating the need for indoor sports organizations to pay the hourly rate previously charged. This project is entirely supported by revenue generated from the Athletic Services Fee and is managed by the Department of Neighborhood and Community Services.

- An amount of $150,000 is included for the Youth Sports Scholarship Program. The Youth Sports Scholarship Program provides support to youth from low-income families who want to participate in community-based sports programs. Of the total funding, an amount of $75,000 is included for this program based on the FY 2017 projection of revenue generated from the Athletic Services Fee, and $75,000 is supported by the General Fund.

Specific funding levels associated with Paydown capital improvements include:

- An amount of $250,000 is included to continue the replacement and upgrading of Fairfax County Public Schools (FCPS) athletic field lighting systems at middle and high schools used by many County organizations. Funding supports a replacement and repair schedule, as well as improvements to bring existing lighting systems up to new standards. The school system's Office of Design and Construction Services ensures lighting standards are maintained and FCPS annually prioritizes funding for field lighting. FY 2017 funding supports the replacement and repair for one field's existing lighting systems. This project is supported entirely by the General Fund and coordinated by the Department of Neighborhood and Community Services.

- An amount of $2,250,000 is included for the turf field replacement program in FY 2017. Funding of $800,000 is supported by Athletic Service Fee revenue and $1,450,000 is supported by the General Fund. This level of funding represents an increase of $1,000,000, including an increase of $375,000 from Athletic Service Fee revenue, $500,000 from the General Fund, and a redirection of Athletic Service Fee revenue of $125,000 from the Turf Development project. The increase in Athletic Service Fee revenue is based on a recommendation to increase the current rate of $5.50 per participant per season to $8.00 per participant per season and an increase in the tournament team fee from $15 to $50 per team per tournament (for rectangular fields players only). There are a total of 86 synthetic turf fields throughout the County, of which 23 are FCPS stadium fields and 63 are County Parks/FCPS non-stadium fields. This increase would support the replacement of the 63 County turf fields. There are over 130,000 youth and adult participants (duplicated number) annually that benefit from rectangular turf fields. Increased funding is needed to begin to address the growing need for field replacement and to establish a replacement schedule over the next 10 years. If turf fields are not replaced when needed, they may need to be closed for safety reasons. The first turf field replacement efforts began in 2013 for the first two fields developed. Most manufacturers provide an eight-year warranty for a properly maintained synthetic turf field; however, it is a generally accepted practice to assume a life expectancy of the synthetic turf field of no more than 10 years. For planning purposes, the County adopted an annual budget estimate of a little more than half of the installation funding, which is a generally accepted practice for the industry. However, based on a projected ten-year replacement cycle and the current 63 County field inventory, replacement funding requires a regular financial commitment. The current projected replacement cost per field is approximately $450,000. Current funding levels, which include anticipated partner field support contributions, will not support the replacement needs and additional funding is required to continue to plan for the gradual replacement of turf fields as they reach the end of their useful life. Staff has developed a 10-year replacement plan for the current inventory which requires revenue from a proposed increase to the Athletic Fee and additional General Fund support. Fairfax County's Athletic Fee is currently the lowest in the region. Even with the approved FY 2017 increase, the fee would remain in line with other jurisdictions.

Jurisdiction	Application Fee
Prince William	$24.00 youth/$38 adults
Loudoun	$12.50
Arlington	$8.00
City of Alexandria	$12.00
Fairfax County	$5.50 Current/$8.00 Adopted

Parks

FY 2017 funding in the amount of $1,909,000 has been included for Park facilities and grounds. This amount includes an increase of $226,924 over the FY 2016 Adopted Budget Plan funding level. The Park facilities maintained with General Fund monies include but are not limited to: rental properties, historic properties, nature centers, maintenance facilities, sheds, shelters, and office buildings. Park priorities are based on the assessment of current repair needs including safety and health issues, facility protection, facility renewal and improved services. In addition, Park maintenance requirements are generated through scheduled preventative maintenance or from user requests for facility alterations. Without significant reinvestment in building and grounds, older facilities can fall into a state of ever decreasing condition and functionality, resulting in increased maintenance and repair costs in the future. Preventative and repair work is required for roof replacement and repair, HVAC, electrical and lighting systems, fire alarm systems and security systems. Funding is essential to the maintenance and repair of building stabilization, including capital renewal of over 567,053 square feet at non-revenue supported Park Authority structures and buildings. Maintenance is also required on over 580 pieces of grounds equipment. Specific funding levels associated with maintenance include:

- An amount of $476,000 is provided to fund annual requirements for Parks grounds maintenance at non-revenue supported parks. The Park Authority is responsible for the care of a total park acreage of 23,354 acres of land with 426 park site locations. This funding is also used for arboreal services in response to citizens' requests. In FY 2017, an increase of $212,924 over the FY 2016 Adopted Budget Plan has been included to address arboreal services that consist of pruning, removals, and inspections of tree health within the parks. There has been a rise in staff responses to requests from residents and other park staff for the inspection and removal of hazardous or fallen trees within the parks and those that may pose a threat to private properties.

- An amount of $484,000 is included to provide corrective and preventive maintenance for over 567,053 square feet at non-revenue supported Park Authority structures and buildings. This maintenance includes equipment repairs, the scheduled inspection and operational maintenance of HVAC, plumbing, electrical, security and fire alarm systems. This funding is critical in order to prevent the costly deterioration of facilities due to lack of maintenance.

Specific funding levels associated with Paydown capital improvements include:

- An amount of $425,000 is included for general park infrastructure replacement and upgrades at non-revenue supported Park facilities. These requirements include major non-recurring repairs and stabilization of properties, as well as repairs/replacements and improvements to roofs, electrical and lighting systems, sprinklers, HVAC systems, and the replacement of security and fire alarm systems. In FY 2017, funding is included to repair and replace roofs at prioritized picnic shelters and outdoor public restrooms ($150,000); replace aged security systems at various sites throughout the County ($150,000); and replace windows, doors, and siding at picnic shelters, historic sites, and maintenance facilities ($125,000).

- An amount of $524,000 is provided to fund minor capital improvements. The Park Authority is responsible for the maintenance and repair of tennis courts, basketball courts, trails, picnic areas and picnic shelters, playgrounds, bridges, parking lots and roadways, and stormwater ponds.

Environmental Initiatives

FY 2017 funding of $535,000 has been included for environmental initiatives. FY 2017 projects were selected based on the project selection process supported by the Environmental Quality Advisory Council (EQAC). The selection process includes the application of specific project criteria, review of proposals from County agencies, and identification of projects for funding. Specific funding levels include:

- An amount of $150,000 is included to continue the Invasive Plant Removal Program. The Park Authority manages this volunteer program, as well as other invasive removal initiatives. These programs restore hundreds of acres of important natural areas, protect tree canopy, and reach thousands of volunteers. Currently more than 12,000 trained volunteer leaders have contributed 37,400 hours of service since the program's inception in 2005, improving over 1,000 acres of parkland.

- An amount of $5,000 is included for the Green Purchasing Program. This program is designed to support limited term staff to assist in clearly specifying environmental attributes during the County's procurement process. Fairfax County has a current inventory of over 2,400 contracts and emphasizing environmental attributes such as recycling, energy efficiency, durability and reduced toxicity during the procurement process can contribute to the purchase of green products, creating fiscal and environmental savings.

- An amount of $75,000 is included for the Watershed Protection and Energy Conservation Matching Grant Program. This program is intended to support the Energy Education and Outreach initiatives and promote community engagement around sustainability and conservation issues. Specifically, the Watershed Protection and Energy Conservation matching grant program will provide financial incentives to empower homeowners through their associations to implement on-the-ground sustainability projects. The initiative will build on current programs that provide technical assistance, hands-on support, outreach and education to Fairfax County homeowners and residents. Projects will improve water quality, reduce greenhouse gas emissions and conserve energy and water. The $75,000 program funding level will include printing and materials, matching grants of $500 - $3,500 up to $30,000 total for all grants and one limited term full-time position to support the program, conduct outreach and education, site assessments, inspections and other responsibilities.

- An amount of $105,000 is included for lighting retrofits and upgrades at Fairfax County Park Authority facilities for energy efficiency and conservation. Lighting will be upgraded to LED fixtures and lighting controls will be installed to manage operating hours more efficiently. These energy saving retrofit replacements will reduce approximately 80 percent of energy usage, improve lighting, reduce the Greenhouse gas inventory and contribute to the dark skies initiative.

- An amount of $95,000 is included to install Water Smart web-based irrigation controllers utilizing ET (Evapotranspiration) weather technology at the remaining Park facilities that have existing irrigation systems. Smart irrigation controllers poll local weather data and review soil conditions on a daily basis to automatically schedule watering times. Along with weather monitoring, smart irrigation controllers monitor water flow, which allows the system to report out via text or email any leak or system malfunction. The system will also shut off all water completely if it detects a major main line break. With weather and flow monitoring, smart irrigation controllers can reduce water irrigation consumption and pumping by 20 to 40 percent. This in turn can result in a 10 to 20 percent electrical savings as well.

- An amount of $55,000 is included to install Variable Frequency Drives (VFDs) at five RECenter pools. A VFD is a type of adjustable-speed drive used to control motor speed by varying motor input frequency and voltage. VFDs have been shown to increase performance in pool pumping applications. A VFD could save up to 60 percent or more on a pump's electricity usage. The pool pump will operate more efficiently, which will result in cost savings to the County due to lower electricity use and reduced maintenance costs.

- An amount of $50,000 is included to construct a protected bike lane demonstration project in Tysons on Virginia Department of Transportation (VDOT) Right-of-Way (ROW). Every year, VDOT repaves select roadways throughout Fairfax County. In conjunction with VDOT’s repaving work, Fairfax County Department of Transportation (FCDOT) has successfully created over 50 miles of bicycle facilities. This demonstration project will build upon the existing coordination efforts with VDOT to create the County’s first protected bike lane on Westbranch Drive from Jones Branch Drive to Westpark Drive in Tysons Corner that will be part of the County’s bicycle network. A protected bike lane is a required safety enhancement in certain areas because of the high volume and proximity of automobile traffic to the bicyclists.

In addition, an amount of $58,140 has been provided in Fund 10030, Contributory Fund, to continue partnering with two non-profit agencies to support tree planting efforts throughout the County.

On-going Development, Infrastructure Maintenance, and Revitalization

- Funding of $1,260,000 is included to address only the most critical aspects of property management at the Laurel Hill property. Laurel Hill was transferred to the County by the federal government and includes approximately 2,340 acres of land and 1.48 million square feet of building space. Of the amount funded in FY 2017, $860,000 will fund the Facilities Management Department’s security, maintenance services, and grounds maintenance. The remaining $400,000 will fund the Park Authority's critical maintenance activities and support staff.

- An amount of $50,000 is included to support payments to developers for interest earned on conservation bond deposits. The County requires developers to contribute funds to ensure the conservation of existing natural resources. Upon satisfactory completion of projects, the developer is refunded the deposit with interest. This estimate is based on actual experience in the past several years.

- An amount of $75,000 is included to support the maintenance of geodetic survey control points for the geographic information system (GIS). This project also supports the development and maintenance of an interactive, GIS-based website that will provide convenient and cost effective monumentation information to the County's land development customers.

- An amount of $100,000 is included for the Emergency Directives Program. The Emergency Directives Program was established to provide for abatement services of both emergency and non-emergency directives related to health and safety violations, grass mowing violations, and graffiti removal directives. The funds are used to perform corrective maintenance for code violations under Chapter 46 and Chapter 119 of the Fairfax County Code, in which cited property owners fail to correct.

- An amount of $750,000 is included to continue routine and non-routine maintenance in five major commercial revitalization areas (Annandale, Route 1, Springfield, McLean and Baileys Crossroads) and 10 Commuter Rail and Park-and-Ride lots. The goal of this program is to provide an enhanced level of infrastructure and right-of-way features in these urbanizing areas in order to facilitate pedestrian movements and create a "sense of place." The maintenance in the commercial revitalization areas currently includes trash removal and quality control inspections once a week; grass mowing and weed control once every two weeks; edging, bus shelter glass cleaning, and night light inspection once a month; fertilization and shearing once every three months; pest control, leaf removal, and shrub pruning once every four months; mulching and seasonal flower rotation once every six months; and irrigation maintenance as necessary. FY 2017 funding will support improvements such as maintenance and/or replacement of degraded and/or failing sidewalk and crosswalk pavers.

- An amount of $460,000 is included to support routine and non-routine maintenance services to the Tyson's Corner and Silver Line project. More specifically, this project will provide funding for recurring landscaping maintenance associated with the Tyson's Corner Silver Line area along the Route 7 corridor, from Route 123 to the Dulles Toll Road. Routine maintenance services include landscape maintenance along the median and both sides of the road, trash removal, snow removal, and stormwater facility maintenance. The primary difference between maintenance requirements related to the Silver Line Metro system stations (Phase I) and other existing Metro stations is the County's maintenance requirement associated with 27 water quality swales under the raised tracks of the Silver Line located in VDOT right-of-way. Typical maintenance for the swales will include litter and sediment removal, vegetation care, and structural maintenance. It is anticipated that additional maintenance responsibilities may be added during the construction of Phase II of the Silver Line.

Obligations and Payments

- Funding of $891,600 is included for the annual payment associated with the Salona property based on the Board of Supervisors' approval of the purchase of this conservation easement on September 26, 2005. The total cost of the property is $18.2 million with payments scheduled through FY 2026.

- Funding of $1,000,000 is included for the County's annual contribution to offset school operating and overhead costs associated with School-Age Child Care (SACC) Centers.

- Funding of $2,517,489 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 FY 2017 rate of $2.25 per capita is consistent with the FY 2016 level. The NVCC capital plan has recently been adjusted to keep pace with accelerated enrollment and it is anticipated that capital contributions from the partners will continue to be adjusted gradually to avoid a major commitment from supporting jurisdictions in any given year. The $2.25 rate is applied to the population figure provided by the Weldon Cooper Center.

County Infrastructure Replacement and Upgrades

Infrastructure Replacement and Upgrades support the long-term needs of the County's capital assets to maximize the life of County facilities, avoid their obsolescence, and provide for planned repairs, improvements and restorations to make them suitable for organizational needs. Fairfax County will have a projected FY 2017 facility inventory of over 9.2 million square feet of space (excluding schools, parks, housing and human services residential facilities). This inventory continues to expand with the addition of newly constructed facilities, the renovation and expansion of existing facilities and the acquisition of additional property. With such a large inventory, it is critical that a planned program of repairs and restorations be maintained. In addition, the age of a major portion of this inventory of facilities is reaching a point where major reinvestments are required in the building subsystems.

Each year, the Facilities Management Department (FMD) prioritizes and classifies infrastructure replacement and upgrade projects into five categories. Projects are classified as Category F: urgent/safety related, or endangering life and/or property; Category D: critical systems beyond their useful life or in danger of possible failure; Category C: life-cycle repairs/replacements where repairs are no longer cost effective; Category B: repairs needed for improvements if funding is available, and Category A: good condition.

The requirement for County infrastructure replacement and upgrades is estimated at $26 million per year. This estimate is based on current assessment data, as well as industry standards (2 percent of the current replacement value). Based on current staffing levels, the complexity of many of the projects, and the timeline for completing replacement and upgrade projects, it is estimated that approximately $15 million per year would be a good funding goal. In an effort to move closer to the funding goal of $15 million, for FY 2017, an amount of $12,417,153 in priority projects has been provided using multiple funding sources. First, an amount of $5,000,000 is supported by the General Fund, including an amount of $3,591,551 that was funded as part of the *FY 2016 Third Quarter Review* and an amount of $1,408,449 that is included in the FY 2017 Adopted Budget Plan. Second, an amount of $2,810,000 will be supported by existing Public Safety bonds available in completed projects as a result of the favorable bid environment. These projects, all located at Public Safety/Courts facilities, are large upgrade projects with life spans in excess of 20 years and appropriately funded by bonds. Finally, an amount of $4,607,153 will be supported by the Capital Sinking Reserve Fund. The Capital Sinking Reserve Fund was established as a direct result of the IFC and has accumulated over the last two years based on the approval of funding at both the *FY 2014 Carryover Review* and the *FY 2015 Carryover Review*. The allocation of the Sinking Fund was approved as part of the *FY 2016 Third Quarter Review*. FMD projects requiring funding in FY 2017 will take advantage of the two prior years of funding in the Capital Sinking Reserve Fund, with an effort to reach close to the $15 million goal in General Fund support in future years.

All of the FY 2017 funding sources will address 10 of the top priority Category F projects. FMD has identified to date an additional 146 Category F and 45 Category D projects. The funding required to address the remaining Category F and D projects is in excess of $78 million. Analysis of these requirements is conducted annually and projects may shift categories, become an emergency and be funded by the emergency systems failures project, or be eliminated based on other changes, such as a proposed renovation project.

Trails and Roads Repairs

- An amount of $500,000 is included for the Reinvestment, Repair, and Emergency Upgrades of County Roads. The County is responsible for 43 miles of roadway service drives not maintained by VDOT. As part of the *FY 2014 Third Quarter Review*, funding was approved to build an accurate inventory and condition assessment of County-owned roads and service drives. The 2015 Rinker study identified an amount of $4 million in reinvestment funding requirement for the roadways with the most hazardous conditions, as well as $500,000 in FY 2017 for annual emergency repairs. Staff will prioritize funding for projects including emergency safety and road repairs. On-going road maintenance includes, but is not limited to, pothole repair, drive surface overlays, sidewalk and curb repairs, traffic and pedestrian signage, hazardous tree removal, grading, snow and ice control, replacement of substandard materials, patching of existing travelways, minor ditching and stabilization of shoulders, slopes and drainage facilities. It is anticipated that funding for the $4 million reinvestment program will be funded over a 5-year period, with initial funding from the allocation of the Capital Sinking Fund, approved as part of the *FY 2016 Third Quarter Review*.

- An amount of $400,000 is included for emergency and critical repairs to County trails, sidewalks and pedestrian bridges. The Department of Public Works and Environmental Services (DPWES) and the Fairfax County Department of Transportation are responsible for maintaining approximately 664 miles of walkways and 68 pedestrian bridges. On-going critical repairs include the correction of safety and hazardous conditions such as the deterioration of trail surfaces, the replacement and/or repair of guardrails and handrails, and the rehabilitation of pedestrian bridges. Service levels have significantly fluctuated for the pedestrian program based on funding constraints. Repairs are performed on a complaint basis only, and are limited to addressing only emergency and safety related requirements. The FY 2017 funding level represents an increase of $100,000 over the FY 2016 Adopted Budget Plan based on the recommendations of the 2013 Rinker Study for annual funding. This study was conducted in order to build an accurate inventory and condition assessment of County walkways and revealed that there are approximately 10 miles of trails in extremely poor condition requiring $3 million in reinvestment. It is anticipated that funding for the $3 million reinvestment program will be funded over a 3-year period, with initial funding from the allocation of the Capital Sinking Fund, approved as part of the *FY 2016 Third Quarter Review*.

ADA Compliance

During their deliberations on the FY 2017 Advertised Budget Plan, the Board of Supervisors approved funding for the Americans with Disabilities Act (ADA) compliance projects as part of the *FY 2016 Third Quarter Review*. Funding in the amount of $4,370,000 included $2,370,000 for the continuation of Park Authority ADA improvements and $2,000,000 for the continuation of ADA improvements at County owned facilities required as part of the Department of Justice audit. No additional funding is included in FY 2017.

Master Planning and Redevelopment

- An amount of $350,000 is included for joint venture development projects. This funding will support negotiations, development agreements, and staff time associated with projects that are not yet funded, as well as design support, financial consultation, and real estate development for the evaluation of project proposals. These projects are highly complex and require a significant amount of concept planning prior to the project's approval for financing.

- An amount of $1,000,000 is included for the facility and space realignment project that will provide a source of funding for reconfigurations that would maximize owned space, potentially eliminate leased space and facilitate hoteling of office spaces.

- Funding of $300,000 is included to support the Developer Default program, including $200,000 in General Fund monies and $100,000 in anticipated developer default revenue. This project is necessitated by economic conditions surrounding the construction industry that result in some developers not completing required public facilities, including acceptance of roads by the state, walkways and storm drainage improvements.

FY 2017 PAYDOWN PROJECTS

Project		FY 2017 Adopted
County Infrastructure Replacement and Upgrades		
GF-000012	Emergency Generator Replacement	$1,408,449
Subtotal		**$1,408,449**
Parks Infrastructure Replacement and Upgrades		
2G51-005-000	Parks – Facility Infrastructure Replacement and Upgrades	$425,000
2G51-006-000	Parks – Minor Capital Improvements	524,000
Subtotal		**$949,000**
Athletic Field Capital Improvements		
PR-000082	Athletic Fields – FCPS Lighting	$250,000
PR-000097	Athletic Services Fee – Turf Field Replacement	1,450,000
Subtotal		**$1,700,000**
Trails and Roads Repairs		
2G25-021-000	Reinvestment, Repair, and Upgrades to County Roads	500,000
2G25-057-000	Emergency Repair of Existing Trails	400,000
Subtotal		**$900,000**
Master Planning and Redevelopment		
2G25-020-000	Developer Defaults	$200,000
2G25-085-000	Joint Venture Development	$350,000
IT-000023	Facility Space Realignments	1,000,000
Subtotal		**$1,550,000**
TOTAL PAYDOWN PROGRAM		**$6,507,449**

Capital General Obligation Bond Program

The Board of Supervisors annually reviews cash requirements for capital projects financed by General Obligation bonds to determine the ongoing schedule for construction of currently funded projects as well as those capital projects in the early planning stages. The bond capital program is reviewed annually by the Board of Supervisors in association with the Capital Improvement Program (CIP) and revisions are made to cashflow estimates and appropriation levels as needed. The CIP is designed to balance the need for public facilities as expressed by the countywide land use plan with the fiscal capability of the County to meet those needs. The CIP serves as a general planning guide for the construction of general purpose, school, and public facilities in the County. The County's ability to support the CIP is entirely dependent upon and linked to the operating budget. The size of the bond program in particular is linked to the approved General Fund disbursement level.

The Virginia Constitution requires that long-term debt pledged by the full faith and credit of the County can only be approved by voter referendum. There is no statutory limit on the amount of debt the voters can approve. It is the County's own policy to manage debt within the guidelines identified in the *Ten Principles of Sound Financial Management*. The *Ten Principles* specifically indicate that debt service expenditures as a percentage of General Fund disbursements should remain under 10 percent and that the percentage of debt to estimated market value of assessed property should remain under 3 percent. The County continues to maintain these debt ratios with debt service requirements as a percentage of General Fund disbursements at 8.42 percent, and net debt as a percentage of market value at 1.23 percent as of June 30, 2015.

Continual monitoring and adjustments to the County's CIP have been necessary, as economic conditions have changed. The FY 2017 – FY 2021 Adopted Capital Improvement Program (With Future Fiscal Years to 2026) was approved on April 19, 2016. In FY 2017, an amount of $188,000,000 is included in General Obligation Bond funding. Specific funding levels in FY 2017 include:

- Funding in the amount of $155,000,000 is included for various school construction projects financed by General Obligation Bonds. For details, see the Fairfax County Public School's FY 2017 Approved Budget.

- Funding in the amount of $30,000,000 is included to support the 117-mile Metrorail system as well as to maintain and/or acquire facilities, equipment, railcars and buses.

- Funding of $3,000,000 is included for the County's annual contribution to the Northern Virginia Regional Park Authority (NVRPA) Capital program. The NVRPA Park system includes 30 parks and over 12,000 acres of land, over 100 miles of trails, numerous historic sites, five waterparks, two family campgrounds, three golf courses, a nature center, botanical gardens, rental cabins and cottages, five marinas, and over 40 miles of protected shoreline along major rivers and reservoirs. In Fairfax County, NVRPA owns over 8,500 acres – most of which protect environmentally sensitive watersheds along the Potomac, Bull Run and Occoquan Rivers. The NVRPA's capital improvement and land acquisition costs are shared by its six member jurisdictions: the counties of Fairfax, Loudoun and Arlington, and the cities of Fairfax, Alexandria and Falls Church. The primary focus of NVRPA's capital program is to continue the restoration, renovation and modernization of existing park facilities, many of which were developed or constructed more than 20 years ago. Other elements of the capital program include land acquisition, the development of interpretive and educational displays and the addition of park features to meet the needs of the public. FY 2016 represented the last year of a four year program supported by a Park Bond Referendum approved by voters in the fall of 2012. This referendum included $12 million to sustain the County's contribution to the NVRPA capital budget for fiscal years

2013 through 2016. The next bond referendum is scheduled in fall 2016 and is proposed at $12.3 million to sustain the County's capital contribution to the NVRPA for an additional four years. FY 2017 funding is included, pending the approval of the fall 2016 bond referendum.

Stormwater Management Program

The Stormwater Management Program is essential to protect public safety, preserve property values and support environmental mandates such as those aimed at protecting the Chesapeake Bay and the water quality of other local jurisdictional waterways. Projects in this fund include repairs to stormwater infrastructure, measures to improve water quality such as stream stabilization, rehabilitation, safety upgrades of state regulated dams, repair and replacement of underground pipe systems, surface channels, structural flood proofing and best management practices (BMP), site retrofits and other improvements. This funding also supports the implementation of watershed master plans, public outreach efforts, and stormwater monitoring activities as well as operational maintenance programs related to the existing storm drainage infrastructure as it pertains to stormwater conveyance and stormwater quality improvements.

As part of the FY 2010 Adopted Budget Plan, a special service district was created to support the Stormwater Management Program and provide a dedicated funding source for both operating and capital project requirements, as authorized by Code of Virginia Ann. Sections 15.2-2400. In FY 2017, the stormwater service rate will increase from $0.0250 to $0.0275 per $100 of assessed real estate value. In FY 2015, staff developed a five-year rate plan and a phased approach for funding and staffing to support the anticipated regulatory increases. The 5-year spending plan includes approximately $225 million in required projects and operational support; therefore, the plan includes an annual increase in the rate of ¼ penny each year. This increase will support a number of goals. First, it will provide for constructing and operating stormwater management facilities, including stream restorations, new and retrofitted ponds, and installation of Low Impact Development (LID) techniques, required to comply with the federally mandated Chesapeake Bay Program. This program requires the County to reduce Phosphorus, Nitrogen, and sediment loads to the Potomac River and Chesapeake Bay. MS4 Permit holders must achieve 5 percent of the required reductions in the first five years; 35 percent of the required reductions in the second five years; and 60 percent of the required reductions in the third five years. The Capital Improvement Program includes a gradual increase that will help meet these requirements. Second, the increase will aid in the planning, construction, and operation of stormwater management facilities required to comply with state established local stream standards by reducing bacteria, sediments, and Polychlorinated Biphenyl (PCB) entering local streams. It is estimated that between 70 and 80 percent of the streams in the County are currently impaired. Third, the increase will support the federally mandated inspecting, mapping, monitoring, maintaining, and retrofitting of existing stormwater facilities. The County currently owns and maintains over 1,800 stormwater management facilities that are valued at $500 million. Fourth, the increase will aid in collecting stormwater data and reporting the findings; providing community outreach and education, supporting new training programs for employees; and developing new Total Maximum Daily Loads (TMDL) Action Plans for impaired streams related to the MS4 Permit requirements. Fifth, the increase will improve dam safety by supporting annual inspections of 20 state-regulated dams in the County and by developing Emergency Action Plans required by the state. The Emergency Action Plans are updated annually and a new plan will be prepared for each dam every six years. In addition, these plans include annual emergency drills and exercises, and flood monitoring for each dam. Finally, the increase will facilitate the maintaining, rehabilitating, and reinvesting in the County's conveyance system. The County's conveyance system includes over 60,000 structures and 1,400 miles of pipes and paved channels, and it is valued at more than $1 billion. The FY 2017 rate of $0.0275 per $100 of assessed real estate value is consistent with the 5-year plan.

The FY 2017 levy of $0.0275 will generate $64,075,000, supporting $20,438,388 for staff and operational costs; $42,511,612 for capital project implementation including, infrastructure reinvestment, regulatory requirements, dam safety, and contributory funding requirements; and $1,125,000 transferred to the General Fund to partially offset central support services such as Human Resources, Purchasing, Budget and other administrative services supported by the General Fund which benefit this fund.

In FY 2017, an amount of $42,511,612 is included for Stormwater Services capital projects. Specific funding levels in FY 2017 include:

- Funding in the amount $6,500,000 is included for the Stormwater Regulatory Program. The County is required by federal law to operate under the conditions of a state issued Municipal Separate Storm Sewer System (MS4) Permit. The MS4 Permit allows the County to discharge stormwater from its stormwater systems into state and federal waters. The County currently owns and/or operates approximately 7,000 piped outfalls within the stormwater system that are governed by the permit. The current permit was issued in 2002 and expired in 2007, and the County had been operating under a state issued administrative extension, while the state and the Environmental Protection Agency (EPA) agreed to new permit requirements. A new permit was issued to the County in April 2015. The permit requires the County to better document the stormwater management facility inventory, enhance public outreach and education efforts, increase water quality monitoring efforts, provide stormwater management and stormwater control training to all County employees, and thoroughly document all of these enhanced efforts. The permit also requires the County to implement sufficient stormwater projects that will reduce the nutrients and sediment delivered to the Chesapeake Bay in compliance with the Chesapeake Bay TMDL implementation plan adopted by the State.

- Funding in the amount of $7,000,000 is included for Dam Safety and Facility Rehabilitation. There are currently more than 6,000 stormwater management facilities in service that range in size from small rain gardens to large state regulated flood control dams. The County is responsible for inspecting both County owned and privately owned facilities and for maintaining County owned facilities. This inventory increases yearly and is projected to continually increase as new developments and redevelopment sites are required to install stormwater management controls. In addition, the County is required to provide a facility retrofit program to improve stormwater management controls on existing stormwater management facilities that were developed and constructed prior to current standards being in place. This program maintains the control structures and dams that control and treat the water flowing through County owned facilities. This initiative also includes the removal of sediment that occurs in both wet and dry stormwater management facilities to ensure that adequate capacity is maintained to treat the stormwater. The program results in approximately 25 retrofit projects annually that require redesign and construction management activities as well as contract management and maintenance responsibilities.

- Funding in the amount of $6,500,000 is included for Conveyance System Rehabilitation. The County owns and operates approximately 1,400 miles of underground stormwater pipes and paved channels with an estimated replacement value of over one billion dollars. The County began performing internal inspections of the pipes in FY 2006. The initial results showed that more than 5 percent of the pipes were in complete failure and an additional 15 percent of them required immediate repair. Increased MS4 Permit regulations apply to these 1,400 miles of existing conveyance systems and 60,000 stormwater structures. Acceptable industry standards indicate that one dollar re-invested in infrastructure saves seven dollars in the asset's life and $70 dollars if asset failure occurs. The goal of this program is to inspect pipes on a 10-year cycle and rehabilitate pipes and paved channels before total failure occurs.

- Funding in the amount of $20,106,312 is included for Stream and Water Quality Improvements. This program funds water quality projects necessary to mitigate the impacts to local streams and the Chesapeake Bay resulting from urban stormwater runoff. This includes water quality projects such as construction of stormwater management ponds, implementation of low impact development techniques on stormwater facilities, stream restorations, and approximately 1,700 water quality projects identified in the completed countywide Watershed Management Plans. In addition, Total Maximum Daily Load (TMDL) requirements for local streams and the Chesapeake Bay are the regulatory process by which pollutants entering impaired water bodies are reduced. The Chesapeake Bay TMDL was established by the EPA and requires that MS4 communities as well as other dischargers implement measures to significantly reduce the nitrogen, phosphorous and sediment loads entering waters draining to the Bay by 2025. Compliance with the Bay TMDL requires that the County should undertake construction of new stormwater facilities, retrofit existing facilities and properties, and increase maintenance. Preliminary estimates indicate that the projects needed to bring the County's stormwater system into compliance with the Bay TMDL could cost between $70 and $90 million per year. The Bay TMDL pollutant reduction requirement is additive to the current design and construction efforts associated with 1,700 Watershed Plan projects and ongoing stream and flood mitigation projects.

- Funding in the amount of $1,000,000 is included for the Emergency and Flood Control Program. This program supports flood control projects for unanticipated flooding events that impact storm systems and flood residential properties. The program provides annual funding for scoping, design, and minor construction activities related to flood mitigation projects.

- Funding in the amount of $800,000 is included for the Stormwater Allocations to Towns project. On April 18, 2012, the State Legislature passed SB 227 which entitles the Towns of Herndon and Vienna to all revenues collected within their boundaries by Fairfax County's stormwater service district. An agreement was developed for a coordinated program whereby the Towns remain part of the County's service district and the County returns 25 percent of the revenue collected from properties within each town. This allows for the towns to provide services independently such as maintenance and operation of stormwater pipes, manholes, and catch basins. The remaining 75 percent remains with the County and the County takes on the responsibility for the Towns' Chesapeake Bay TMDL requirements as well as other TMDL and MS4 requirements. This provides for an approach that is based on watersheds rather than on jurisdictional lines.

- Lastly, FY 2017 funding of $605,300 is included for County contributions. An amount of $485,064 is provided for the Northern Virginia Soil and Water Conservation District (NVSWCD). The NVSWCD is an independent subdivision of the Commonwealth of Virginia that provides leadership in the conservation and protection of Fairfax County's soil and water resources. It is governed by a five-member Board of Directors, three of whom are elected every four years by the voters of Fairfax County and two who are appointed by the Virginia Soil and Water Conservation Board. Accordingly, the work of NVSWCD supports many of the environmental efforts set forth in the Board of Supervisors' Environmental Excellence 20-year Vision Plan. The goal of the NVSWCD is to continue to improve the quality of the environment and general welfare of the citizens of Fairfax County by providing them with a means of dealing with soil, water conservation and related natural resource problems. It provides County agencies with comprehensive environmental evaluations for proposed land use changes with particular attention to the properties of soils, erosion potential, drainage and the impact on the surrounding environment. NVSWCD has consistently been able to create partnerships and leverage state, federal and private resources to benefit natural resources protection in Fairfax County. In addition, an amount of $120,236 is provided for the Occoquan Watershed Monitoring Program

(OWMP) to ensure that water quality is monitored and protected in the Occoquan Watershed. Given the many diverse uses of the land and water resources in the Occoquan Watershed (agriculture, urban residential development, commercial and industrial activity, water supply, and wastewater disposal), the OWMP plays a critical role as the unbiased interpreter of basin water quality information.

The Penny for Affordable Housing Fund

Fund 30300, The Penny for Affordable Housing Fund, formerly known as the Housing Flexibility Fund, was established in FY 2006 and is designed to serve as a readily available local funding source with the flexibility to preserve and promote the development of affordable housing. For fiscal years 2006 through 2009, the Board of Supervisors (BOS) dedicated revenue commensurate with the value of one cent from the Real Estate tax rate to the Preservation of Affordable Housing, a major County priority. In FY 2010, the Board of Supervisors reduced annual funding to The Penny for Affordable Housing Fund by 50 percent in order to balance the FY 2010 budget. From FY 2006 through FY 2016, the fund has provided a total of $186.9 million for affordable housing in Fairfax County; a total of $12.3 million is provided in FY 2017.

Over the past years, a total of 2,757 affordable units have been preserved for both homeownership and rental purposes in a variety of large and small projects. Of that number, 252 units are preserved as affordable housing for periods of five years or less, and 2,505 units are preserved for 20 years or longer. A variety of funding sources were used to preserve these units; however, Fund 30300 funds were critical for the preservation efforts associated with several large multifamily complexes that were purchased by private nonprofits and for-profit organizations, and which represent a significant portion of the units preserved: 130 units at Mt. Vernon House in Alexandria (Mt. Vernon District), 216 units in Madison Ridge in Centreville (Sully District), 148 units in Hollybrooke II and III in the Seven Corners area of Falls Church (Mason District), 90 units in Sunset Park Apartments in Falls Church (Mason District), 319 units in Janna Lee Villages in the Hybla Valley area (Lee District) and 105 units in Coralain Gardens located on Arlington Boulevard (Route 50) in Falls Church (Mason District). Fund 30300 was also instrumental in preserving two large complexes: 180 units at the Crescent apartment complex in Reston (Hunter Mill District) and 672 units at the Wedgewood Apartments complex in Annandale (Braddock District). These projects were purchased by the County and are being managed by the Fairfax County Redevelopment and Housing Authority as part of the low- and moderate-income rental program. Without the availability of Fund 30300, both of these apartment complexes may have been lost as affordable housing.

In FY 2017, Fund 30300 funding of $12,251,850 is composed of $11,700,000 in Real Estate Tax Revenue and $551,850 in Affordable Housing Partnership Program loan repayments. FY 2017 funding is allocated as follows: $5,754,338 for Wedgewood for the annual debt service, $3,350,000 for Crescent Apartments for the annual debt service, $2,855,012 for the Housing Blueprint Project, and $292,500 for Affordable/Workforce Housing.

Wastewater Management System

The Fairfax County Wastewater Management Program is operated, maintained, and managed within the Department of Public Works and Environmental Services (DPWES), and includes nearly 3,422 miles of sewer lines, 63 pumping stations, and 57 flow metering stations, covering approximately 234 square miles of the County's 407-square-mile land and water area. Treatment of wastewater generated is provided primarily through six regional wastewater collection and treatment plants. One of the six regional plants is the County owned and operated Noman M. Cole, Jr. Pollution Control Plant (NCPCP), which is currently permitted to treat 67 million gallons per day (MGD) of flow. By agreement, other regional facilities include the Alexandria Renew Enterprises (ARErnew) Treatment Plant, the Upper Occoquan Service Authority Plant, the District of Columbia Blue Plains Plant, Loudoun Water and the Arlington County Plant. Fairfax County utilizes all of these facilities to accommodate a total treatment capacity of 157 MGD.

Photo of the Noman M. Cole, Jr. Pollution Control Plant

The Chesapeake Bay water quality program requires reductions in the amount of nutrient pollutants discharged from wastewater treatment facilities. In December 2004, the state notified the County that the renewal of the County's National Pollutant Discharge Elimination System (NPDES) permit includes a requirement that nutrient removal be performed using "State of the Art" technology and meet a waste load allocation (cap) for the Nitrogen and Phosphorous nutrients. A phased approach was used to renovate and upgrade current plant facilities to accommodate these more stringent nutrient discharge requirements. These renovations and upgrades were completed in FY 2015. Other regional plants serving the County are at various stages of upgrade for compliance with the new requirements. Total FY 2017 funding is $179,643,827, including $74,650,000 in Fund 69300, Sewer Construction Improvements, and $104,993,827 in Fund 69310, Sewer Bond Construction. Specific funding levels in FY 2017 include:

- Funding in the amount of $12,302,000 is included for facility improvements to the DC Water's Blue Plains Treatment Plant to comply with nutrient discharge limits. Projects supporting the Enhanced Nitrogen Removal Program include providing an additional 40 million gallons of new anoxic reactor capacity for nitrogen removal, a new post aeration facility, pump station, and other new facilities to store and feed methanol and alternative sources of carbon. Construction continues on this project and is scheduled to be completed in 2017. In addition, funding will also provide for the Clean Rivers Project to prevent combined storm and sanitary overflows during major storm events by storing the overflow in tunnels until the plant has capacity to fully treat the water. This project is currently under construction and is scheduled to be completed by the summer of 2017. The County is responsible for 31 mgd of the 370 mgd or 8.38 percent of the capacity at the Blue Plains Treatment Plant.

- Funding in the amount of $13,868,000 will fund the County's share of the upgrades to the Alexandria Renew Enterprises Treatment Plant (ARenew). Fairfax County is one of many jurisdictions which participate in the Joint Capital Improvement Program. Funding supports the design and construction of a State of the Art Nitrogen Upgrade Program (SANUP) for nitrogen removal. The SANUP will be completed in 6 phases to allow the spread of design and construction costs over an 8-year period. The long range plan was completed in 2008, and 2 of the 6 phases were completed in 2011; the remaining phases will be completed by 2017. FY 2017 funding is included for engineering design, construction management, landscape architecture and engineering services during construction to comply with the nutrient discharge limits. The County is responsible for 32.4 mgd of the 54 mgd or 60 percent of the capacity at the Alexandria Renew Enterprises' Treatment Plant.

- Funding in the amount of $3,000,000 is included to satisfy the annual appropriation requirement for the County's Extension and Improvement (E&I) Program as approved by the Board of Supervisors on April 12, 2011. This policy adjusts the Connection Charges such that the future cost of the E&I Program is shared equally between the County's Sewer Fund and the property owners seeking public sewer service, when the Health Department determines the properties' septic systems have failed.

- Funding in the amount of $12,033,000 is provided for the systematic rehabilitation of the County's 3,422 miles of sanitary sewer lines. Rehabilitation includes, among other things, the use of trenchless technology to rehabilitate approximately 20 miles of sewer per year.

- Funding in the amount of $6,150,000 is included to complete the rehabilitation of the Dead Run, Accotink, Little Hunting Creek and Difficult Run force mains. In addition, there are nine other force mains scheduled to begin rehabilitation in FY 2017, including: Barcroft I, Barcroft II, Langley School, Mt. Vernon Terrance, Wellington I, Ravenwood, Springfield, Wayne Wood I, and Wayne Wood II.

- Funding in the amount of $11,353,000 is included for the continuation of systematic rehabilitation of structures and equipment at the Noman M. Cole, Jr. Pollution Control Plant (NMCPCP). FY 2017 funding will provide for the rehabilitation and replacement of pumps, gates, and valves; stormwater runoff improvements, and continuation of the rehabilitation of the motor control centers/distribution centers (MCC/DC) and raw wastewater pump station facility.

- Funding in the amount of $8,268,000 is included for the regularly scheduled repair, renovation, and replacement of pumping station equipment and facilities. There will be four pump stations in the design phase and eight pump stations in the construction phase in FY 2017.

- Funding in the amount of $100,000 is included for the planned replacement of sewer meters throughout the County. FY 2017 funding is provided for the continuation of replacing sewer meters used for measuring wastewater flow to and from other jurisdictions for billing and monitoring purposes as well as portable meters used in infiltration and inflow studies to measure wet weather flows.

- Funding in the amount of $576,000 is included for plant upgrades at the Arlington Wastewater Treatment Plan. This funding will support annual repair and rehabilitation work for various facilities as scheduled in Arlington County's Capital Improvement Program. The County is responsible for 3.0 of the 40 mgd or 7.5 percent of capacity at the Arlington Wastewater Treatment Plant.

- Funding in the amount of $1,000,000 is included for the condition assessment of 166 segments of 8 to 15 inch gravity sewer lines and provides recommendations for the rehabilitation and/or replacement alternatives. FY 2017 funding will provide for the next phase of this program, which includes construction work.

- Funding in the amount of $6,000,000 is included for the condition assessment of 49 miles of sewer lines with a diameter of 15 inches or larger and provides recommendations for the rehabilitation and/or replacement alternatives. FY 2017 funding will provide for the next phase of this program which includes construction work.

- Funding in the amount of $104,993,827 from a planned FY 2017 Sewer Revenue Bonds sale is included to support the upgrade and improvement projects at the Noman M. Cole, Jr. Pollution Control Plant. Based on the current schedule of identified and active projects, these bond proceeds will support the capital projects through FY 2019. This funding supports the reinvestment in the Noman M. Cole, Jr. Pollution Control Plant in order to maintain regulatory compliance requirements as they pertain to the Clean Water Act, Chesapeake Bay Preservation Program and Title V of the Clean Air Act as enforced by the Virginia Department of Environmental Quality. The renovation program follows the plant's Master Plan to evaluate and prioritize projects.

County and Regional Transportation Projects Fund

Fund 40010, County and Regional Transportation Projects supports the County's implementation of new transportation projects and is funded by the commercial and industrial real estate tax for transportation and Northern Virginia Transportation Authority (NVTA) local tax revenues. The taxing authority for commercial and industrial real property was authorized under the Transportation Funding and Reform Act of 2007 (HB 3202), approved by the Virginia General Assembly on April 4, 2007, and implemented by the Board of Supervisors as part of the FY 2009 Adopted Budget Plan. This revenue helps accelerate the County's implementation of roadway, transit and pedestrian projects.

HB 3202 allows localities to assess a tax on the value of commercial and industrial real estate and to use the proceeds on new transportation improvements. The County's FY 2017 rate is $0.125 per $100 of assessed value (the maximum allowed per state code), which will generate approximately $52.8 million in revenue. This estimate is based on current projections in the commercial real estate market.

On April 3, 2013, the Virginia General Assembly approved HB 2313, a transportation funding package. The bill included regional components for planning districts that meet certain thresholds (population, registered vehicles, and transit ridership). Northern Virginia meets these criteria for the imposition of certain taxes, and HB 2313 is expected to generate over $300 million per year for transportation projects in the region. The bill mandates that 70 percent of this regional funding be allocated by the NVTA, with the remaining 30 percent provided to the individual localities embraced within NVTA for their determination. Fairfax County's local share of HB 2313 funds is projected to be $37.7 million in FY 2016 and $42.7 million in FY 2017. By adopting the commercial and industrial property tax rate of $0.125, the County qualifies to receive these 30 percent revenues.

FY 2017 disbursements include $7.7 million for operating and staff support for project implementation; $56.2 million for capital projects (including $3.0 million for EDA transportation bonds debt service); and a $31.6 million transfer to Fund 40000, County Transit Systems, for the FAIRFAX CONNECTOR for bus service.

Other Financing

Funding in the amount of $31,765,234 includes $1,575,000 that is associated with projects discussed above including $100,000 in developer default revenues and $1,475,000 in athletic services fees. The remaining $30,190,234 supports various other projects financed by other sources of revenue. Specific funding levels in FY 2017 include:

Housing:

- Funding of $130,729 is included for the Undesignated Housing Trust Fund project for reallocation to specific projects when identified and approved by both the Fairfax County Redevelopment and Housing Authority (FCRHA) and Board of Supervisors during FY 2017.

- Funding in the amount of $353,426 is included for the Land/Unit Acquisition project for reallocation to specific projects when identified and approved by both the Fairfax County Redevelopment and Housing Authority (FCRHA) and Board of Supervisors during FY 2017.

Other:

- Funding in the amount of $471,300 is included for the replacement of the Reston Community Center theatre dressing room and make-up station area, installation of LED Light Fixtures in the theatre, upgrade of the Theatre dimmer system, architectural and engineering services for the replacement of the Natatorium Environmental Control System, replacement of the Hunters Woods Theatre and front roof sections, and replacement of the Hunters Woods genie hydraulic lift.

- Funding in the amount of $3,179,749 is included for Capital Project requirements at the McLean Community Center. Of this total, $2,659,749 is required to support various facets of the McLean Community Center renovation project; $150,000 is included to support HVAC replacement in the McLean Community Center Alden Theatre; $85,000 is required to replace carpet throughout the facility; $35,000 to replace flooring in the Rehearsal Hall; and $250,000 is required for the Alden Theatre rigging system.

- Funding in the amount of $4,500,000 is included for Phase II of the Intelligent Transportation Systems (ITS) project for County Transit Systems. The Intelligent Transportation System (ITS) includes computer aided dispatching (CAD) and automatic vehicle locator (AVL) systems, mobile data terminals, automated passenger counters, stop annunciators, and real-time passenger information. Reports and information generated from the ITS system allow for more efficient scheduling, route refinements, and faster schedule development, which will increase FAIRFAX CONNECTOR operational efficiencies and provide real-time service information for riders.

- Funding in the amount of $600,000 is included to support the construction of an enclosed Solid Waste facility to handle the Hazardous Waste Materials at the I-95 Complex improving environmental conditions and customer service. The building will be comprised of two components: a base structure to provide push walls for dumping and loading activities as well as sound suppression, and a fabric structure to provide protection from the elements.

- Funding in the amount of $20,955,030 is included for various school construction projects financed from a state construction grant, Parent Teachers Association/Parent Teacher Organization receipts, and transfers from Fund S31000, Public School Construction Fund. For more details, see the Fairfax County Public School's FY 2017 Approved Budget.

Capital Construction and Operating Expenditure Interaction

To maintain a balanced budget, annual revenues are projected and operating and capital construction expenditures are identified to determine the County's overall requirements and funding availability. Funding levels for capital construction projects are based on the merits of a particular project together with the available funding from all financing sources, with primary reliance on General Obligation bonds. The Board of Supervisors annually reviews cash requirements for capital project financing.

The County's capital program has a direct impact on the operating budget, particularly in association with the establishment and opening of new facilities. The Board of Supervisors continues to be cognizant of the effect of the completion of capital projects on the County's operating budget. The cost of operating new or expanded facilities or infrastructure is included in the fiscal year the facility becomes operational. However, in some cases, like the construction of the expanded and renovated Courthouse, the operating impact may be absorbed gradually over several years. For example, costs associated with loose and systems furniture, moving expenses, providing for additional security and staffing, renovating existing courtrooms, implementing new courtroom technology, and setting up an Operations and Maintenance satellite shop with staff dedicated to the courthouse facility are all costs that can be phased in over time, thus spreading the operating impact over a number of years, rather than concentrating costs in the fiscal year the facility opens.

Capital projects can affect future operating budgets either positively or negatively due to an increase or decrease in maintenance costs, or by providing capacity for new programs or services. Such impacts vary widely from project to project and, as such, are evaluated individually. Operating costs resulting from the completion of a capital project differ greatly depending on the type of capital project and construction delays. A new facility, for example, will often require additional staff, an increase in utility costs, and increases in custodial, security and maintenance contracts. Conversely, a capital project that renovates an existing facility may reduce operating expenditures due to a decrease in necessary maintenance costs. For example, funding HVAC and electrical system repair or replacement projects has the potential to reduce operating expenditures by reducing costly maintenance and staff time spent addressing critical system repairs. The same is true for projects such as fire alarms, emergency generators, and carpet replacement, as well as roof repairs. Investing in aging and deteriorating building systems and components can alleviate the need for future expenditures, often resulting in significant cost avoidance. Additionally, if a system failure should occur, there is the potential that a County facility must shut down, suspending services to citizens and disrupting County business. The County’s emphasis on capital renewal and preventative maintenance works to ensure these kinds of interruptions are avoided.

The opening of new County facilities results in the widest range of operating costs. For example, equipment and furniture, a book buy, additional staff, and an increase in utility costs may all be necessary to prepare for the opening of a new library or extensive library expansion/renovation. These costs are estimated as the project is developed and included in the appropriate agency budget in the year the facility becomes operational.

New, Renovated, or Expanded County Facilities in FY 2017

Facility	Fiscal Year Completion	Additional Positions	Estimated Net Operating Costs
FY 2017 New, Renovated, or Expanded Facilities			
Facilities Management Department (FMD) Operational Costs for New Facilities	FY 2017	3/3.0 FTE	$556,955
Total FY 2017 Costs		**3/3.0 FTE**	**$556,955**

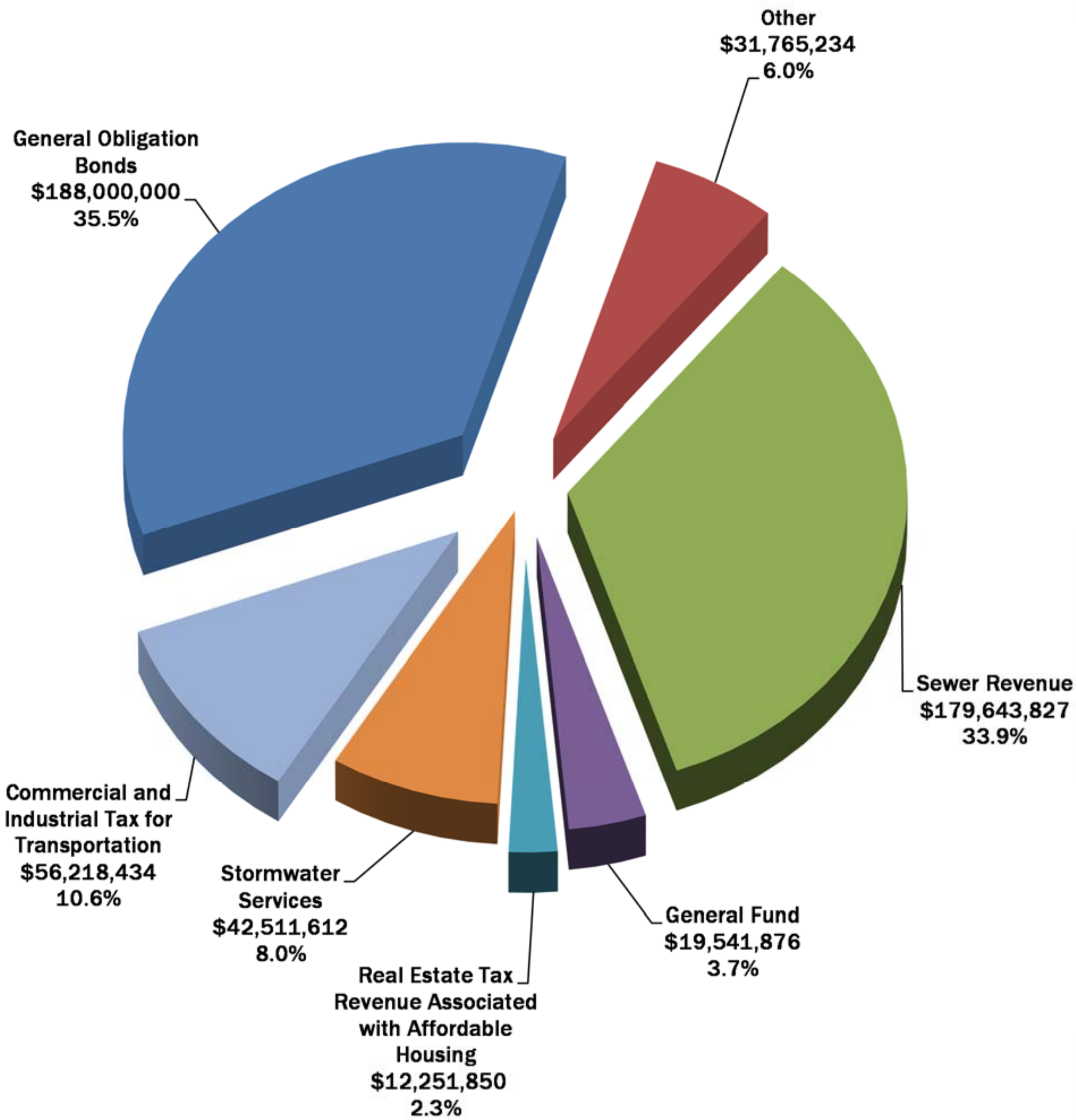
The following facilities are scheduled to open in FY 2017 or later and may require additional staffing and operating costs beginning in FY 2018. Requests for funding will be reviewed as part of the development of the annual budget in the year the facility becomes operational.

Facility	Fiscal Year Completion
Bailey's Temporary Shelter	FY 2017
Courtroom Renovations	FY 2017
Huntington Bus Operations Facility Expansion	FY 2017
Public Safety Headquarters	FY 2017
Herndon Fire Station	FY 2017
Pohick Library Renovation	FY 2017
Lorton VRE Parking Lot Expansion	FY 2017
Tysons Pimmit Regional Library	FY 2018
John Marshall Community Library	FY 2018
Reston-Herndon Bus Operations Facility Renovations	FY 2018
West Ox Bus Operations Center Phase II	FY 2018
Herndon Station Parking Garage	FY 2019
Innovation Center Station Parking Garage	FY 2019
Huntington Levee	FY 2019
Lewinsville Redevelopment	FY 2019
Lorton Fire Station	FY 2019
McLean Community Center Renovation	FY 2019
Jefferson Fire Station	FY 2020
Reston Regional Library	TBD
East County Human Services Center	TBD
Springfield Multi-Use Transit Hub	TBD

Summary of FY 2017 Capital Construction Program

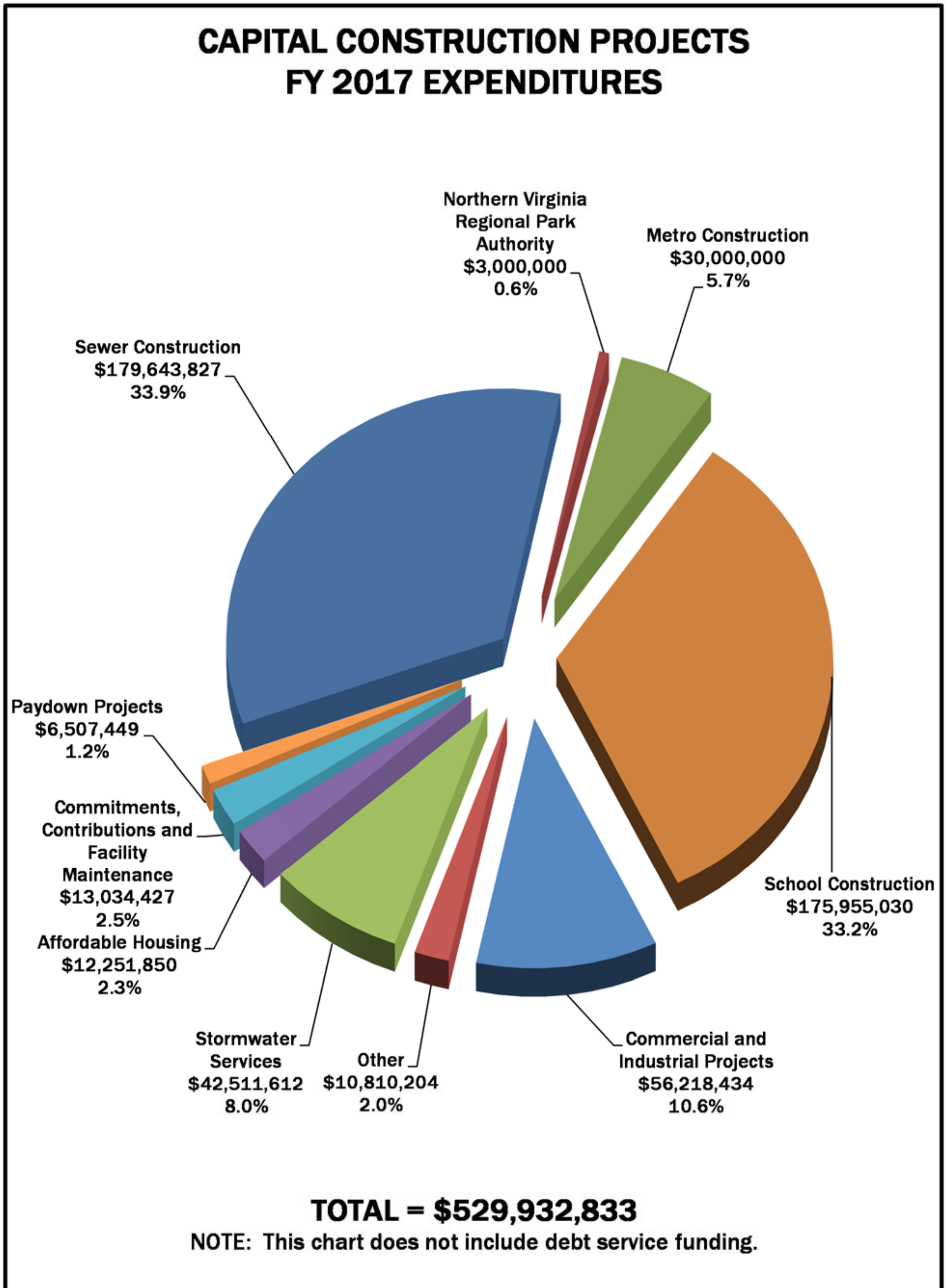
Major segments of the County's FY 2017 Capital Construction Program are presented in several pie charts that follow to visually demonstrate the funding sources for capital expenditures. Capital construction expenditures by fund are shown in the Summary Schedule of FY 2017 Funded Capital Projects. In addition, a list of all projects funded in FY 2017 and their funding sources has been included in this section. For additional information, see the Capital Project Funds section of the Capital Construction and Other Operating Funds in Volume 2. Detailed information concerning capital projects in Fund S31000, Public School Construction, can be found in the Fairfax County Public School's FY 2017 Approved Budget.

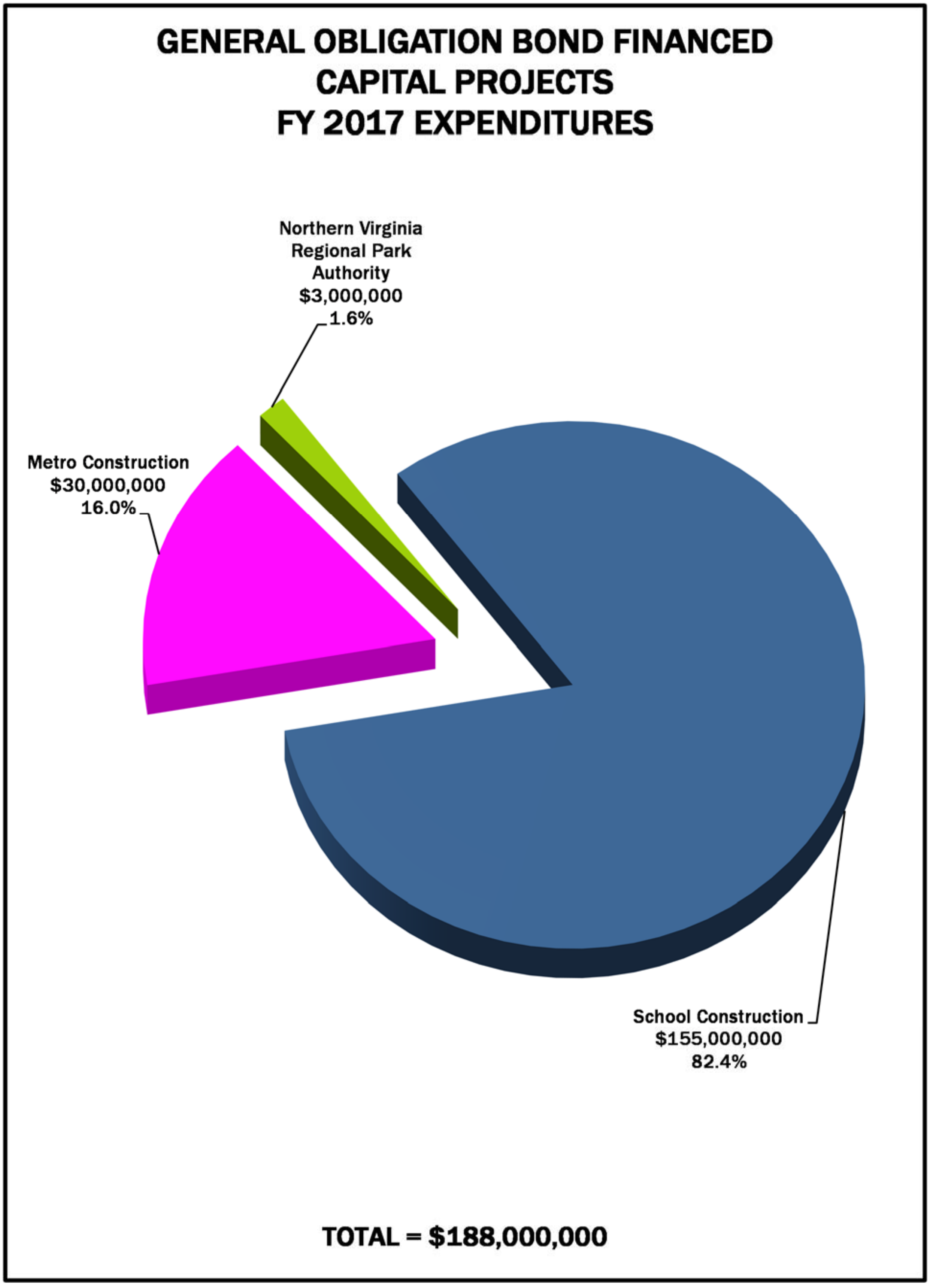
CAPITAL CONSTRUCTION PROJECTS FY 2017 SOURCE OF FUNDS



TOTAL = $529,932,833

NOTE: This chart does not include debt service funding.


CAPITAL CONSTRUCTION PROJECTS
FY 2017 EXPENDITURES
Northern Virginia Regional Park Authority
$3,000,000
0.6%
Metro Construction
$30,000,000
5.7%
Sewer Construction
$179,643,827
33.9%
Paydown Projects
$6,507,449
1.2%
Commitments, Contributions and Facility Maintenance
$13,034,427
2.5%
Affordable Housing
$12,251,850
2.3%
School Construction
$175,955,030
33.2%
Stormwater Services
$42,511,612
8.0%
Other
$10,810,204
2.0%
Commercial and Industrial Projects
$56,218,434
10.6%
TOTAL = $529,932,833
NOTE: This chart does not include debt service funding.


GENERAL OBLIGATION BOND FINANCED
CAPITAL PROJECTS
FY 2017 EXPENDITURES
Northern Virginia
Regional Park
Authority
$3,000,000
1.6%
Metro Construction
$30,000,000
16.0%
School Construction
$155,000,000
82.4%
TOTAL = $188,000,000

SUMMARY SCHEDULE OF FY 2017 FUNDED CAPITAL PROJECTS

Fund/Title	EXPENDITURES				FY 2017 FINANCING			
	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Adopted Budget Plan	General Obligation Bonds[1]	General Fund	Federal/ State Aid	Other[2]
SPECIAL REVENUE FUNDS [3]								
40000 County Transit Systems	$2,525,531	$0	$7,197,034	$4,500,000	$0	$0	$0	$4,500,000
40010 County and Regional Transportation Projects	44,131,291	64,343,657	318,953,649	56,218,434	0	0	0	56,218,434
40050 Reston Community Center	6,556	647,000	1,143,592	471,300	0	0	0	471,300
40060 McLean Community Center	328,969	1,783,161	2,606,679	3,179,749	0	0	0	3,179,749
40100 Stormwater Services[4]	31,864,276	35,711,859	89,514,079	42,511,612	0	0	0	42,511,612
40140 Refuse Collection and Recycling	201,012	0	813,312	0	0	0	0	0
40150 Refuse Disposal	256,926	0	3,963,838	0	0	0	0	0
40170 I-95 Refuse Disposal	1,518,499	0	7,731,037	600,000	0	0	0	600,000
40300 Housing Trust Fund	1,578,386	580,391	5,916,924	484,155	0	0	0	484,155
Subtotal	**$82,411,446**	**$103,066,068**	**$437,840,144**	**$107,965,250**	**$0**	**$0**	**$0**	**$107,965,250**
DEBT SERVICE FUNDS								
20000 Consolidated County and Schools Debt Service Fund	$311,145,355	$321,900,342	$327,588,780	$320,522,544	$0	$313,370,091	$0	$7,152,453
Subtotal	**$311,145,355**	**$321,900,342**	**$327,588,780**	**$320,522,544**	**$0**	**$313,370,091**	**$0**	**$7,152,453**
CAPITAL PROJECTS FUNDS								
30000 Metro Operations and Construction[5]	$26,800,001	$24,100,000	$17,418,754	$30,000,000	$30,000,000	$0	$0	$0
30010 County Construction and Contributions	33,584,387	23,341,768	118,824,283	22,308,427	3,000,000	17,733,427	0	1,575,000
30020 Infrastructure Replacement and Upgrades	7,931,175	2,700,000	29,955,220	1,408,449	0	1,408,449	0	0
30030 Library Construction	4,359,450	0	33,305,382	0	0	0	0	0
30040 Contributed Roadway Improvement Fund	1,165,115	0	44,942,247	0	0	0	0	0
30060 Pedestrian Walkway Improvements	534,079	300,000	4,324,452	400,000	0	400,000	0	0
30070 Public Safety Construction	41,459,600	0	359,364,221	0	0	0	0	0
30080 Commercial Revitalization Program	397,452	0	2,108,022	0	0	0	0	0
30090 Pro Rata Share Drainage Construction	2,499,065	0	3,654,721	0	0	0	0	0
30300 The Penny for Affordable Housing Fund	12,686,145	16,033,900	45,979,463	12,251,850	0	0	0	12,251,850
30310 Housing Assistance Program	111,008	0	6,587,519	0	0	0	0	0
30400 Park Authority Bond Construction	23,466,814	0	58,864,461	0	0	0	0	0
S31000 Public School Construction	222,027,057	163,052,786	546,786,302	175,955,030	155,000,000	0	0	20,955,030
Subtotal	**$377,021,348**	**$229,528,454**	**$1,272,115,047**	**$242,323,756**	**$188,000,000**	**$19,541,876**	**$0**	**$34,781,880**
ENTERPRISE FUNDS								
69300 Sewer Construction Improvements	$72,260,479	$86,389,000	$134,052,309	$74,650,000	$0	$0	$0	$74,650,000
69310 Sewer Bond Construction	18,392,133	13,000,000	27,648,702	104,993,827	0	0	0	104,993,827
Subtotal	**$90,652,612**	**$99,389,000**	**$161,701,011**	**$179,643,827**	**$0**	**$0**	**$0**	**$179,643,827**
TOTAL	**$861,230,761**	**$753,883,864**	**$2,199,244,982**	**$850,455,377**	**$188,000,000**	**$332,911,967**	**$0**	**$329,543,410**

[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, special revenue funds, and fund balances.

[3] Reflects the capital construction portion of total expenditures.

[4] As part of the FY 2010 Adopted Budget Plan, a service district was created to support stormwater management operating and capital requirements, as authorized by Code of Virginia Ann. sections 15.2-2400.

[5] Reflects capital construction portion of Metro expenses net of State Aid.

FY 2017 FUNDED CAPITAL PROJECTS
(For additional information see referenced Fund narratives)

Fund	Project Name	Project	FY 2017 Adopted Total	General Fund	General Obligation Bonds	Athletic Services Fee	Sewer Revenues	Stormwater Revenues	Penny for Affordable Housing	Commercial and Industrial Revenues	Other Revenues
30000	Metro Operations and Construction Contribution	N/A	$30,000,000		$30,000,000						
30010	Athletic Field Maintenance	2G51-002-000	$2,700,000	$2,700,000							
30010	Athletic Fields – APRT Amenity Maintenance	2G79-220-000	$50,000	$50,000							
30010	Athletic Fields - FCPS Lighting	PR-000082	$250,000	$250,000							
30010	Athletic Fields - Park Maintenance at FCPS	2G51-001-000	$860,338	$860,338							
30010	Athletic Services Fee - Custodial Support	2G79-219-000	$275,000			$275,000					
30010	Athletic Services Fee - Diamond Field Maintenance	2G51-003-000	$1,000,000	$750,000		$250,000					
30010	Athletic Services Fee - Sports Scholarships	2G79-221-000	$150,000	$75,000		$75,000					
30010	Athletic Services Fee - Turf Field Development	PR-000080	$75,000			$75,000					
30010	Athletic Services Fee - Turf Field Replacement	PR-000097	$2,250,000	$1,450,000		$800,000					
30010	Developer Defaults	2G25-020-000	$300,000	$200,000							$100,000
30010	EIP - Bike Lane Pilot Project	2G40-121-000	$50,000	$50,000							
30010	EIP - Energy Education and Outreach	2G02-021-000	$75,000	$75,000							
30010	EIP - Environmental Initiatives	2G02-001-000	$5,000	$5,000							
30010	EIP - Invasive Plant Removal	2G51-032-000	$150,000	$150,000							
30010	EIP - Park Lighting and Energy Retrofits	2G51-034-000	$255,000	$255,000							
30010	Emergency Directive Program	2G25-018-000	$100,000	$100,000							
30010	Facility Space Realignments	IT-000023	$1,000,000	$1,000,000							
30010	Joint Venture Development	2G25-085-000	$350,000	$350,000							
30010	Laurel Hill Development - FMD	2G08-001-000	$860,000	$860,000							
30010	Laurel Hill Development - Parks	2G51-008-000	$400,000	$400,000							
30010	NOVA Community College Contribution	2G25-013-000	$2,517,489	$2,517,489							
30010	NVRPA Contribution	2G06-003-000	$3,000,000		$3,000,000						
30010	Parks - Facility/Equipment Maintenance	2G51-007-000	$484,000	$484,000							
30010	Parks - General Maintenance	2G51-005-000	$425,000	$425,000							
30010	Parks - Ground Maintenance	2G51-006-000	$1,000,000	$1,000,000							
30010	Payments Of Interest On Bond Deposits	2G06-002-000	$50,000	$50,000							
30010	Reinvestment, Repair, and Emergency Maintenance of County Roads	2G25-021-000	$500,000	$500,000							
30010	Revitalization Maintenance - CRP Areas	2G25-014-000	$750,000	$750,000							
30010	Revitalization Maintenance - Tysons	2G25-088-000	$460,000	$460,000							
30010	Salona Property Payment	2G06-001-000	$891,600	$891,600							
30010	School-Aged Child Care Contribution	2G25-012-000	$1,000,000	$1,000,000							
30010	Survey Control Network Monumentation	2G25-019-000	$75,000	$75,000							
30020	Emergency Generator Replacement	GF-000012	$1,408,449	$1,408,449							
30060	Emergency Maintenance of Existing Trails	2G25-057-000	$400,000	$400,000							
30300	Affordable/Workforce Housing	2H38-072-000	$292,500						$292,500		
30300	Crescent Apartments Debt Service	2H38-075-000	$3,350,000						$3,350,000		
30300	Housing Blueprint Project	2H38-180-000	$2,855,012						$2,855,012		
30300	Wedgewood Debt Service	2H38-081-000	$5,754,338						$5,754,338		

FY 2017 FUNDED CAPITAL PROJECTS
(For additional information see referenced Fund narratives)

Fund	Project Name	Project	FY 2017 Adopted Total	General Fund	General Obligation Bonds	Athletic Services Fee	Sewer Revenues	Stormwater Revenues	Penny for Affordable Housing	Commercial and Industrial Revenues	Other Revenues
40000	Connector Intelligent Transportation System	3G40-003-000	$4,500,000								$4,500,000
40010	Construction Reserve	2G40-001-000	$24,363,580							$24,363,580	
40010	Construction Reserve NVTA 30%	2G40-107-000	$27,195,541							$27,195,541	
40010	EDA Revenue Bond-Debt Service	2G40-125-000	$3,000,000							$3,000,000	
40010	Herndon NVTA 30% Capital	2G40-105-000	$978,307							$978,307	
40010	Vienna NVTA 30% Capital	2G40-106-000	$681,006							$681,006	
40050	Reston Com. Center-Center Stage Theatre Enhancements	CC-000008	$172,000								$172,000
40050	Reston Com. Center-Improvements	CC-000001	$249,300								$249,300
40050	Reston Com. Center-Natatorium Mechanical System Upgrade	CC-000009	$50,000								$50,000
40060	McLean Community Center Improvements	CC-000006	$520,000								$520,000
40060	McLean Community Center Renovation	CC-000015	$2,659,749								$2,659,749
40100	Conveyance System Rehabilitation	SD-000034	$6,500,000					$6,500,000			
40100	Dam Safety and Facility Rehabilitation	SD-000033	$7,000,000					$7,000,000			
40100	Emergency and Flood Response Projects	SD-000032	$1,000,000					$1,000,000			
40100	NVSWD Contributory	2G25-007-000	$485,064					$485,064			
40100	Occoquan Monitoring Contributory	2G25-008-000	$120,236					$120,236			
40100	Stormwater Allocation to Towns	2G25-027-000	$800,000					$800,000			
40100	Stormwater Regulatory Program	2G25-006-000	$6,500,000					$6,500,000			
40100	Stream and Water Quality Improvements	SD-000031	$20,106,312					$20,106,312			
40170	I-95 Transfer/Materials Recovery Fac.	SW-000022	$600,000								$600,000
40300	Land/Unit Acquisition	2H38-066-000	$353,426								$353,426
40300	Undesignated Housing Trust Fund	2H38-060-000	$130,729								$130,729
69300	Alexandria WWTP Upgrades and Rehabilitation	WW-000021	$13,868,000				$13,868,000				
69300	Arlington WWTP Rehabilitation	WW-000020	$576,000				$576,000				
69300	Blue Plains WWTP Upgrades and Rehabilitation	WW-000022	$12,302,000				$12,302,000				
69300	Collection System Replacement and Rehabilitation	WW-000007	$12,033,000				$12,033,000				
69300	Extension and Improvement Projects	WW-000006	$3,000,000				$3,000,000				
69300	Force Main Rehabilitation	WW-000008	$6,150,000				$6,150,000				
69300	Integrated Sewer Metering	WW-000005	$100,000				$100,000				
69300	Large Diameter Pipe Rehabilitation and Replacement	WW-000026	$6,000,000				$6,000,000				
69300	Noman Cole Treatment Plant Renewal	WW-000009	$11,353,000				$11,353,000				
69300	Pumping Station Rehabilitation	WW-000001	$8,268,000				$8,268,000				
69300	Sewer Sag Program	WW-000024	$1,000,000				$1,000,000				
69310	Noman Cole Treatment Plant Renovations	WW-000017	$75,636,827				$75,636,827				
69310	Noman Cole Treatment Plant Upgrades	WW-000016	$29,357,000				$29,357,000				
S31000	Public School Construction	N/A	$175,955,030		$155,000,000						$20,955,030
		Total	**$529,932,833**	**$19,541,876**	**$188,000,000**	**$1,475,000**	**$179,643,827**	**$42,511,612**	**$12,251,850**	**$56,218,434**	**$30,290,234**

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FY 2017

Adopted Budget Plan

Trends and Demographics

HOUSEHOLD TAX ANALYSES

The following analyses illustrate the impact of selected County taxes on the "typical" household from FY 2011 to FY 2017. This period provides five years of actual data, estimates for FY 2016 based on year-to-date experience, and projections for FY 2017. Historical dollar amounts are converted to FY 2017 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 1.3 percent from FY 2011 to FY 2015. Projections for inflation in FY 2016 and FY 2017 are based on a forecast of 1.3 percent in FY 2016 and 2.3 percent in FY 2017 using forecasts from the Congressional Budget Office.

HOUSEHOLD TAXATION TRENDS: SELECTED CATEGORIES FY 2011 - FY 2017

The charts on the following pages show the trends in selected taxes (Real Estate Taxes, Personal Property Taxes, Sales Taxes and Consumer Utility Taxes) paid by the "typical" household in Fairfax County. The Real Estate Tax analysis includes the adopted FY 2017 Real Estate tax rate of $1.13 per $100 of assessed value. It is important to note that the following data are not intended to depict a comprehensive picture of a household's total tax burden in Fairfax County.

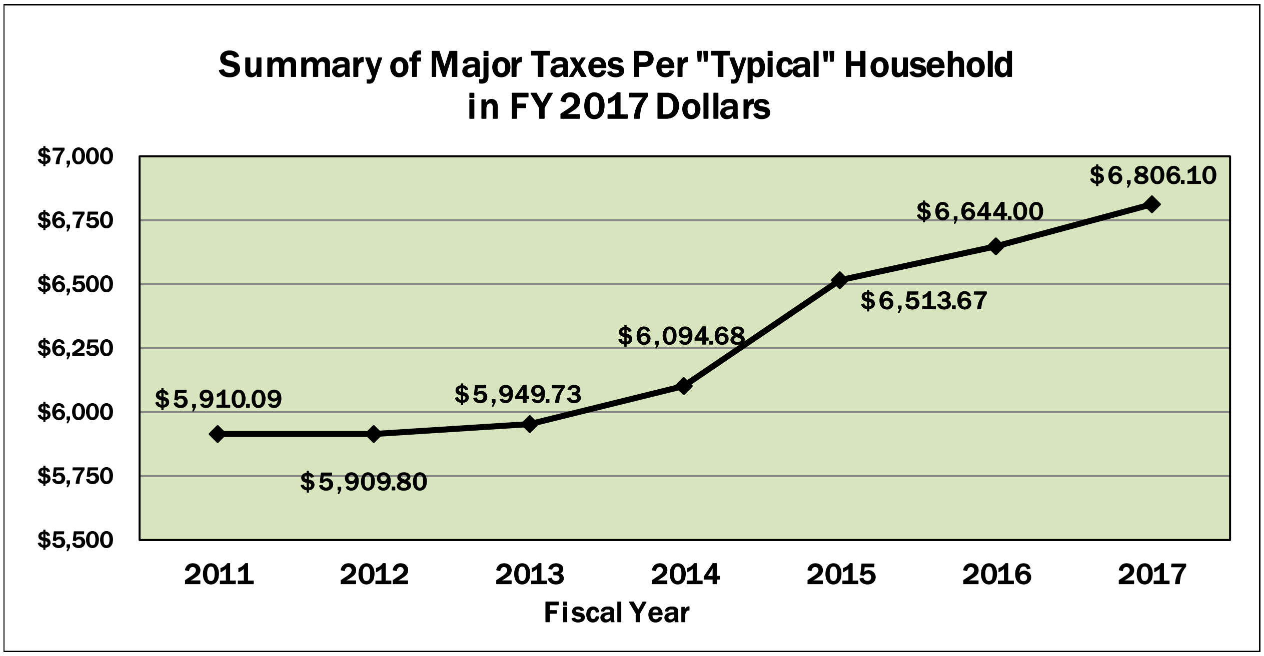
The "typical" household in Fairfax County is projected to pay $6,806.10 in selected County General Fund taxes in FY 2017, $162.10 more than in FY 2016 after adjusting for inflation. From FY 2011 to FY 2017, the inflation adjusted County taxes paid by the "typical" household have increased $896.01. Note that taxes paid in FY 2011 through FY 2017 reflect the Commonwealth's Personal Property Tax Relief Act, which reduces an individual's Personal Property Tax liability on vehicles valued up to $20,000 (see the section entitled "Personal Property Tax per Typical Household" for more information.)

Summary of Major Taxes Per "Typical" Household

	Number of Households	Real Estate Tax in FY 2017 Dollars	Personal Property Tax in FY 2017 Dollars[1]	Sales Tax in FY 2017 Dollars	Consumer Utility Tax in FY 2017 Dollars	Total Taxes in FY 2017 Dollars[1]
FY 2011	394,127	$5,154.18	$265.63	$428.40	$61.88	$5,910.09
FY 2012	398,700	$5,128.22	$283.01	$439.36	$59.21	$5,909.80
FY 2013	399,500	$5,105.95	$343.61	$440.98	$59.19	$5,949.73
FY 2014	401,000	$5,264.78	$342.57	$428.37	$58.96	$6,094.68
FY 2015	403,900	$5,649.48	$353.74	$452.53	$57.92	$6,513.67
FY 2016[2]	407,200	$5,788.71	$348.33	$449.75	$57.21	$6,644.00
FY 2017[2]	410,300	$5,962.42	$340.81	$447.22	$55.65	$6,806.10

[1] Personal Property Taxes paid incorporate reductions in Personal Property Tax bills sent to citizens under the state's Personal Property Tax Relief program. The reductions were 70.0 percent in FY 2011, 68.0 percent in FY 2012, 63.0 percent in both FY 2013 and FY 2014 and 62.0 percent in FY 2015, FY 2016, and FY 2017. The difference in revenue will be paid to the County by the Commonwealth.

[2] Estimated.



Real Estate Tax
Per "Typical" Household

	Mean Assessed Value of Residential Property	Tax Rate per $100	Tax per Household	Tax per Household in FY 2017 Dollars
FY 2011	$433,409	$1.090	$4,724.16	$5,154.18
FY 2012	$445,533	$1.070	$4,767.20	$5,128.22
FY 2013	$449,964	$1.075	$4,837.11	$5,105.95
FY 2014	$467,394	$1.085	$5,071.22	$5,264.78
FY 2015	$500,146	$1.090	$5,451.59	$5,649.48
FY 2016[1]	$519,134	$1.090	$5,658.56	$5,788.71
FY 2017[1]	$527,648	$1.130	$5,962.42	$5,962.42

[1] Estimated.

As shown in the preceding table, Real Estate Taxes per "typical" household are projected to increase $303.86 between FY 2016 and FY 2017 to $5,962.42, not adjusting for inflation. This increase is the result of the 1.64 percent increase in the mean assessed value of residential properties within the County and an increase in the adopted General Fund Real Estate Tax rate from $1.09 to $1.13 per $100 of assessed value.

Since FY 2011, Real Estate Taxes have increased $1,238.26, or an average annual increase of 4.0 percent per year, not adjusting for inflation. Adjusted for inflation, Real Estate Taxes per "typical" household are $808.24 more than in FY 2011, an average annual increase of 2.5 percent.

Personal Property Tax
Per "Typical" Household

	Personal Property Taxes Attributed to Individuals	Number of Households	Tax per Household	Tax per Household in FY 2017 Dollars	After PPTRA: Adjusted Tax per Household[1]	After PPTRA: Adjusted Tax per Household in FY 2017 Dollars[1]
FY 2011	$319,851,985	394,127	$811.55	$885.42	$243.46	$265.63
FY 2012	$327,790,000	398,700	$822.15	$884.41	$263.09	$283.01
FY 2013	$351,467,917	399,500	$879.77	$928.67	$325.51	$343.61
FY 2014	$357,621,289	401,000	$891.82	$925.86	$329.97	$342.57
FY 2015	$362,819,728	403,900	$898.29	$930.90	$341.35	$353.74
FY 2016[2]	$364,866,315	407,200	$896.04	$916.65	$340.49	$348.33
FY 2017[2]	$367,984,358	410,300	$896.87	$896.87	$340.81	$340.81

[1] Personal Property Taxes paid incorporate reductions in Personal Property Tax bills sent to citizens under the state's Personal Property Tax Relief program. The reductions were 70.0 percent in FY 2011, 68.0 percent in FY 2012, 63.0 percent in both FY 2013 and FY 2014 and 62.0 percent in FY 2015, FY 2016, and FY 2017. The difference in revenue will be paid to the County by the Commonwealth of Virginia.

[2] Estimated.

Personal Property Taxes paid by the "typical" household are shown in the preceding chart. Personal Property Taxes paid reflect the Commonwealth of Virginia's Personal Property Tax Relief Act (PPTRA), which reduces an individual's Personal Property Tax payment. In FY 2007, statewide reimbursements were capped at $950 million, with each locality receiving a percentage allocation from this fixed amount determined by the locality's share of statewide tax year 2004 collections. Each year, County staff must determine the reimbursement percentage based on the County's fixed reimbursement of $211.3 million and an estimate of the number and value of vehicles that will be eligible for tax relief. As the number and value of vehicles in the County vary, the percentage attributed to the state will fluctuate. Based on a County staff analysis, the effective state reimbursement percentage was 70.00 percent in FY 2011, 68.00 percent in FY 2012, 63.00 percent in both FY 2013 and FY 2014, and 62.00 percent in FY 2015 and FY 2016. The reimbursement percentage remains at 62.0 percent in FY 2017.

The tax per household analysis shown above assumes that the "typical" household's vehicle(s) are valued at $20,000 or less in order to qualify for a reduction under the PPTRA. Personal Property Taxes per "typical" household are projected to increase $0.32 between FY 2016 and FY 2017 to $340.81 based on a 62.00 percent state share. The FY 2017 Personal Property Tax per "typical" household is $97.35 higher than what was paid in FY 2011, not adjusting for inflation. When adjustments are made for inflation, the "typical" household is projected to pay $75.18 more in FY 2017 than FY 2011. There have been no changes to the Personal Property Tax rate of $4.57 per $100 of assessed value for individuals during the FY 2011 to FY 2017 period, except for mobile homes and boats which are taxed at the prevailing Real Estate Tax rate each fiscal year.

The FY 2017 Adopted Budget Plan also includes an annual Vehicle Registration Fee on motor vehicles. The fee will be levied at $33 for passenger vehicles that weigh 4,000 pounds or less and $38 on passenger vehicles that weight more than 4,000 pounds. The fee for motorcycles is $18.

Sales Tax
Per "Typical" Household

	Total Sales Tax	Number of Households	Tax per Household	Tax per Household in FY 2017 Dollars
FY 2011	$154,757,415	394,127	$392.66	$428.40
FY 2012	$162,839,599	398,700	$408.43	$439.36
FY 2013	$166,893,847	399,500	$417.76	$440.98
FY 2014	$165,459,545	401,000	$412.62	$428.37
FY 2015	$176,374,517	403,900	$436.68	$452.53
FY 2016[1]	$179,020,134	407,200	$439.64	$449.75
FY 2017[1]	$183,495,638	410,300	$447.22	$447.22

[1] Estimated.

As shown in the table above, FY 2017 Sales Tax paid per household is estimated to be $447.22 or $54.56 more than FY 2011, not adjusting for inflation. This represents an average annual increase of 2.2 percent since FY 2011. Adjusting for inflation, Sales Tax paid per household increased $18.82 during this period, or 0.7 percent annually.

Because this analysis assumes all Sales Taxes are paid by individuals living in Fairfax County, the impact on the typical household is somewhat overstated. A segment of the County's Sales Tax revenues are paid by businesses and non-residents who either work in the County or are visiting. As the County becomes more of a major employment hub in the region, the contribution of non-residents to the County's Sales Tax revenues will continue to expand.

Consumer Utility Taxes - Gas & Electric Per "Typical" Household

	Total Consumer Utility Taxes Paid by Residential Consumers	Number of Households	Tax per Household	Tax per Household in FY 2017 Dollars
FY 2011	$22,355,408	394,127	$56.72	$61.88
FY 2012	$21,943,780	398,700	$55.04	$59.21
FY 2013	$22,399,854	399,500	$56.07	$59.19
FY 2014	$22,771,865	401,000	$56.79	$58.96
FY 2015	$22,573,422	403,900	$55.89	$57.92
FY 2016[1]	$22,771,865	407,200	$55.92	$57.21
FY 2017[1]	$22,831,521	410,300	$55.65	$55.65

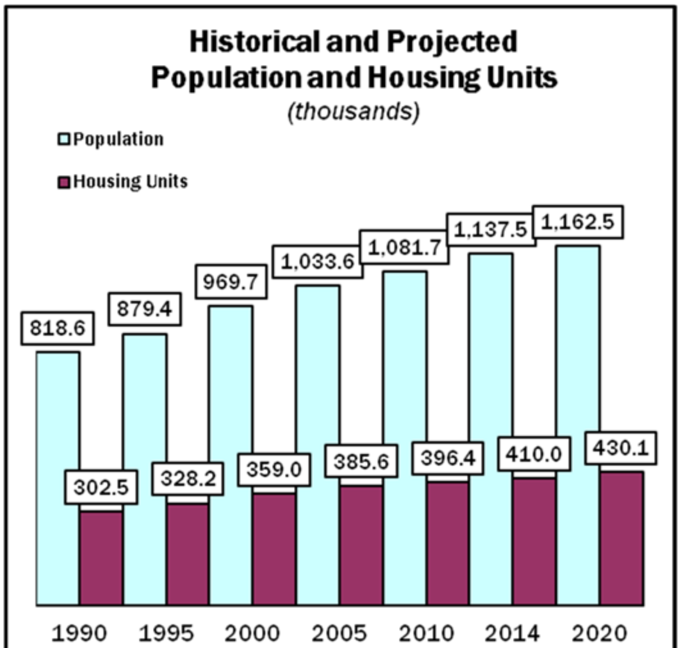
[1] Estimated.

Based on data from the utility companies, it is estimated that residential consumers pay approximately 43.0 percent of the Electric Taxes and 73.0 percent of the Gas Taxes received by the County. Utility Taxes per household have remained relatively stable from FY 2011 through FY 2017. In FY 2017, the "typical" household will pay an estimated $55.65 in Consumer Utility Taxes, $1.07 less than in FY 2011, without adjusting for inflation. From FY 2011 to FY 2017, the "typical" household has experienced an average annual decrease of 1.8 percent, or $6.23 over the period, adjusted for inflation.

DEMOGRAPHIC TRENDS

Demographic trends strongly influence Fairfax County's budget. Changing demographics or population characteristics affect both the cost of government services provided, as well as tax revenues. The descriptions and charts contained in this section provide some examples of how various demographic trends affect the Fairfax County budget. Although these trends are discussed separately, the interactions between these demographic trends ultimately influence the direction of expenditures and revenues. While certain demographic trends may suggest reduced expenditures in a program area, other demographic trends may increase program expenditures at the same time. The following information is based on the most recent data available at the time of publication.

Population and Housing

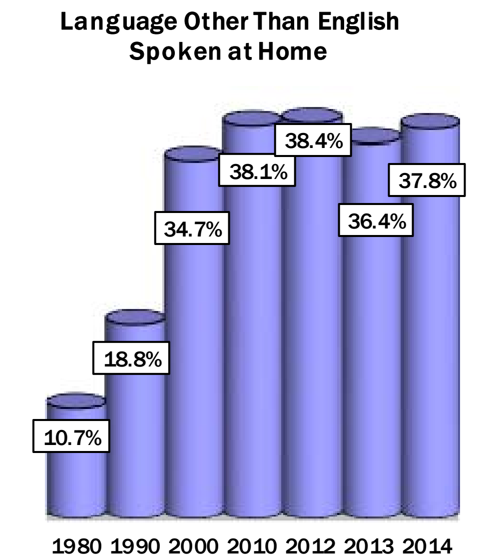


Sources: 1990, 2000 and 2010 U.S. Decennial Censuses; 2014 American Community Survey, Fairfax County Department of Neighborhood and Community Services.

Some of the strongest demographic influences on Fairfax County expenditures and revenues are those associated with the growth in total population and housing units. From 1990 to 2000, the County added over 151,100 residents. Growth moderated during the 1990s and the County's population expanded by 150,000 residents. This increase in Fairfax County's population between 1990 and 2000 is comparable to adding more than the entire population of the City of Alexandria to the County. The County's population growth decelerated, adding 112,000 residents between 2000 and 2010. Based on the 2014 American Community Survey, Fairfax County had a population of 1,137,538 residents in 2014. Between 2010 and 2020, the population of Fairfax County is expected to increase over 80,800 residents to 1,162,547.

Between 1990 and 2000, housing units grew 18.7 percent, just slightly above population growth of 18.5 percent. From 2000 to 2010, this trend reversed, with population growth at 11.5 percent, surpassing housing unit growth of 10.4 percent. From 2010 to 2020, population and housing units are anticipated to grow 7.5 percent and 8.5 percent, respectively. Many County programs, such as fire prevention, transit, water and sewer, are impacted by the number of housing units. Other program areas such as libraries, recreation, and schools, are impacted more by the growth in population.

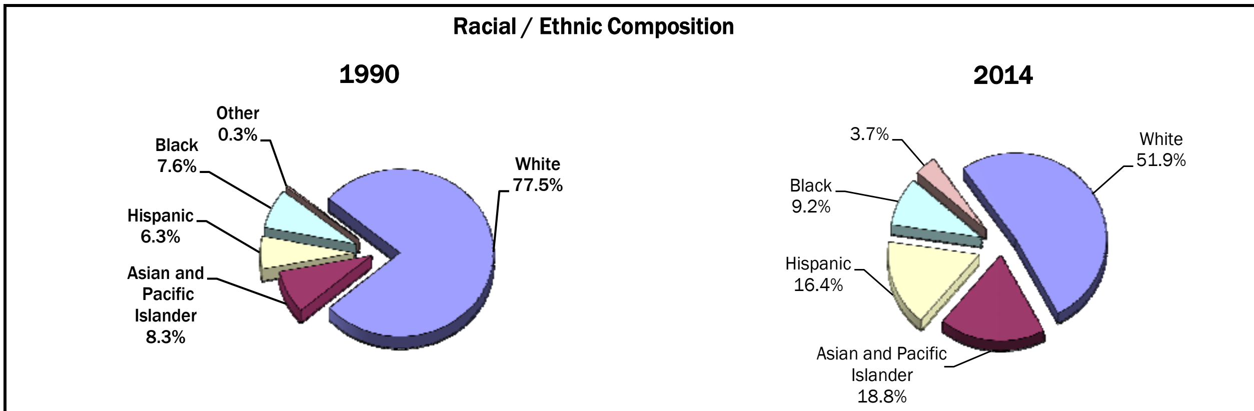
Cultural Diversity



Sources: 1980, 1990, 2000 and 2010 U.S. Decennial Censuses; 2012, 2013, and 2014 American Community Surveys.

Fairfax County's population is rich in diversity. Based on the 2014 American Community Survey, the number of persons speaking a language other than English at home is estimated to be approximately 401,400 residents, or 37.8 percent of the County's population age five years or older. In 1980, less than 11 percent of residents age five years or older spoke a language other than English at home. This percentage rose to nearly 19 percent in 1990. By 2000, it was 34.7 percent. The most frequently spoken languages other than English include Spanish, Korean, Vietnamese and Chinese.

These language trends affect many County programs. For example, the Fairfax County Public Schools have experienced rapid growth in English for Speakers of Other Languages (ESOL) programs. Between FY 2000 and FY 2015, total public school membership increased 20.30 percent, while ESOL enrollment grew 131.0 percent. Also, general government services such as the courts, police, fire and emergency medical services, as well as human service programs and tax related programs are impacted by the County's cultural and language diversity. The County continues to develop various means to effectively communicate with residents for whom English is not their native language.



Sources: 1990 U.S. Decennial Census and 2014 American Community Survey.

In 1990, racial and ethnic minorities comprised less than a quarter of Fairfax County's population. In 2014, over 48 percent of County's population consisted of ethnic minorities. The two fastest growing groups are Hispanics and Asians and Pacific Islanders, which have both more than doubled their share of the County's population between 1990 and 2014. These two minority groups are anticipated to remain the County's most rapidly expanding racial or ethnic groups during the next five years. As the County's population continues to become more diverse, the number of persons speaking a language other than English at home is anticipated to continue to grow and impact a wide range of services provided by the County.

Population Age Distribution

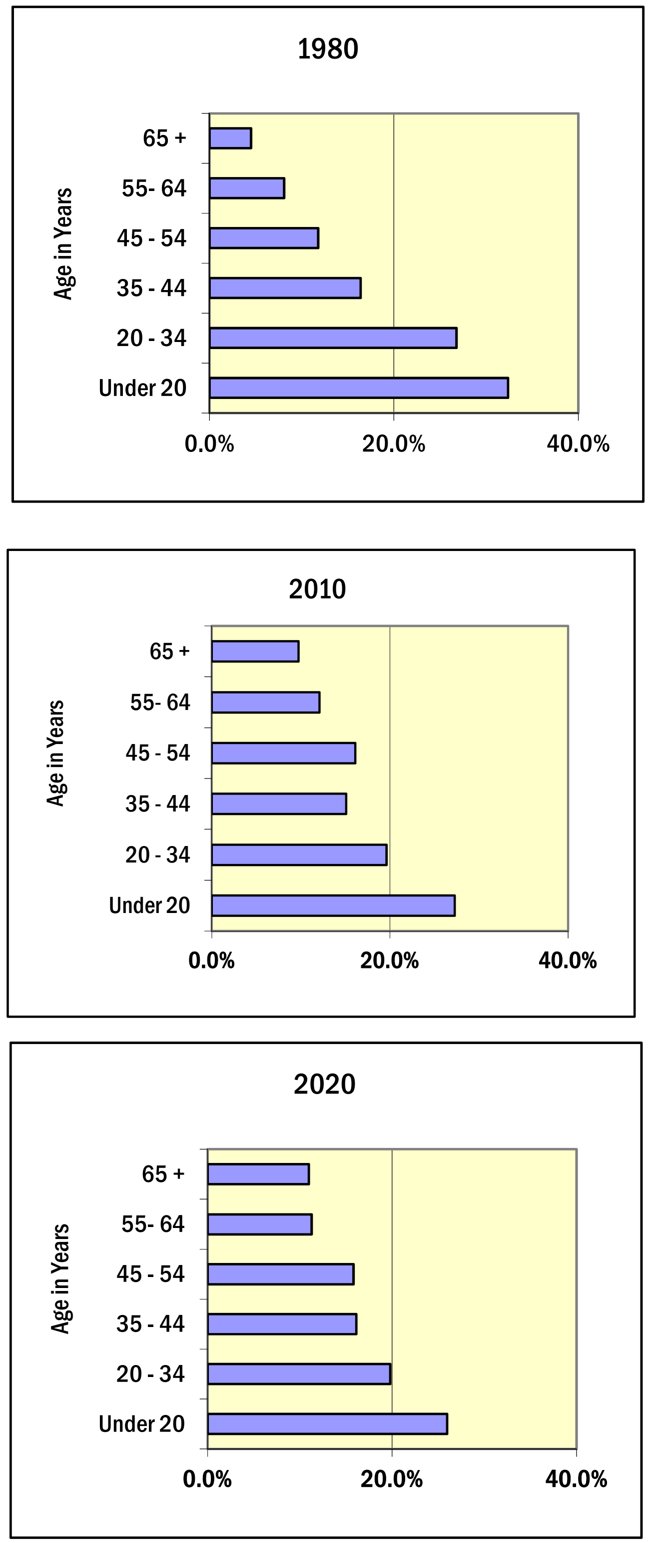
Fairfax County's population has grown steadily older since 1980. Between 1980 and 2010, the percentage of children age 19 years and younger became a smaller proportion of the total population, dropping from 32.4 percent to 26.4 percent in 2010. It is anticipated that this trend will remain steady through 2020, with the percentage of those 19 years old and younger remaining at 26.4 percent.

The number of adults age 45 to 54 years expanded rapidly between 1980 and 2010, as the first "baby boomers" began to enter into their fifties. This age group's sharp growth trend will begin to reverse between 2010 and 2020, as the final "baby boomers" enter this age group and the oldest of the "baby boom" generation move to the next age group.

Between 1980 and 2010, the seniors' population, those age 65 years and older, more than doubled in size and was the fastest growing segment of County residents. This age group is expected to continue increasing in size, with its share of the population reaching 13.7 percent by 2020.

The age distribution of Fairfax County's population greatly impacts the demand and, therefore, the costs of providing many local government services. For example, the number, location, and size of school and day care facilities are directly affected by the number and proportion of children. Transportation expenditures for both street maintenance and public transportation are influenced by the number and proportion of driving age adults and their work locations. The growing number of persons age 65 years and older will influence expenditures for programs such as adult day care, senior centers, and health care.

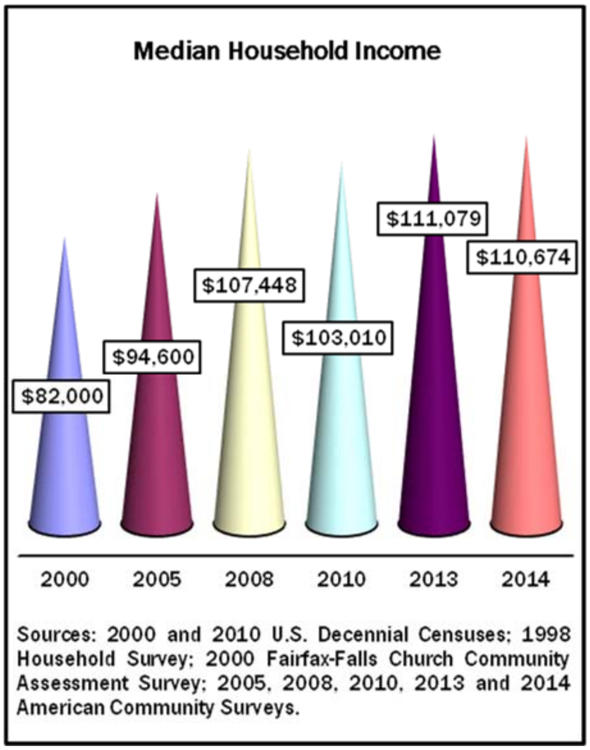
Population Age Distribution



Sources: 1980 and 2010 U.S. Decennial Censuses and 2020 Fairfax County Department of Neighborhood and Community Services estimate.

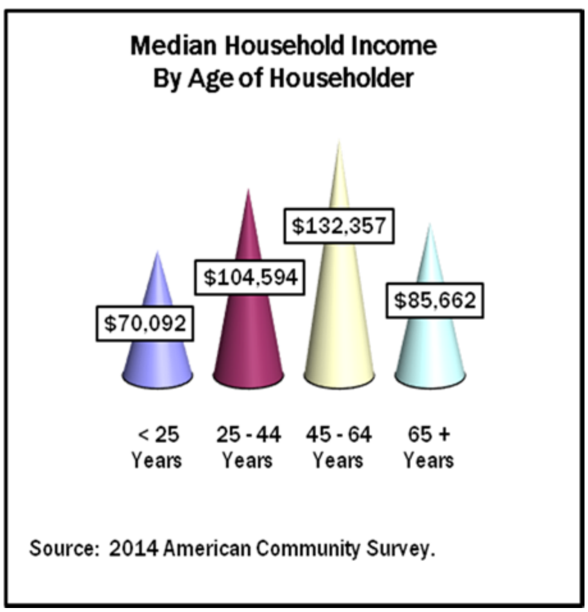
Public safety programs also are impacted by age demographics. Crime rates, for example, are highest among persons age 15 to 34. In addition, the youngest and the oldest drivers have the greatest probability of being involved in traffic accidents.

Household Income



The median household income in Fairfax County was $110,674 in 2014, one of the highest in the nation for counties with a population of 250,000 or more. Fairfax County's 2014 median household income decreased 0.4 percent compared to 2013. Consequently, households in Fairfax County had slightly less disposable income to spend or save. Since 2000, median household income in the County has risen at a rate of 2.2 percent per year.

Income growth does not directly impact Fairfax County tax revenues because localities in Virginia do not tax income; however, revenues are indirectly affected because changes in income impact the County's economic health. Tax categories affected by income include Sales Tax receipts, Residential Real Estate Taxes and Personal Property Taxes.



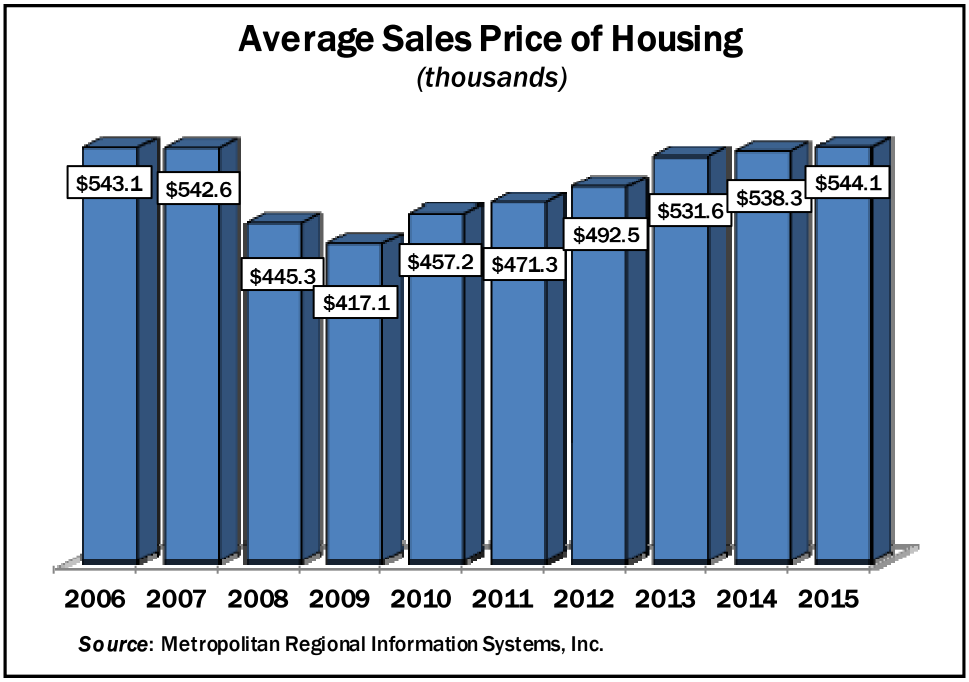
Incomes peak among persons aged 45 to 64 years, who are in their prime earning years. As the number of households headed by this age group is projected to shrink during the next 10 years, various tax revenues may be impacted. Sales Tax revenues, for instance, may experience more modest growth. The median income for heads of households between the ages of 45 and 64 was $132,357 in 2014.

The median household income of people age 65 or older drops to $85,662. A population containing a larger number of seniors, age 65 and older, will put downward pressure on tax revenues. These senior households are typically on a fixed income and have less discretionary money to spend. In addition, persons in this age group own fewer motor vehicles and may qualify for Real Estate Tax Relief.

ECONOMIC TRENDS

Housing Market

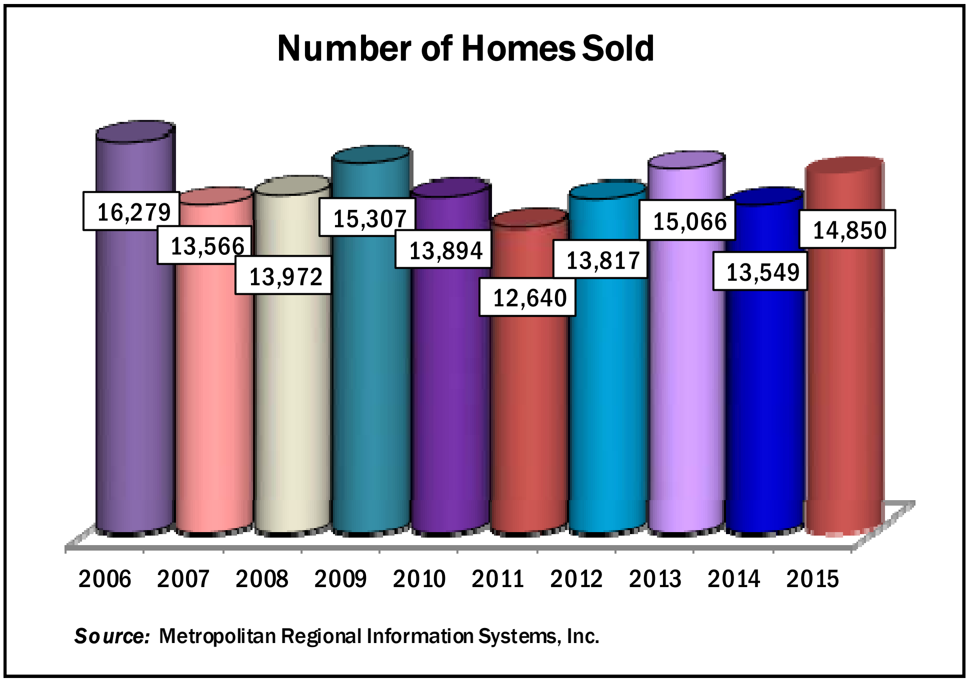
In FY 2017, Real Estate Tax revenue is projected to comprise nearly 65 percent of all General Fund Revenues and residential properties make up the majority of the value of the Real Estate Tax base. As a result, the changes in the residential housing market have a very significant impact on Fairfax County's revenues.



Average Sales Price of Housing

Based on data from the Metropolitan Regional Information Systems, Inc. (MRIS), the average sales price for all types of homes sold in Fairfax County increased a modest 1.1 percent in 2015 to $544,055 from $538,280 in 2014. The average 2015 price has now exceeded its previous peak value achieved in 2005 of $543,271. Due to the recession, homes prices fell each year from 2006 through 2009. Since 2009, the average sales price of housing has risen 30.4 percent.

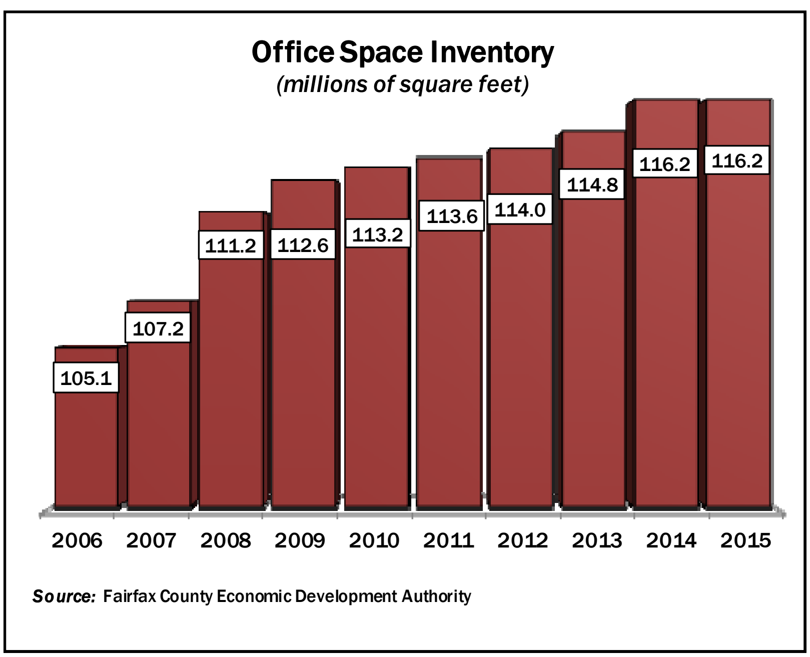
Homes Sold in Fairfax County



Based on data from MRIS, 14,850 homes were sold in Fairfax County during 2015, a 9.6 percent increase over the 13,549 sold in 2014. The number of homes sold peaked in 2004, when 25,717 homes were sold and hit a nine-year low of 12,640 in 2011. Including 2015, the number of homes sold has averaged 14,488 over the past three years. The average days on the market for active residential real estate listings in Fairfax County was 52 days for all of 2015 – 7 days longer than the 2014 level of 45 days.

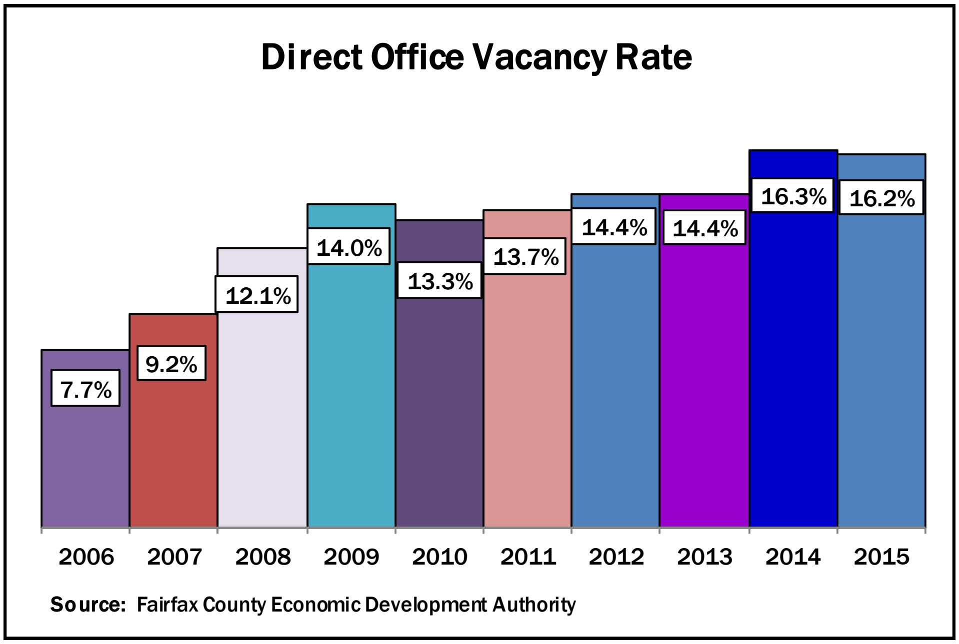
Office Market

Business activity has an effect on Real Estate Taxes, business Personal Property Tax revenues and Business, Professional and Occupational License (BPOL) revenues. Business expansion also influences expenditures for water and sewer services, transportation improvements, police and fire services, and refuse disposal. According to the Economic Development Authority, the commercial real estate market in 2015 showed signs of rebounding from a relatively slow 2014.



Office Space Inventory

The largest component of non-residential space in the County is office space. The office space inventory was 116.2 million square feet as of year-end 2015, essentially unchanged from 2014. Since 2006, the total inventory of office space in Fairfax County has risen about 11.1 million square feet. As of year-end 2015, nearly 2.5 million square feet of space were under construction in the County. Most new office construction is happening in Tysons, with buildings by Capital One, MITRE, and the Lerner Company totaling nearly 1.8 million square feet. Also, submarkets near Metro stations, especially Reston and Tysons on the Silver Line, have begun to see increased redevelopment activity as older buildings are demolished to make way for new development.



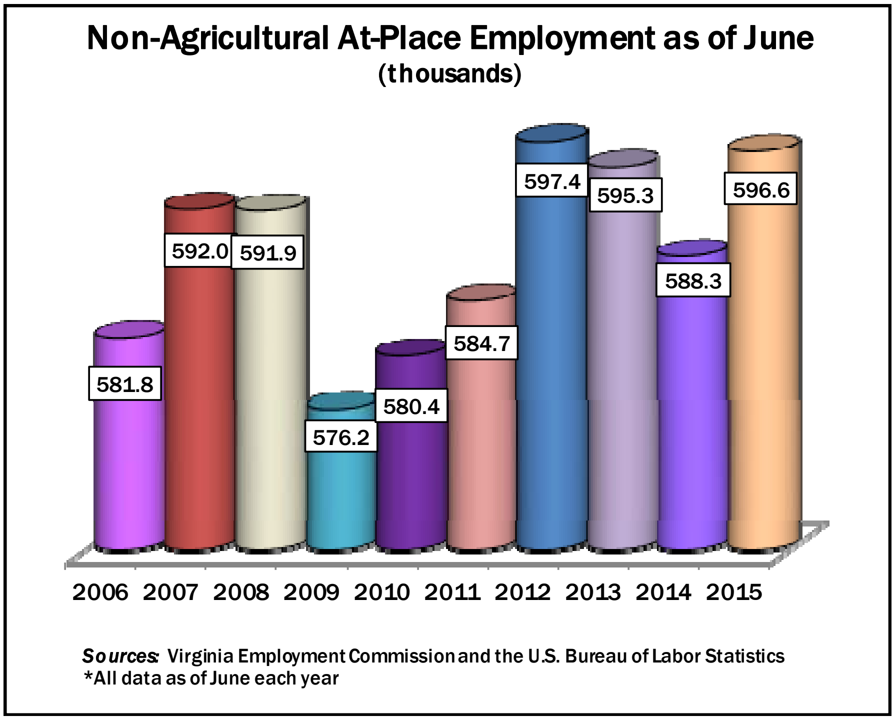
Office Vacancy Rates

The direct office vacancy rate decreased modestly from 16.3 percent in 2014 to 16.2 percent as of year-end 2015. This marks the first year the rate has decreased since 2010. It remains more than double its level in 2006. Demand for newer space, and space near Metro stations, remained strong while many older properties experienced increased vacancies. Including sublet space, the overall office vacancy rate as of year-end 2015 was 17.2 percent, down from the 17.7 percent recorded as of year-end 2014. The amount of empty office space was slightly short of 20 million square feet. Industry experts anticipate vacancy rates to remain high through 2016 due to sluggish economic conditions and concerns about the federal budget as well as the national election, which historically has forestalled site location decisions. A further obstacle to filling office space is that employers today are leasing substantially less space per employee than in the past.

New office deliveries exceeded 370,000 square feet in three buildings during 2015. This compares to 1.5 million square feet in eight buildings delivered in 2014. Total office leasing activity in 2015 was 10.3 million square feet, an increase of 4.5 percent over the 9.8 million square feet leased in 2014. The majority of the leasing activity in 2015 involved renewals and consolidations.

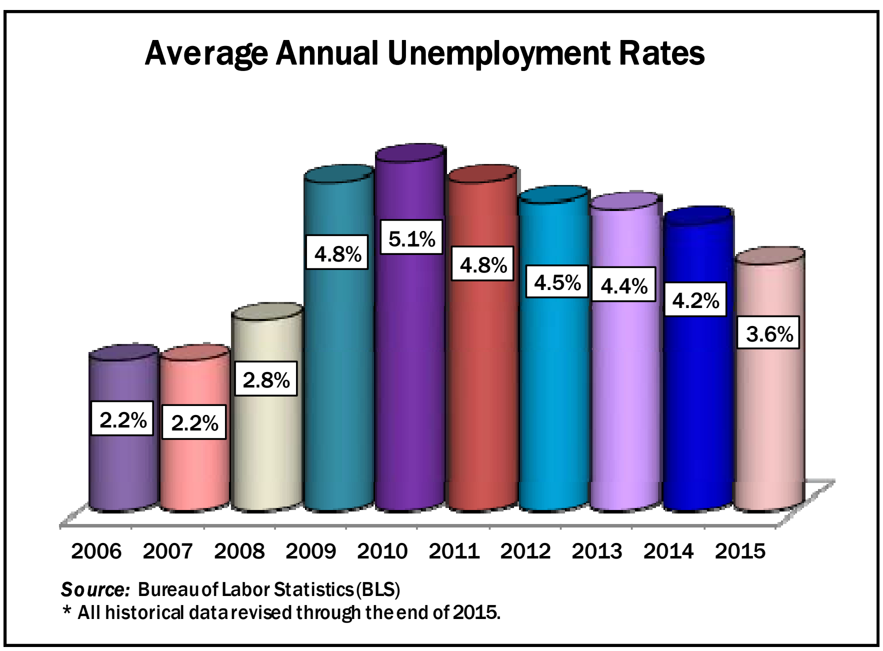
Employment

Employment serves as a gauge of the number of jobs created by businesses located in Fairfax County. Growth in both employment and the number of businesses generate increased tax revenues and additional expenditures for Fairfax County. Unemployment rates show the strength of the Fairfax County economy by indicating how many Fairfax County residents are actively seeking but are unable to obtain employment.



At-Place Employment

According to data from the Bureau of Labor Statistics, the number of jobs in Fairfax County expanded at a rate of over 3.7 percent per year from 2005 to 2008. Due to the recession, 2009 employment in the County dropped by 15,700 jobs, a decline of 2.7 percent. Jobs in the County expanded at modest rates of 0.7 percent and 0.8 percent in 2010 and 2011, respectively. In 2012, employment growth rose by 12,700 jobs, or 2.2 percent and the number of jobs exceeded its pre-recession peak. However, job losses occurred in 2013 and 2014 primarily due to federal spending cuts that reduced federal employment and professional and business services employment. Employment fell 0.3 percent in 2013 and 1.2 percent in 2014. However, modest employment growth has resumed and as of June 2015, the estimated number of non-agricultural jobs in the County totals 596,585. This represents an increase of more than 8,300 jobs over 2014, or 1.4 percent.



Unemployment Rates

During the last decade, residents of Fairfax County have experienced low unemployment rates even during economic recessions. Mainly driven by an increase in federal procurement spending, the unemployment rate was extremely low—2.2 percent in 2006 and 2007. Due to the economic downturn, the average unemployment rate in 2008 increased to 2.8 percent. Job losses accelerated in 2009 and the average unemployment rate rose two percentage points to 4.8 percent. In 2010, the unemployment rate rose again to 5.1 percent. The unemployment rate has fallen each year since 2010. In 2015, the unemployment rate of 3.6 percent was the lowest in seven years.

FY 2017
Adopted Budget Plan

Long-Term Financial Policies and Tools

Long-Term Financial Policies and Tools

This section identifies some of the major policies, long-term financial management tools and planning documents that serve as guidelines for decisions, support the strategic direction of the County and contribute directly to the outstanding fiscal reputation of the County. Adherence to these policies has enabled the County to historically borrow funds at the lowest possible interest rates available in the municipal bond market.

Fairfax County is proud to have been named "one of the best-managed jurisdictions in America" by *Governing* magazine and the Government Performance Project (GPP) during their last evaluation of counties in 2001. The GPP conducted a comprehensive study evaluating the management practices of 40 counties across the country and Fairfax County received an overall grade of "A-," one of only two jurisdictions to receive this highest grade. For the past 31 years, Fairfax County has earned the Government Finance Officer's (GFOA) Distinguished Budget Presentation Award. Fairfax County also received accolades from GFOA for "Special Performance Measures Recognition" in fiscal years 2004, 2005, 2007, 2008 and 2009. Fairfax County has been nationally recognized as a leader in performance measurement, garnering awards such as the International City and County Management Association's (ICMA) Center for Performance Measurement Certificate of Distinction for each fiscal year from 2004 through 2015. In addition, the County received ICMA's Certificate of Excellence, its newest and highest level of recognition for excellence in performance measurement from 2009 through 2015.

The keystone to the County's ability to maintain its fiscal integrity is the continuing commitment of the County's Board of Supervisors. This commitment is evidenced by the Board of Supervisors' adoption of the *Ten Principles of Sound Financial Management (Ten Principles)* in 1975, which remain the policy context within 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*, 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*, 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 debt service savings for the residents of Fairfax County now and in the future.

From time to time the Board of Supervisors amends the *Ten Principles* in order to address changing economic conditions and management practices. In FY 2016 as a response to concerns from the bond rating agencies, the Board committed to increasing the County's reserve policies to strengthen the County's financial position. As a result, the Managed Reserve will increase from 2 to 4 percent of General Fund Disbursements and the Revenue Stabilization Reserve will increase from 3 to 5 percent of General Fund Disbursements, and there will be a new Economic Opportunity Reserve established at 1 percent of General Fund Disbursements (revising the total for these primary reserves from 5 to 10 percent), as well as funding other replacement reserves. As a result, the County reserve policy will be more in-line with other triple-A jurisdictions. Funding of this increase began immediately; however, it will take several years to fully fund the new target level.

In FY 2008, the Board authorized the use of variable rate debt. Variable rate obligations are debt obligations that are frequently used for short-term or interim debt financing and have an interest rate that is reset periodically, usually for periods of less than one year. Variable rate debt is typically used to take advantage of low short-term rates in anticipation of converting to longer-term fixed rate financing for complex projects or to mitigate the impact of volatile markets. In May 2006, reflecting changes in the economy and the market place, annual bond sale limits were increased from $200 million to $275 million per year.

In addition to the more traditional methods of long-term financing through General Obligation Bonds, the County has been able to accomplish major capital improvements through the use of alternative financing while maintaining the County's fiscal integrity as required by the *Ten Principles*. Accomplishments such as Metrorail station parking garages, construction of Route 28, the opening of a commuter rail and construction of government facilities have all been attained in addition to a robust bond construction program. In 2003, the County was able to accelerate the construction of a new high school by three years through the creative use of revenue bonds in connection with the joint development of a senior care facility and a golf course. From 1999 through 2015, the County has approved $3.93 billion of new debt via referendum, with $2.62 billion for Schools and $1.31 billion for the County.

Since 1975, the savings associated with the County's "triple-A" bond rating is estimated at $491.85 million. Including savings from the various refunding sales, the total benefit to the County equates to $772.42 million. Also, implementation of a Master Lease program and judicious use of short-term lease purchases for computer equipment, copier equipment, school buses and energy efficient equipment have permitted the County and Schools to maximize available technology while maintaining budgetary efficiency.

The *Ten Principles* full text is as follows:

Ten Principles of Sound Financial Management
April 21, 2015

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. 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 four percent of total General Fund disbursements in any given fiscal year.

Ten Principles of Sound Financial Management
April 21, 2015

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. This Fund shall be maintained at five percent of total General Fund disbursements in any given fiscal year. 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. A drawdown of this Fund should be accompanied with expenditure reductions.

c. An Economic Opportunity Reserve shall be established in addition to the Managed Reserve and the Revenue Stabilization Fund. This reserve is meant to stimulate economic growth and will provide for strategic investment opportunities that are identified as priorities by the Board of Supervisors. When fully funded, this reserve will equal one percent of total General Fund disbursements in any given fiscal year. Funding for this reserve would only occur after the Managed Reserve and the Revenue Stabilization Fund are fully funded at their new levels of four percent and five percent, respectively. Criteria for funding, utilization, and replenishment of the reserve will be developed and presented to the Board of Supervisors for approval. The criteria for use will include financial modeling analysis (e.g. cost-benefit, etc.) to determine the fiscal impact to the County of the proposed investment opportunity and will require approval from the Board of Supervisors for any use.

d. 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.

e. The budget shall include funds for cyclic and scheduled replacement or rehabilitation of equipment and other property in order to minimize disruption of budgetary planning from irregularly scheduled monetary demands.

3. **Cash Balances**. It is imperative that positive cash balances exist in the General Fund at the end of each fiscal year. If an operating deficit appears to be forthcoming in the current fiscal year wherein total disbursements will exceed the total funds available, the Board will take appropriate action to balance revenues and expenditures as necessary so as to end each fiscal year with a positive cash balance.

4. **Debt Ratios**. The County's debt ratios shall be maintained at the following levels:

a. Net debt as a percentage of estimated market value shall be less than 3 percent.

b. Debt service expenditures as a percentage of General Fund disbursements shall not exceed 10 percent. The County will continue to emphasize pay-as-you-go capital financing. Financing capital projects from current revenues is indicative of the County's intent to use purposeful restraint in incurring long-term debt.

c. For planning purposes annual bond sales shall be structured such that the County's debt burden shall not exceed the 3 and 10 percent limits. To that end sales of General Obligation Bonds and general obligation supported debt will be managed so as not to exceed a target of $275 million per year, or $1.375 billion over five years, with a technical limit of $300 million in any given year. Excluded from this cap are refunding bonds, revenue bonds or other non-General Fund supported debt.

Ten Principles of Sound Financial Management
April 21, 2015

d. For purposes of this principle, debt of the General Fund incurred subject to annual appropriation shall be treated on a par with general obligation debt and included in the calculation of debt ratio limits. Excluded from the cap are leases secured by equipment, operating leases, and capital leases with no net impact to the General Fund.

e. Use of variable rate debt is authorized in order to increase the County's financial flexibility, provide opportunities for interest rate savings, and help the County manage its balance sheet through better matching of assets and liabilities. Debt policies shall stipulate that variable rate debt is appropriate to use when it achieves a specific objective consistent with the County's overall financial strategies; however, the County must determine if the use of any such debt is appropriate and warranted given the potential benefit, risks, and objectives of the County. The County will not use variable rate debt solely for the purpose of earning arbitrage pending the disbursement of bond proceeds.

f. For purposes of this principle, payments for equipment or other business property, except real estate, purchased through long-term lease-purchase payment plans secured by the equipment will be considered to be operating expenses of the County. Annual General Fund payments for such leases shall not exceed 3 percent of the annual General Fund disbursements, net of the School transfer. Annual equipment lease-purchase payments by the Schools and other governmental entities of the County should not exceed 3 percent of their respective disbursements.

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.

Ten Principles of Sound Financial Management
April 21, 2015

9. **Underlying Debt and Moral Obligations**. The proliferation of debt related to but not directly supported by the County's General Fund shall be closely monitored and controlled to the extent possible, including revenue bonds of agencies supported by the General Fund, the use of the County's moral obligation and underlying debt.

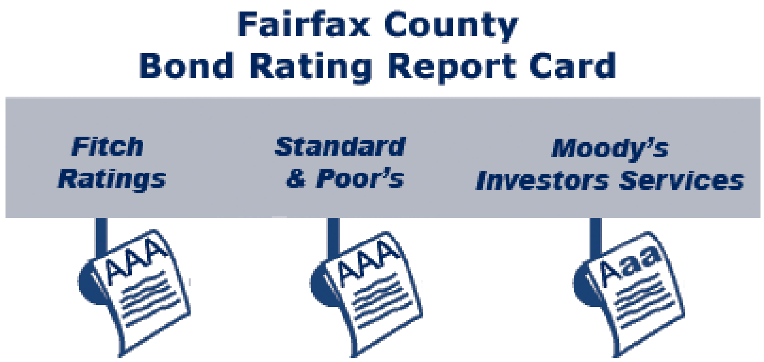
   a. A moral obligation exists when the Board of Supervisors has made a commitment to support the debt of another jurisdiction to prevent a potential default, and the County is not otherwise responsible or obligated to pay the annual debt service. The County's moral obligation will be authorized only under the most controlled circumstances and secured by extremely tight covenants to protect the credit of the County. The County's moral obligation shall only be used to enhance the credit worthiness of an agency of the County or regional partnership for an essential project, and only after the most stringent safeguards have been employed to reduce the risk and protect the financial integrity of the County.

   b. Underlying debt includes tax supported debt issued by towns or districts in the County, which debt is not an obligation of the County, but nevertheless adds to the debt burden of the taxpayers within those jurisdictions in the County. The issuance of underlying debt, insofar as it is under the control of the Board of Supervisors, will be carefully analyzed for fiscal soundness, the additional burden placed on taxpayers and the potential risk to the General Fund for any explicit or implicit moral obligation.

10. **Diversified Economy**. Fairfax County must continue to diversify its economic base by encouraging commercial and, in particular, industrial employment and associated revenues. Such business and industry must be in accord with the plans and ordinances of the County.

Long-Term Financial Policies and Tools

Through the application of the *Ten Principles*, careful fiscal planning and sound financial management, Fairfax County has achieved a "triple A" bond rating from the three leading rating agencies. The County has held a Aaa rating from Moody's Investors Service since 1975, a AAA rating from Standard and Poor's Corporation since 1978, and a AAA rating from Fitch Investors Services since 1997. As of January 2016, Fairfax County is 1 of only 46 counties in the country with "triple A" bond ratings from all three rating agencies.



As of January, 2016 only a limited number of jurisdictions, including Fairfax County, have received a "triple A" bond rating from Moody's Investors Service, Standard and Poor's Corporation, and Fitch Investors Services:

- only 46 of the nation's 3,069 counties
- only 11 of the nation's 50 states
- only 33 of the nation's 35,000+ cities and towns

Long-Term Financial Policies

The following is a description of the primary financial policies that are used to manage the County's resources and contribute to its outstanding fiscal condition. Each year during budget adoption, the Board of Supervisors reaffirms and approves budget guidelines for the next budget year. These guidelines then serve as a future budget development tool.

Budget Guidance for FY 2017 and FY 2018

At a regular meeting of the Board of Supervisors of Fairfax County, Virginia, held in the Board Auditorium of the Fairfax County Government Center on Tuesday, April 19, 2016, the Board approved the following Budget Guidance for FY 2017 and FY 2018:

Joint Board of Supervisors/School Board Work

As the Board of Supervisors and the School Board strive to provide quality services to the community the collaboration of the two Boards should continue. The Boards have committed to a joint meeting/retreat on June 14. The specifics of the meeting, including the agenda, are being refined. However, it is expected that the agenda will include discussion of the budget requirements of both entities and additional opportunities for collaborative service delivery.

In addition, as the FY 2018 budget process unfolds it is directed that additional joint meetings be scheduled to provide updates on projected requirements and resources. It is anticipated that these meetings occur in September and October/November. Updated revenue projections and refined service delivery needs should be outlined with time allotted for discussion by both Boards on how to best address these needs in the continued environment of constrained resources that we face. Staff will schedule the joint meetings of the two Boards.

Clearly, there continues to be a projected shortfall of over $75 million as we project ahead to FY 2018. This projection includes revenue increases of approximately 2.4 percent based on limited projected growth in the County's Real Estate market. As evidenced by the reduction in the projected increase in residential equalization included in the County Executive's Add-On Package, current estimates indicate sluggish growth in the market similar to that experienced this year.

The projected shortfall makes it clear that difficult budget decisions lie ahead. In order to provide additional context for FY 2018, the County Executive is directed to outline, as part of the multi-year component of the FY 2017 Adopted Budget Plan, a FY 2018 budget that allocates current projected available resources between the County and Schools. This presentation should include what can be funded within these resources for both the County and Schools as well as those items that cannot be covered with current revenue projections. It should be noted that the Board recognizes that Real Estate rate increases, such as the 4 cent increase included in the FY 2017 budget, are not sustainable. The Boards will need to balance affordability with the long list of priorities, therefore making these joint conversations extremely important.

Finally, the work of the Successful Children and Youth Policy Team (SCYPT) should be the focus of joint Board discussions as well in the coming year. First convened in May 2013, SCYPT is comprised of leaders from multiple sectors within Fairfax County. The team's role is to set community-wide goals and priorities for public policy as it relates to children, youth, and families. According to the team's charter, "in order to become confident individuals, effective contributors, successful learners and responsible citizens, all of Fairfax County's children need to be safe, nurtured, healthy, achieving, active, included, respected and responsible. This can only be realized if the County, schools, community, and families pull together to plan and deliver top-quality services, which overcome traditional boundaries."

In order that the needs of the community as discussed by SCYPT are fully vetted by both Boards, the June retreat and subsequent joint meetings should also include updates and policy discussions to ensure that the recommendations coming from the SCYPT can be incorporated into funding decisions going forward which support the development of a joint County/School community-wide strategic plan for building the capacity to address early childhood and school readiness. It is extremely important to remember that the County and Schools have focused additional resources on / shifted existing resources to school readiness, beginning in FY 2015, as a result of joint planning efforts. In order for these initiatives to be successful, there will need to be continued coordination and funding support from both bodies in pursuit of the agreed-upon goals. The added value of expanding the discussion to the full Boards is that these issues clearly have significant funding implications that will require support from a majority of each Board.

The first focus of this discussion should be on the policy and implementation issues associated with pre-Kindergarten. This focus is also consistent with recommendations from the Joint Budget Development Committee. There have been incremental adjustments made to the County and School programs designed for pre-K students, however a comprehensive long-term plan needs to be defined and funding and facility options identified jointly in order for progress to be made towards this significant priority.

Another important joint County and Schools effort involves the Children's Services Act (CSA)/System of Care program. Staff should continue to look at opportunities to incentivize efficiencies and the opportunity to redirect savings to address other critical needs. In addition, in anticipation of FY 2018 System of Care funding, staff should initiate the process to implement Family Navigation services which ultimately would be provided through contracted services. Navigation services should include parent navigators to support families and the development of a one-stop web based resource directory of families to find the services available within their communities. Staff should also continue to pursue grant opportunities for these services.

Diversion First

As part of implementation of continued Diversion First expansion, staff is directed to leverage funds available in the Housing Blueprint/Bridging Affordability programs, and FY 2017 Diversion First Housing dollars as a source to provide matching funding for non-profits to provide additional housing units for persons with mental illness. Staff is also directed to report back on Diversion First implementation and make recommendations for service delivery adjustments as appropriate.

Human Trafficking

As part of the FY 2017 budget, the County has replaced the federal grant funding supporting enforcement efforts related to the human trafficking issue. Staff is continuing to evaluate the way we combat this growing threat in our community. Ultimately, additional resources may be necessary, not only for enforcement, but also for victim services. The Board anticipates future funding requirements based on these staff recommendations.

County and Schools Infrastructure Investment

For two years (beginning in FY 2016 and maintained in FY 2017), the County has provided a transfer of $13.1 million to the School Construction Fund for capital replacement and upgrade requirements, freeing general obligation bond funding for large replacement or new capacity requirements. This level of support is permanent. The County is attempting to also increase funding for infrastructure both in the use of one-time balances and by increasing the level of funding in the annual budget. To continue the excellent work completed by the Infrastructure Financing Committee, staff is directed to work with Schools to continue to focus on the presentation of this information so that the various uses of capital funding are clearly defined and are consistent across both entities. In addition, the Board directs staff to provide updates on a regular basis which detail the uses of these multi-year funds and the progress made in addressing infrastructure issues in both the County and Schools.

The Board also encourages collaboration and joint planning between the Schools and County for future capital improvements. Consistent with the work of the Infrastructure Financing Committee and the recommendation that "County and School Board members recognize that capital requirements must become a funding priority," staff is directed to include an analysis in the FY 2018 Capital Improvement Program (CIP) of a possible increase in the annual School bond capacity from the current level of $155 million. This analysis should include the projected impact on the County's debt ratios and a discussion of the affordability of additional debt service on future County budgets. Similarly, the County should identify specific CIP topics for discussion as the FY 2018 CIP development process is undertaken, including reviewing the $275 million annual sales limit to consider raising it for the first time since FY 2007. Finally, County staff and the Park Authority should review requirements for the long-term management of our inventory of historic artifacts to include both capital and operational needs.

Employee Compensation

The Board continues to recognize the importance of fully funding the County's pay plan to help recruit and retain high quality employees. The pay plan includes performance/longevity increases for General County merit employees, merit/longevity increases for uniformed Public Safety employees, and a Market Rate Adjustment, based on a formula, for all employees. Full funding of the pay plans in FY 2017 is an important step in ensuring high quality services. The County Executive is directed to fully fund the County's pay plan in his FY 2018 Advertised Budget.

Public Safety Compensation and Organization Study

During FY 2016, the Board directed the County Executive and County staff to work with public safety agencies and employee groups, with the assistance of an outside consultant, to provide analysis and develop recommendations regarding: the reorganization of the operational and administrative structure of the Police Department, to include but not limited to possible changes to the current rank structure, the organizational structure, and pay for police officers. Additionally, the consultant is studying the organization of the Animal Services Division and possible pay parity between uniformed Sheriff and Police employees.

For FY 2017, the Board directs the County Executive and County staff to continue this work. The results of the consultant's study should be used for discussion by the Board regarding realigning the pay scales and considering duties, responsibilities, and span of control. Any Police recommendations shall be implemented in phases and designed to coincide with the opening of the South County Police Station. This important work should be presented to the Board for discussion at a Personnel and/or Public Safety Committee meeting in the summer to allow enough time for the Board to establish priorities and provide direction to the County Executive in regards to the development of the FY 2018 Advertised budget.

Lines of Business (LOBs) Process

As the Board winds down the Phase 1 discussion, we will soon turn our attention to the next phase, delving deeper into issues which will be used to inform budget decisions over the next several years. The Board appreciates the hard work of staff, evident not only by the LOBs volumes themselves, but also by the informative and thorough presentations made to the Board over the past few months. The community's interest in LOBs is also clear based on the large number of responses to the survey, and we will need to continue to engage the community as we look more closely at specific LOBs and opportunities for efficiencies in the coming year.

It is intended that Phase 2 include the identification of specific projects by the Board for both County-specific services and those services that cross County and School lines. At the conclusion of the presentations, the discussion of community input and survey results, the Board will provide this direction to staff. Staff has been working to compile a list of possible project topics based on the discussions the Board has had, the input from the community, and suggestions from staff throughout the organization, including the LOBs Committee.

Tax Relief for the Elderly

The Commonwealth of Virginia no longer imposes maximum income or net asset limits for real property tax relief. The limits are now strictly local option. The Board directs that, in advance of the FY 2018 budget, staff present the state of the current tax relief program at a future Budget Committee meeting.

This presentation should include all components of tax relief, however focus on assets and the inclusion of retirement accounts such as 401(k)s in the asset calculation. The Board understands that staff does not have solid information about the income and assets of residents who have never applied for the tax relief program. The estimates of the impact are very difficult as a result of this. Consistent with previous information provided to the Board part of the analysis should include comparisons to other jurisdictions in the Commonwealth.

Meals Tax/Other Revenue Opportunities

As a follow-up to the discussion at the March 1st Board meeting, staff is directed to schedule a discussion of the Meals Tax during the May 3rd Budget Committee meeting. This discussion should focus on an update of the information that has been gathered on the Meals Tax, a review of other opportunities for revenue diversification such as those mentioned by Board members (such as the alcohol, cigarette, BPOL, and personal property taxes) and a discussion of options available to the Board. In advance of this meeting, materials that have been compiled in response to the March 1st Board discussion on the Meals Tax should be provided to the Board so they can be reviewed by the Board and additional information requested if necessary.

I now move the Budget Guidance that I just reviewed which will help direct the FY 2018 Budget process.

A Copy Teste:
Catherine A. Chianese
Catherine A. Chianese,
Clerk to the Board of Supervisors

Reserve Policies

The reserve policies adopted by the County are complimentary to the requirement for balanced budgets. Among the long standing policies are that:

- Annual budgets be balanced between projected total funds available and total disbursements including funding for established reserves;

- It is imperative that positive cash balances exist in the General Fund at the end of each fiscal year; and
- If an operating deficit appears to be forthcoming in the current fiscal year wherein total disbursements will exceed the total funds available, the Board will take appropriate action to balance revenues and expenditures as necessary so as to end each fiscal year with a positive cash balance.

There are three primary General Fund reserves each of which reflects revised levels per the FY 2017 Adopted Budget Plan.

- Managed Reserve – Policy of 4 percent of General Fund Disbursements. Per the FY 2017 Adopted Budget Plan, funding equates to 2.4 percent or $97.2 million.
- Revenue Stabilization Fund Reserve – Policy of 5 percent of General Fund Disbursements. Per the FY 2017 Adopted Budget Plan, funding equates to 4.2 percent or $166.5 million.
- Economic Opportunity Reserve – Policy of one percent of General Fund Disbursements. Funding for this reserve would only occur after the Managed Reserve and the Revenue Stabilization Fund are fully funded at their new policy levels of four percent and five percent, respectively.

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 four percent of total Combined General Fund disbursements in any given fiscal year. Funding of the additional two percent will be made through a combination of annual appropriations, balances available at year end and by applying one time resources such as bond refundings until the full four percent is reached.

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 five percent of total General Fund Disbursements in any given fiscal year. 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. Funding of the additional two percent will be made through a combination of annual appropriations, balances available at year end and by applying one time resources such as bond refundings until the full five percent is reached.

In order to make a withdrawal from the Fund, three specific criteria that must be met:

- Projected revenues must reflect a decrease greater than 1.5 percent from the current year estimate;
- Withdrawals must not exceed one-half of the fund balance in any fiscal year; and
- Withdrawals must be used in combination with spending cuts or other measures.

The RSF was used for the first and only time in FY 2009. A withdrawal of $18.7 million was a small part of the total plan approved by the Board which included significant reductions, a furlough for employees and application of other balances to address a $64.7 million shortfall at the *FY 2009 Third Quarter Review*. As a result of available balances at FY 2009 year end, the reserve was fully replenished.

An Economic Opportunity Reserve shall be established in addition to the Managed Reserve and the RSF. This reserve will provide for strategic investment opportunities that are identified as priorities by the

Board of Supervisors and will serve as a revolving investment fund. The ultimate target will be one percent of General Fund Disbursements in any given fiscal year. Funding for this reserve would only occur after the Managed Reserve and the Revenues Stabilization Fund are fully funded at their new levels of four percent and five percent, respectively. Criteria for the utilization and amount of funds will include financial modeling (e.g. cost-benefit analysis, etc.) to determine the fiscal impact to the County of the proposed investment opportunity and final approval from the Board of Supervisors.

In addition to the Managed Reserve, the RSF, and the Economic Opportunity Reserve, the County has many reserves maintained within various funds. Among these reserves are those designated for replacement of equipment and facilities, identified for long-term liabilities, to meet debt service requirements and as operating / rate stabilization reserves. Staff identifies potential changes to funding levels and brings to the Board policy decisions which need to be made in relation to Reserve Policies as part of the annual budget process. In addition, during the Carryover process at year end, reserve balances are often reset as a result of actual fund balances and/or actuarial analyses. More detail about the size of reserves and the specific use for them is available in each agency narrative but the Board policies concerning reserves are summarized below.

Replacement Reserve Policies: The Board of Supervisor's has repeatedly reaffirmed the policy that the County budget shall include funds for cyclic and scheduled replacement or rehabilitation of equipment and other property in order to minimize disruption of budgetary planning from irregularly scheduled monetary demands. These reserves are necessary to provide a source of funding for planned replacement of major equipment or infrastructure over several years. For example, the County maintains a vehicle replacement reserve within the Department of Vehicle Services to plan for vehicle replacement once age, mileage and condition criteria have been met. General Fund monies are set aside each year over the life of the existing vehicle in order to pay for its replacement. Helicopter, ambulance and large apparatus replacement funds are also maintained for the Police and Fire and Rescue Departments. Fixed payments to these reserves are made annually to ensure funding is available at such time that the equipment must be replaced.

Outstanding Liability Policies: The Board of Supervisor's has also consistently funded reserve requirements for outstanding liabilities as they are identified and in conformance with accounting standards and practices. It is important to note that contributions to these liability reserves have been sustained even as reductions in services have been made, demonstrating the commitment of the Board to meet its fiduciary responsibilities. An example of a liability reserve is the County's Self Insurance program which is evaluated each year by an actuary and the liability for all self-insured programs is identified. The accrued liability reserve identified as of year-end each year is funded during a subsequent quarterly review. An additional reserve is also currently identified by County policy for catastrophic loss above and beyond the identified accrued liability. Beginning in FY 2008, the County's financial statements were required to implement Governmental Accounting Standards Board (GASB) Statement No. 45 for other post-employment benefits. This standard addresses how local governments should account for and report their costs related to post-employment health care and other non-pension benefits. As a result, an annual required contribution (ARC) to meet the long-term liability is funded by both the County and Schools.

Debt Service Reserve Policies: The majority of debt service reserves are maintained by a trustee as stipulated by the terms of the bond documents for the bonds which are being supported. However, as an Enterprise System of the County, Sewer Bond Debt Reserves were established in Funds: 69000, Sewer Revenue; 69030, Sewer Bond Debt Reserve; and 69040, Sewer Bond Subordinate Debt Reserve, to provide one year of principle and interest for the outstanding bond series as required by the Sewer System's General Bond Resolution.

Operating and Rate Stabilization Reserve Policies: The County has also identified reserves for potential operating adjustments that may be required and/or to help mitigate the need for significant shifts in tax rates or charges for services. The Boards of both the County and Schools have often approved set aside reserves to assist in budget development for the next year. These reserves have been established as the result of balances accumulated through expenditure savings and conservative revenue projections consistent with the policy that positive cash balances are available at year end.

In addition to its standard reserve policies, the Board regularly reviews the status of fund reserves and makes policy decisions to improve the County's reserve position based on availability and budget flexibility.

Third Quarter/Carryover Reviews

The Department of Management and Budget conducts a *Third Quarter Review* on the current year *Revised Budget Plan* which includes a detailed analysis of expenditure requirements. All agencies and funds are reviewed during the *Third Quarter Review* and adjustments are made to the budget as approved by the Board of Supervisors. Section 15.2-2507 of the Code of Virginia requires that a public hearing be held prior to Board action when the potential increases in the appropriation are greater than 1.0 percent of expenditures. The Board's Adopted Budget guidelines indicate that any balances identified throughout the fiscal year, which are not required to support expenditures of a legal or emergency nature, must be held in reserve.

Carryover Review represents the analysis of balances remaining from the prior year and provision for the appropriation of funds to cover the prior year's legal obligations (encumbered items) in the new fiscal year without loss of continuity in processing payments. *Carryover* extends the prior year funding for the purchase of specific items previously approved in the budget process, but for which procurement could not be obtained for various reasons. All agencies and funds are reviewed during the *Carryover Review* and adjustments are made to the budget as approved by the Board of Supervisors. Again, the Code of Virginia requires that a public hearing be held prior to Board action when the potential increases in the appropriation are greater than 1.0 percent of expenditures.

Cash Management/Investments

Maintaining the safety of the principal of the County's public investment is the highest priority in the County's cash management policy. The secondary and tertiary priorities are the maintenance of liquidity of the investment and optimization of the rate of return within the parameters of the Code of Virginia, respectively. Funds held for future capital projects are invested in accordance with these objectives, and in such a manner so as to ensure compliance with U.S. Treasury arbitrage regulations. A senior interagency Investment Committee develops investment policies and oversees the effectiveness of portfolio management in meeting policy goals.

The County maintains cash and temporary investments in several investment portfolios. A general investment portfolio holds investments purchased by the County for the pooled cash and General Obligation Bond funds. Investments for this portfolio are held by a third-party custodian. Other portfolios are managed to meet the specific needs of County entities, such as, the Fairfax County Economic Development Authority Parking Revenue Bond (the Vienna Metrorail Parking Garage Project), Sewer Revenue Bonds, Fairfax County Redevelopment and Housing Authority Bonds. Investments for all portfolios are held by a third-party custodian.

Except where prohibited by statutory or contractual constraints, the General Fund is credited with interest earned in the general investment pool. Non-General Fund activities that earn interest through centralized investment management contribute to the cost of portfolio management by way of a market-based administrative charge that accrues to the General Fund.

Debt Management/Capital Improvement Planning

The Commonwealth of Virginia Constitution requires that long-term debt pledged by the full faith and credit of the County can only be approved by voter referendum. There is no statutory limit on the amount of debt the voters can approve. It is the County's own policy to manage debt within the guidelines identified in the *Ten Principles of Sound Financial Management*. Specifically, debt service expenditures as a percentage of General Fund disbursements should remain under ten percent and the percentage of debt to estimated market value of assessed property should remain under three percent. The County continues to maintain these debt ratios, as shown in the following tables:

Debt Service Requirements as a Percentage of Combined General Fund Disbursements

Fiscal Year Ending	Debt Service Requirements[1]	General Fund Disbursements[2]	Percentage
2013	289,714,000	3,533,098,000	8.20%
2014	295,451,000	3,637,841,000	8.12%
2015	313,968,578	3,729,624,800	8.42%
2016 (est.)	336,370,922	3,894,131,184	8.64%
2017 (est.)	333,903,566	4,012,539,820	8.32%

[1] The amount includes total principal and interest payments on the County's outstanding tax supported debt obligations, including General Obligation Bonds, economic development authority bonds, and other tax supported debt obligations budgeted in other funds. FY 2013-2015 Comprehensive Annual Financial Report; FY 2016-2017 Fairfax County Department of Management and Budget.

[2] Source: Fairfax County Department of Management and Budget.

Net Debt as a Percentage of Market Value of Taxable Property

Fiscal Year Ending	Net Bonded Indebtedness[1]	Estimated Market Value[2]	Percentage
2013	2,575,596,000	214,232,636,323	1.20%
2014	2,832,532,000	221,465,365,745	1.28%
2015	2,863,139,000	233,351,721,357	1.23%
2016 (est.)	2,908,782,106	241,013,081,462	1.21%
2017 (est.)	2,946,592,736	248,078,112,533	1.19%

[1] The amount includes outstanding General Obligation Bonds and other tax supported debt obligations as of June 30 in the year shown and is from the Fairfax County Department of Management and Budget. Source: FY 2013 to FY 2015 Comprehensive Annual Financial Report; FY 2016 & FY 2017 Fairfax County Department of Management and Budget.

[2] Source: Fairfax County Department of Tax Administration and the Department of Management and Budget.

Per capita debt is also an important measure used in analyses of municipal credit. Fairfax County has historically had moderate to low per capita debt and per capita debt as a percentage of per capita income due to its steady population growth, growth in the assessed valuation of property and personal income of residents, combined with a record of rapid repayment of capital debt.

The *Ten Principles* establishes, as a financial guideline, a self-imposed limit on the level of the average annual bond sale. Actual bond issues are carefully sized with a realistic assessment of the need for funds, while remaining within the limits established by the Board of Supervisors. In addition, the actual bond sales are timed for the most opportune entry into the financial markets. The policy guidelines enumerated in the *Ten Principles* also express the intent of the Board of Supervisors to encourage a diversified economy in the County and to minimize the issuance of underlying indebtedness by towns and districts located within the County.

It is County policy to balance the need for public facilities, as expressed by the countywide land use plan, with the fiscal capacity of the County to provide for those needs. The five-year Capital Improvement Program (CIP), submitted annually to the Board of Supervisors, is the vehicle through which the stated need for public facilities is analyzed against the County's ability to stay within its self-imposed debt guidelines as articulated in the *Ten Principles*. 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 CIP, 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 the *Ten Principles*, 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 non-recurring revenues should not be used for recurring expenditures.

Risk Management

Continuing growth in County assets and operations perpetuates the potential for catastrophic losses resulting from inherent risks that remain unidentified and unabated. In recognition of this, the County has adopted a policy of professional and prudent management of risk exposures.

To limit the County's risk exposures, a Risk Management Steering Committee was established in 1986 to develop appropriate policies and procedures. The County Risk Manager is responsible for managing a countywide program. The program objectives are as follows:

- To protect and preserve the County's assets and workforce against losses that could deplete County resources or impair the County's ability to provide services to its citizens;
- To institute all practical measures to eliminate or control injury to persons, loss to property or other loss-producing conditions; and
- To achieve such objectives in the most effective and economical manner.

While the County's preference is to fully self-insure, various types of insurance such as workers' compensation, automobile, and general liability insurance remain viable alternatives when they are available at an affordable price.

Pension Plans

The County funds the retirement costs for three separate retirement systems, including the Police Officers Retirement System, the Fairfax County Employees' Retirement System and the Uniformed Retirement System, while the Fairfax County Public Schools funds the cost of the Educational Employees Supplementary Retirement System. These retirement systems are administered by the County and are made available to Fairfax County government and school employees in order to provide financial security when they become retirement eligible or cannot work due to disability. In addition, professional employees of the Fairfax County Public Schools participate in a plan sponsored and administered by the Virginia Retirement System. The Board of Supervisors reviews the three County retirement plans annually and takes action to fund the County's obligation.

At the end of FY 2001, the funding ratios for the County's three retirement systems ranged from 97 percent to 102 percent. In FY 2002, the Board of Supervisors adopted a corridor approach to employer contributions, which was designed by the County's actuaries to set annual contributions at the level necessary to maintain strong funding ratios in each of the plans while reducing the volatility in the employer contribution rates that is typical for plans that are near fully-funded. In the corridor method of funding, a fixed contribution rate is assigned to each system and the County contributes at the fixed rate unless the system's funding ratio falls outside the pre-selected corridor of 90-120 percent or if benefit enhancements are approved. If the funding ratio falls below 90 percent, the unfunded actuarial accrued liability below 90 percent is amortized over a conservative 15-year period, and this amount is included in the annual employer contribution for each fund.

The corridor approach cushioned the County from dramatic rate increases while maintaining strong funding ratios for several years. However, the global financial crisis during FY 2009 resulted in significant losses in the value of the invested assets of all three retirement systems. Because only 90 percent of the unfunded liability is amortized and included in the employer contribution under the corridor approach, the funding ratios have improved, but at a slower pace than desired. As a result, the County has taken multiple steps to improve the financial position of the retirement systems. These steps include increasing contribution levels and limiting increases in liabilities:

- In FY 2010, the requirements regarding the award of ad-hoc Cost-of-Living Adjustments (COLAs) were tightened. Retirees are eligible to receive an annual base COLA which is the lesser of the Consumer Price Index (CPI) for the 12 months ending on the previous year's March 31, or 4.0 percent. If certain conditions are met, an additional 1.0 percent ad-hoc COLA can be awarded at the discretion of each retirement system's Board of Trustees. This additional ad-hoc COLA is considered a benefit enhancement and results in an increase in the employer contribution rate. Staff reviewed the ad-hoc COLA policy at the Board of Supervisors' direction in FY 2010, and it was determined that the financial conditions that must be met in order for a Board of Trustees to consider granting an ad-hoc COLA should be strengthened, especially since the granting of such a COLA impacts the employer contribution rates and, thus, requires County funding. As a result, the Fairfax County Code was changed to require that the retirement system must have an actuarial surplus, demonstrated by having a funding ratio exceeding 100 percent, before an ad-hoc COLA can be considered.

- In FY 2011, the employer contribution rates were increased by adjusting the amortization level of the unfunded liability from 90 percent to 91 percent.

- In FY 2012, the Department of Human Resources, as directed by the Board of Supervisors, contracted with a benefits consultant to conduct a comprehensive review of the retirement plans. The consultant's report was presented in February and March 2012. Based on the results of this study, the Board of Supervisors adopted several modifications to the retirement systems, which apply only to new employees who are hired on or after January 1, 2013. These changes include increasing the minimum retirement age for normal service retirement from 50 to 55 in the Employees' system; increasing the rule of 80 (age plus years of service) to the rule of 85 in the Employees' system; placing a cap on the use of sick leave for purposes of determining retirement eligibility and benefits at 2,080 hours for all three retirement systems; and, for the Deferred Retirement Option Plan (DROP), removing the pre-Social Security supplement from balances accumulated during the DROP period in the Employees' and Uniformed systems. No changes were made to benefits for current employees. The savings resulting from these changes have been incorporated in the employer contribution rates. Although initial savings are minimal, savings are expected to grow as more employees are hired under these new plan provisions.

- In FY 2015, the employer contribution rates were increased by adjusting the amortization level of the unfunded liability from 91 percent to 93 percent.

- In FY 2016, the employer contribution rates were increased to adjust the amortization level of the unfunded liability from 93 percent to 95 percent.

As a result of strong investment returns in recent years and the changes made both to the retirement systems and the employer funding levels, funding ratios for each of the retirement systems have gradually increased and currently range from 74 percent to 85 percent. The County is committed to further strengthening the financial position of the systems, and has established a goal to reach a 90 percent funded status for all plans by FY 2025. In order to meet this goal, the Board of Supervisors approved, as part of the adoption of the FY 2016 Adopted Budget Plan, the following multi-year strategy:

- Increases in the employer contribution rates will continue so that the County will include amortization of 100 percent of the unfunded liability in the actuarially determined contributions for all systems by FY 2020 at the latest. The County will continue to use a conservative 15-year amortization period.

- Until each system reaches 100 percent funded status, employer contributions to that system will not be reduced. Various factors, such as the historical trend of the County's investment returns exceeding the assumed rate of 7.5 percent, could allow employer contribution rates to be reduced from current levels. However, the County is committed to maintaining the rates and redirecting any potential savings into further improvement in the systems' funded positions.

- Any additional unfunded liability created as a result of approved benefit enhancements, such as ad-hoc COLAs, will be fully funded. It is the intent that no adjustments to benefit levels will reduce the funded status of any of the systems.

In keeping with this strategy, the employer contribution rates in the FY 2017 Adopted Budget Plan include increases to adjust the amortization level of the unfunded liability from 95 percent to 97 percent.

Additional increased funding required as a result of this multi-year approach will be included in the County's financial forecasts.

The School Board reviews the Educational Employees' Supplementary Retirement plan annually and takes action to fund the County's obligation based on actuarial valuations that are usually performed annually. Benefits are defined in each system according to the requirements of an ordinance of the Fairfax County Code. Each retirement system is governed by a Board of Trustees whose function is the general administration and operation of the system. Each Board has full power to invest and reinvest the accumulated monies created by the systems in accordance with the laws of the Commonwealth as they apply to fiduciaries investing such funds. Investment managers are hired by each Board and operate under the direction of the Boards' investment objectives and guidelines. Each Board meets once a month to review the financial management of the funds and to rule on retirement applications.

Other Post-Employment Benefits (OPEB)

Beginning in FY 2008, the County's financial statements were required to implement Governmental Accounting Standards Board (GASB) Statement No. 45 for OPEB. This standard addresses how local governments should account for and report their costs related to post-employment health care and other non-pension benefits. Currently, the County offers retirees the option to participate in County group health insurance, life insurance, and dental plans. These benefits are offered to retirees at premium rates established using the blended experience of the active and retiree populations. As such, retirees receive an "implicit" benefit, as these premium rates are typically lower than if they were set solely using the experience of the retiree group. In addition, County retirees receive an explicit benefit through the retiree health benefit subsidy. The County provides monthly subsidy payments to eligible County retirees to help pay for health insurance. The current monthly subsidy, approved in FY 2006, commences at age 55 and varies by length of service. The monthly subsidy is provided to retirees on a discretionary basis, and the Board of Supervisors reserves the right to reduce or eliminate the benefit in the future if the cost of the subsidy becomes prohibitive or an alternative is chosen to aid retirees in meeting their health insurance needs.

GASB 45 requires that the County accrue the cost of post-employment benefits during the period of employees' active employment, while the benefits are being earned, and disclose the unfunded actuarial accrued liability in order to accurately account for the total future cost of post-employment benefits and the financial impact on the County. The County established the OPEB Trust Fund in FY 2008 to pre-fund the cost of post-employment healthcare and other non-pension benefits. Establishing such a trust fund allows the County to capture long-term investment returns and make progress towards eliminating the unfunded liability over a 30-year period. This methodology mirrors the funding approach used for pension benefits. As a result, the County is required to make an annual contribution towards the long-term liability. This includes an amount for benefits accrued by active employees during the fiscal year, as well as an additional amount in order to address the unfunded actuarial accrued liability.

The County recently implemented an Employer Group Waiver Plan (EGWP) for Medicare retiree prescription drug coverage. The EGWP is a standard Medicare Part D plan with enhanced coverage. By implementing an EGWP, the County is able to maximize prescription drug subsidies from the federal government and pharmaceutical manufacturers. This plan replaces the prescription drug coverage that was previously provided to Medicare retirees through the County's self-insured health plans and the Retiree Drug Subsidy (RDS) that the County previously received from the Centers for Medicare and Medicaid Services. This change has had a significant impact on the County's GASB 45 liability, as GASB accounting rules allow EGWP revenue to directly offset plan costs in the GASB valuation, impacting the Actuarial Accrued Liability (AAL), whereas the RDS could not be reflected in the liability calculations.

As a result, the fund status of the plan will show notable improvements in the coming years. Progress towards funding the liability is reported in the County's Comprehensive Annual Financial Report (CAFR).

The actuarial accrued liability is calculated annually as part of the actuarial valuation and includes adjustments due to benefit enhancements, medical trend experience, and normal growth assumptions. Before approving additional benefit enhancements, the County must carefully consider not only the impact on the current fiscal year budget, but also the long-term impact on the County's OPEB liability and annual required contribution.

Fairfax County Public Schools (FCPS) offer similar benefits to their retirees, which result in a separate OPEB liability. FCPS also created an OPEB Trust Fund in FY 2008 to begin to address their unfunded liability and pre-fund the cost of other post-employment benefits.

Grants

County policy requires that the initial application and acceptance of all grants over $100,000 be approved by the Board of Supervisors. Each grant application is reviewed for the appropriateness and desirability of the program or service. Upon completion of the grant, programs are reviewed on a case-by-case basis to determine whether the program should be continued utilizing County funds. The County has no obligation to continue either grant-funded positions or grant-funded programs if continued grant funding is not available.

Effective September 1, 2004, the Board of Supervisors established a new County policy for grant applications and awards that meet certain requirements. If a grant is $100,000 or less, with a required Local Cash Match of $25,000 or less, with no significant policy implications, and if the grantor does not require Board of Supervisors' approval, the agency can work directly with the Department of Management and Budget to receive the award and reallocate funding from the anticipated/unanticipated reserve directly to the agency. If an award exceeds these limitations but was listed in the Anticipated Grant Awards table in the Adopted Budget for the current fiscal year, Board of Supervisors' approval is not required unless the actual funding received differs significantly from the projected funding listed in the budget. For any grant that does not meet all of the specified criteria, the agency must obtain Board of Supervisors' approval in order to apply for or accept the grant award.

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

Information Technology

The following ten strategic directions are fundamental principles upon which Fairfax County will base its Information Technology (IT) decisions in the upcoming years. These are intended to serve as guidelines to assist County managers in applying information technology to achieve business goals.

Ten Fundamental Principles of Information Technology

In addition to the Department of Information Technology's Mission and Goals, Fairfax County Information Technology (IT) projects and processes are guided by ten fundamental principles approved by the Board of Supervisors in 1996, and updated in 2003.

1. Our ultimate goal is to provide citizens, the business community, and County employees with timely, convenient access to appropriate information and services through the use of technology.

2. Business needs drive information technology solutions. Strategic partnerships will be established between the stakeholders and County so that the benefits of IT are leveraged to maximize the productivity of County employees and improve customer services.

3. Evaluate business processes for redesign opportunities before automating them. Use new technologies to make new business methods a reality. Exploit functional commonality across organizational boundaries.

4. Manage Information Technology as an investment.
   - Annually allocate funds sufficient to cover depreciation to replace systems and equipment before life-cycle end. Address project and infrastructure requirements through a multi-year planning and funding strategy.
   - Manage use of funds at the macro level in a manner that provides for optimal spending across the investment portfolio aligned to actualized project progress.
   - Look for cost-effective approaches to improving "legacy systems". Designate systems as "classic" and plan their modernization. This approach will help extend investments and system utility
   - Invest in education and training to ensure the technical staffs in central IT and user agencies understand and can apply current and future technologies.

5. Implement contemporary, but proven, technologies. Fairfax County will stay abreast of emerging trends through an ongoing program of technology evaluation. New technologies often will be introduced through pilot projects where both the automation and its business benefits and costs can be evaluated prior to any full-scale adoption.

6. Hardware and software shall adhere to open (vendor-independent) standards and minimize proprietary solutions. This approach will promote flexibility, inter-operability, cost effectiveness, and mitigate the risk of dependence on individual vendors.

7. Provide a solid technology infrastructure as the fundamental building block of the County's IT architecture to support reliability, performance and security of the County's information assets. Manage and maintain the enterprise network as an essential communications channel connecting people to information and process via contemporary server platforms and workstations. It will provide access for both internal and external connectivity; will be flexible, expandable, and maintainable; be fully integrated using open standards and capable of providing for the unimpeded movement of data, graphics, image, video, and voice.

Ten Fundamental Principles of Information Technology

8. Approach IT undertakings as a partnership of central management and agencies providing for a combination of centralized and distributed implementation. Combine the responsibility and knowledge of central management, agency staff, as well as outside contract support, within a consistent framework of County IT architecture and standards. Establish strategic cooperative arrangements with public and private enterprises to extend limited resources.

9. Consider the purchase and integration of top quality, commercial-off-the-shelf (COTS) software requiring minimal customization as the first choice to speed the delivery of new business applications. This may require redesigning some existing work processes to be compatible with beneficial common practice capabilities inherent in many off-the-shelf software packages, and, achieves business goals. In consideration of this, it is recognized that certain County agencies operate under business practices that have in established in response to specific local interpretations and constraints and that in these instances, the institutionalization of these business practices may make the acquisition of COTS software not feasible. Develop applications using modern, efficient methods and laborsaving tools in a collaborative application development environment following the architectural framework and standards. An information architecture supported by a repository for common information objects (e.g., databases, files, records, methods, application inventories); repeatable processes and infrastructures will be created, shared and reused.

10. Capture data once in order to avoid cost, duplication of effort and potential for error and share the data whenever possible. Establish and use common data and common databases to the fullest extent. A data administration function will be responsible for establishing and enforcing data policy, data sharing and access, data standardization, data quality, identification and consistent use of key corporate identifiers.

Financial Management Tools and Planning Documents

This section is intended to provide a brief description of some of the financial management tools and long-range planning documents used by the County.

Budget

The primary financial management tool used by the County is the annual budget process. This involves a comprehensive examination of all expenditure and revenue programs of the County, complete with public hearings and approval by the Board of Supervisors.

Capital Improvement Program (CIP)

The Board of Supervisors annually considers and adopts a five-year Capital Improvement Program (CIP) which supports and implements the Comprehensive Plan. The CIP includes five years of project planning and forecasts project requirements for an additional five-year period. The CIP helps to balance the need for public facilities identified by the Comprehensive Plan with the County’s fiscal resources and serves as a planning guide for the construction of general County facilities, schools, and public utilities. The CIP process provides a framework for development of reliable capital expenditure and revenue estimates, as well as the timely scheduling of bond referenda.

The CIP is an integral element of the County's budgeting process. The Capital Budget is the foundation for the first year of the adopted five-year CIP. The remaining four years in the CIP serve as a general planning guide. Future planning requirements five years beyond the CIP period are also included. The CIP is supported largely through long-term borrowing, which is budgeted annually in the debt service fund or from General Fund revenues on a pay-as-you-go basis.

The Board of Supervisors has approved Principles of Sound Capital Improvement Planning and Criteria for Recommending Capital Projects which are applied every year in the development of the CIP. The principles establish the County's Comprehensive Plan as the basis for capital planning requirements and emphasize the principle of life-cycle planning for capital facilities. The CIP is an integral part of the annual budget plan and is included on the County's website.

In October 2005, Fairfax County adopted revised guidelines for review of unsolicited Public Private Educational Facilities and Infrastructure Act (PPEA) proposals. In FY 2008, project screening criteria as presented in the CIP was approved for determining when an unsolicited PPEA project should be pursued or rejected. It is anticipated that other refinements, including any required legislative updates to the PPEA evaluation and review process will be developed and presented to the Board of Supervisors as needed. As of January 28, 2008, the County will only pursue an unsolicited PPEA project if, based on minimal analysis; the project offers a significant contribution to near term CIP goals, it offers significant savings to the General Fund or a significant positive effect on our debt capacity.

Revenue Forecast

Revenue estimates are monitored on a monthly basis to identify any potential trends that would significantly impact the revenue sources. A Revenue Task Force meets regularly to review current construction trends, the number of authorized building permits, housing sales, mortgage rates, and other economic data which impact Real Estate Tax revenue collections. In addition, the Revenue Task Force uses statistical models to estimate such revenue categories as: the Personal Property Tax; Local Sales Tax; Business, Professional, and Occupational License Tax; Consumer Utility Tax; and Recordation Tax.

Financial Forecast

A forecast of General Fund receipts and disbursements is developed as part of each year's budget process and is updated periodically. Individual and aggregate revenue categories, as well as expenditures, are projected by revenue and/or expenditure type. Historical growth rates, economic assumptions and County expenditure priorities are all used in developing the forecast. This tool is used as a planning document for developing the budget guidelines and for evaluating the future impact of current year decisions.

Fiscal Impact Review

It is County policy that all items having potential fiscal impact be presented to the Board of Supervisors for review. Effective management dictates that the Board of Supervisors and County citizens be presented with the direct and indirect costs of all items as part of the decision making process. In addition to its preliminary review of items presented to the Board of Supervisors, County staff also review state and federal legislative items which might result in a fiscal or policy impact on the County.

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FY 2017
Adopted Budget Plan

Financial, Statistical and Summary Tables

Explanation of Schedules

General Fund Statement

General Fund Statement

Presents information for Fund 10001, General Fund. The General Fund Statement includes the beginning and ending balances, total available resources and total disbursements, including revenues, transfers in from other funds, expenditures and transfers out to other funds and reserves.

General Fund Direct Expenditures

Provides expenditure information, organized by Program Area and agency, with totals included for each Program Area and for the entire General Fund.

Summary of Appropriated Funds

Summary of Appropriated Funds by Fund Type

Includes Budget Year Summary of Beginning Balance, Revenues by Category, Summary of Transfers In, Expenditures by Program Area, and Summary of Transfers Out for all Appropriated Funds.

Revenue and Receipts by Fund - Summary of Appropriated Funds

Includes revenues for all appropriated funds, organized by the three major fund groups - Governmental, Proprietary and Fiduciary funds.

Expenditures by Fund - Summary of Appropriated Funds

Includes expenditures for all appropriated funds, organized by the three major fund groups - Governmental, Proprietary and Fiduciary funds.

Changes in Fund Balance - Summary of Appropriated Funds

Includes changes in fund balance for all appropriated funds by the three major fund groups - Governmental, Proprietary and Fiduciary funds.

Tax Rates and Assessed Valuation

Summary of County Tax Rates

Presents historical and current fiscal year tax rates for Real Estate, Personal Property, Sewage, Refuse Collection and Disposal, Consumer Utilities, E-911 Fees, and special taxing districts.

Assessed Valuation, Tax Rates, Levies and Collections

Details the assessed valuation and levy of taxable Real Estate and Personal Property, reports actual and estimated collections and reflects the percentage of the total levy collected.

Summary of Revenues

General Fund Revenues
Details General Fund revenues by each source, subtotaled by category, for the prior, current and upcoming fiscal year.

Revenue from the Commonwealth
Summarizes revenues from the Commonwealth of Virginia by fund for the prior, current and upcoming fiscal year.

Revenue from the Federal Government
Summarizes revenues from the Federal government by fund for the prior, current and upcoming fiscal year.

Other Expenditure Schedules

County Funded Programs for School-Related Services
Summarizes all Fairfax County contributions to school-related programs. Congregating the General Fund transfer to the Schools, school debt service, and the numerous school-related programs funded in County agency budgets, reflects a more complete picture of how much the County spends on its schools on an annual basis. Provides additional expenditure data on County-funded programs for youth services (non-school related youth programs) and County-administered programs for school-related services, including programs for which the County has administrative oversight, but not sole funding responsibility.

Services for Older Adults
Summarizes contributions to services for seniors in General Fund and General Fund Supported agencies.

FY 2017 ADOPTED FUND STATEMENT
FUND 10001, GENERAL FUND

	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2015 Carryover	FY 2016 Third Quarter	Other Actions July-June	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Inc/(Dec) Over Revised	% Inc/(Dec) Over Revised
Beginning Balance	$156,391,257	$75,915,037	$86,922,493	$0	$2,078,693	$164,916,223	$84,943,436	$88,589,636	($76,326,587)	(46.28%)
Revenue [1]										
Real Property Taxes	$2,357,117,530	$2,434,215,819	$0	$0	$0	$2,434,215,819	$2,600,366,481	$2,600,366,481	$166,150,662	6.83%
Personal Property Taxes [2]	370,292,221	369,389,423	0	0	6,808,154	376,197,577	383,274,181	383,274,181	7,076,604	1.88%
General Other Local Taxes	506,567,278	495,137,332	0	0	9,172,432	504,309,764	510,976,755	510,976,755	6,666,991	1.32%
Permit, Fees & Regulatory Licenses	45,545,990	45,572,818	0	0	976,541	46,549,359	47,384,162	47,384,162	834,803	1.79%
Fines & Forfeitures	13,115,761	13,348,086	0	0	(905,077)	12,443,009	12,443,009	12,443,009	0	0.00%
Revenue from Use of Money & Property	15,118,488	21,003,774	0	0	112,417	21,116,191	22,582,955	22,582,955	1,466,764	6.95%
Charges for Services	72,911,452	74,616,185	1,227,389	0	(905,580)	74,937,994	76,031,208	76,031,208	1,093,214	1.46%
Revenue from the Commonwealth [2]	300,717,720	309,599,935	13,520	(234,500)	(1,156,187)	308,222,768	308,650,318	309,930,318	1,707,550	0.55%
Revenue from the Federal Government	36,351,177	29,289,909	805,093	177,221	0	30,272,223	29,979,502	31,501,656	1,229,433	4.06%
Recovered Costs/Other Revenue	20,126,106	18,334,374	10,000	8,794	(1,639,839)	16,713,329	16,425,616	16,471,349	(241,980)	(1.45%)
Total Revenue	$3,737,863,723	$3,810,507,655	$2,056,002	($48,485)	$12,462,861	$3,824,978,033	$4,008,114,187	$4,010,962,074	$185,984,041	4.86%
Transfers In										
Fund 40030 Cable Communications	$3,148,516	$3,532,217	$0	$0	$0	$3,532,217	$3,869,872	$3,869,872	$337,655	9.56%
Fund 40040 Fairfax-Falls Church Community Services Board	4,000,000	0	0	0	0	0	0	0	0	-
Fund 40080 Integrated Pest Management	138,000	141,000	0	0	0	141,000	141,000	141,000	0	0.00%
Fund 40100 Stormwater Services	1,000,000	1,125,000	0	0	0	1,125,000	1,125,000	1,125,000	0	0.00%
Fund 40140 Refuse Collection and Recycling Operations	535,000	548,000	0	0	0	548,000	548,000	548,000	0	0.00%
Fund 40150 Refuse Disposal	535,000	577,000	0	0	0	577,000	577,000	577,000	0	0.00%
Fund 40160 Energy Resource Recovery (ERR) Facility	42,000	49,000	0	0	0	49,000	49,000	49,000	0	0.00%
Fund 40170 I-95 Refuse Disposal	175,000	186,000	0	0	0	186,000	186,000	186,000	0	0.00%
Fund 69010 Sewer Operation and Maintenance	1,800,000	2,850,000	0	0	0	2,850,000	2,850,000	2,850,000	0	0.00%
Fund 80000 Park Revenue	775,000	820,000	0	0	0	820,000	820,000	820,000	0	0.00%
Total Transfers In	$12,148,516	$9,828,217	$0	$0	$0	$9,828,217	$10,165,872	$10,165,872	$337,655	3.44%
Total Available	$3,906,403,496	$3,896,250,909	$88,978,495	($48,485)	$14,541,554	$3,999,722,473	$4,103,223,495	$4,109,717,582	$109,995,109	2.75%
Direct Expenditures										
Personnel Services	$734,577,718	$773,546,456	$1,873,644	$2,887,167	($5,067,100)	$773,240,167	$805,471,026	$808,169,412	$34,929,245	4.52%
Operating Expenses	338,563,398	342,454,643	35,150,998	1,181,838	3,658,981	382,446,460	351,019,493	345,803,713	(36,642,747)	(9.58%)
Recovered Costs	(42,467,566)	(44,489,319)	0	0	185,000	(44,304,319)	(35,130,994)	(35,130,994)	9,173,325	(20.71%)
Capital Equipment	2,128,669	126,017	1,194,976	0	1,223,119	2,544,112	632,645	860,822	(1,683,290)	(66.16%)
Fringe Benefits	307,188,662	338,338,526	405,174	1,516,510	0	340,260,210	355,880,829	354,853,322	14,593,112	4.29%
Total Direct Expenditures	$1,339,990,881	$1,409,976,323	$38,624,792	$5,585,515	$0	$1,454,186,630	$1,477,872,999	$1,474,556,275	$20,369,645	1.40%
Transfers Out										
Fund S10000 School Operating	$1,768,498,393	$1,825,153,345	$0	$0	$0	$1,825,153,345	$1,879,907,945	$1,913,518,902	$88,365,557	4.84%
Fund S31000 School Construction	0	0	13,100,000	0	0	13,100,000	13,100,000	13,100,000	0	0.00%
Fund 10010 Revenue Stabilization [3]	10,345,428	536,848	10,290,120	4,554,834	0	15,381,802	9,392,382	10,711,034	(4,670,768)	(30.37%)
Fund 10020 Community Funding Pool	10,611,143	10,611,143		0	0	10,611,143	11,141,700	11,141,700	530,557	5.00%
Fund 10030 Contributory Fund	15,020,884	12,894,637	2,000,000	0	0	14,894,637	13,158,773	13,158,773	(1,735,864)	(11.65%)
Fund 10040 Information Technology	11,251,260	2,700,000	0	0	0	2,700,000	4,770,240	4,770,240	2,070,240	76.68%
Fund 20000 County Debt Service	133,742,157	127,793,296	0	0	0	127,793,296	136,752,654	136,752,654	8,959,358	7.01%
Fund 20001 School Debt Service	177,141,176	187,157,477	0	0	0	187,157,477	189,870,099	189,870,099	2,712,622	1.45%
Fund 30000 Metro Operations and Construction	11,298,296	11,298,296	0	0	0	11,298,296	13,557,955	13,557,955	2,259,659	20.00%

FY 2017 ADOPTED FUND STATEMENT
FUND 10001, GENERAL FUND

	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2015 Carryover	FY 2016 Third Quarter	Other Actions July-June	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Inc/(Dec) Over Revised	% Inc/(Dec) Over Revised
Transfers Out (continued)										
Fund 30010 General Construction and Contributions	26,082,606	19,041,768	2,900,000	6,620,000	0	28,561,768	23,353,427	17,733,427	(10,828,341)	(37.91%)
Fund 30020 Infrastructure Replacement and Upgrades	5,550,000	2,700,000	7,061,805	3,591,551	0	13,353,356	5,000,000	1,408,449	(11,944,907)	(89.45%)
Fund 30060 Pedestrian Walkway Improvements	300,000	300,000	0	0	0	300,000	400,000	400,000	100,000	33.33%
Fund 30070 Public Safety Construction	5,750,000	0	0	100,000	0	100,000	100,000	0	(100,000)	(100.00%)
Fund 40000 County Transit Systems	34,547,739	34,547,739	0	(1,140,000)	0	33,407,739	34,929,649	34,929,649	1,521,910	4.56%
Fund 40040 Community Services Board	112,186,215	115,488,498	800,000	(45,000)	0	116,243,498	122,885,940	124,877,551	8,634,053	7.43%
Fund 40090 E-911	0	0	0	0	0	0	0	0	0	-
Fund 40330 Elderly Housing Programs	1,869,683	1,896,649	0	0	0	1,896,649	1,923,159	1,923,159	26,510	1.40%
Fund 50000 Federal/State Grants	5,208,464	5,408,464	0	0	0	5,408,464	5,480,836	5,480,836	72,372	1.34%
Fund 60000 County Insurance	40,267,550	23,278,826	0	2,541,000	0	25,819,826	24,162,115	24,162,115	(1,657,711)	(6.42%)
Fund 60020 Document Services Division	2,398,233	2,278,233	0	0	0	2,278,233	3,941,831	3,941,831	1,663,598	73.02%
Fund 60040 Health Benefits	1,000,000	0	0	0	0	0	0	0	0	-
Fund 73030 OPEB Trust	28,000,000	26,000,000	0	(5,000,000)	0	21,000,000	16,000,000	16,000,000	(5,000,000)	(23.81%)
Fund 83000 Alcohol Safety Action Program	427,165	486,678	0	0	0	486,678	545,171	545,171	58,493	12.02%
Total Transfers Out	$2,401,496,392	$2,409,571,897	$36,151,925	$11,222,385	$0	$2,456,946,207	$2,510,373,876	$2,537,983,545	$81,037,338	3.30%
Total Disbursements	$3,741,487,273	$3,819,548,220	$74,776,717	$16,807,900	$0	$3,911,132,837	$3,988,246,875	$4,012,539,820	$101,406,983	2.59%
Total Ending Balance	$164,916,223	$76,702,689	$14,201,778	($16,856,385)	$14,541,554	$88,589,636	$114,976,620	$97,177,762	$8,588,126	9.69%
Less:										
Managed Reserve [4]	$75,915,037	$76,702,689	$8,240,747	$3,646,200		$88,589,636	$92,450,526	$97,177,762	$8,588,126	9.69%
Reserve for Potential FY 2016 One-Time Requirements [5]			5,961,031	(5,961,031)					0	-
FY 2015 Audit Adjustments [6]				(2,078,693)	2,078,693				0	-
FY 2016 Mid-Year Revenue Adjustments [1]				(12,462,861)	12,462,861				0	-
Reserve for Board Adjustments [7]							22,526,094		0	-
Total Available	$89,001,186	$0	$0	$0	$0	$0	$0	$0	$0	-

[1] *FY 2016 Revised Budget Plan* revenues reflect a net increase of $12,462,861 based on revised revenue estimates as of fall 2015. These changes are shown in the "Other Actions July-June column. This amount was utilized as part of the *FY 2016 Third Quarter Review*.

[2] Personal Property Taxes of $211,313,944 that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Revenue from the Commonwealth category in accordance with guidelines from the State Auditor of Public Accounts.

[3] Target funding for the Revenue Stabilization Fund is 5.00 percent of total General Fund disbursements, consistent with the County's *Ten Principles of Sound Financial Management* as updated by the Board of Supervisors on April 21, 2015. As a result of reserve adjustments included in the FY 2017 Adopted Budget Plan, the FY 2017 projected balance in the Revenue Stabilization Fund is $166.48 million, or 4.15 percent of total General Fund disbursements.

[4] Target funding for the Managed Reserve is 4.00 percent of total General Fund disbursements, consistent with the County's *Ten Principles of Sound Financial Management* as updated by the Board of Supervisors on April 21, 2015. As a result of reserve adjustments included in the FY 2017 Adopted Budget Plan, the FY 2017 projected balance in the Managed Reserve is $97.18 million, or 2.42 percent of total General Fund disbursements.

[5] As part of the *FY 2015 Carryover Review*, an amount of $5,961,031 was set aside in reserve to address potential FY 2016 one-time requirements. This one-time funding was utilized as part of the *FY 2016 Third Quarter Review*.

[6] As a result of FY 2015 audit adjustments, an amount of $2,078,693 was available to be held in reserve in FY 2016. This one-time funding was utilized as part of the *FY 2016 Third Quarter Review*.

[7] As part of the FY 2017 Advertised Budget Plan, an amount of $22,526,094 was available for the consideration of the Board of Supervisors during their deliberations on the FY 2017 budget. This funding, along with additional funding identified during the mark-up process, is transferred to Fund S10000, School Operating, as part of the FY 2017 Adopted Budget Plan.

FY 2017 ADOPTED SUMMARY GENERAL FUND DIRECT EXPENDITURES

#	Agency Title	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2015 Carryover	FY 2016 Third Quarter	Other Actions July - June	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Inc/(Dec) Over Revised	% Inc/(Dec) Over Revised
	Legislative-Executive Functions / Central Services										
01	Board of Supervisors	$4,701,988	$5,588,122	$1,743	($2,183)	$0	$5,587,682	$5,848,161	$5,848,161	$260,479	4.66%
02	Office of the County Executive	5,868,895	6,548,294	30,802	(25,933)	0	6,553,163	6,718,712	6,718,712	165,549	2.53%
04	Department of Cable and Consumer Services	834,766	956,395	43,365	0	0	999,760	0	0	(999,760)	(100.00%)
06	Department of Finance	7,407,181	8,268,986	885,881	(19,161)	0	9,135,706	8,476,753	8,476,753	(658,953)	(7.21%)
11	Department of Human Resources	7,215,555	7,306,424	97,737	0	0	7,404,161	7,476,553	7,476,553	72,392	0.98%
12	Department of Procurement and Material Management	4,354,735	4,643,774	303,301	(8,350)	0	4,938,725	4,739,981	4,739,981	(198,744)	(4.02%)
13	Office of Public Affairs	1,146,688	1,226,162	66,311	0	0	1,292,473	1,271,906	1,271,906	(20,567)	(1.59%)
15	Office of Elections	3,493,964	4,032,359	572,542	1,000,000	0	5,604,901	5,098,565	4,098,565	(1,506,336)	(26.88%)
17	Office of the County Attorney	6,538,964	6,714,266	1,287,715	0	0	8,001,981	7,212,543	7,212,543	(789,438)	(9.87%)
20	Department of Management and Budget	4,424,741	4,539,311	27,995	(21,750)	0	4,545,556	4,528,121	4,528,121	(17,435)	(0.38%)
37	Office of the Financial and Program Auditor	230,864	367,963	0	(1,679)	0	366,284	378,512	378,512	12,228	3.34%
41	Civil Service Commission	370,213	429,088	1,747	0	0	430,835	439,953	439,953	9,118	2.12%
57	Department of Tax Administration	23,087,505	23,619,724	99,129	0	0	23,718,853	24,209,865	24,209,865	491,012	2.07%
70	Department of Information Technology	33,198,737	31,288,662	1,425,165	0	0	32,713,827	32,622,609	32,622,609	(91,218)	(0.28%)
	Total Legislative-Executive Functions / Central Services	$102,874,796	$105,529,530	$4,843,433	$920,944	$0	$111,293,907	$109,022,234	$108,022,234	($3,271,673)	(2.94%)
	Judicial Administration										
80	Circuit Court and Records	$10,570,642	$10,837,645	$38,586	$0	$0	$10,876,231	$11,137,339	$11,137,339	$261,108	2.40%
82	Office of the Commonwealth's Attorney	3,376,105	3,718,255	17,860	0	0	3,736,115	3,845,240	3,845,240	109,125	2.92%
85	General District Court	2,098,003	2,370,845	191,182	(7,359)	0	2,554,668	2,421,762	3,783,472	1,228,804	48.10%
91	Office of the Sheriff	20,079,843	18,583,128	600,486	(90,000)	27,000	19,120,614	19,029,350	19,029,350	(91,264)	(0.48%)
	Total Judicial Administration	$36,124,593	$35,509,873	$848,114	($97,359)	$27,000	$36,287,628	$36,433,691	$37,795,401	$1,507,773	4.16%
	Public Safety										
04	Department of Cable and Consumer Services	$756,869	$698,177	$0	$0	$0	$698,177	$808,305	$808,305	$110,128	15.77%
31	Land Development Services	9,818,170	10,104,746	57,296	100,000	0	10,262,042	10,353,488	10,353,488	91,446	0.89%
81	Juvenile and Domestic Relations District Court	21,957,740	22,589,661	400,682	(175,000)	0	22,815,343	22,605,899	22,802,735	(12,608)	(0.06%)
90	Police Department	178,721,676	180,792,263	4,522,600	300,000	0	185,614,863	189,252,555	189,745,479	4,130,616	2.23%
91	Office of the Sheriff	41,671,629	46,196,681	1,010,351	(150,000)	(27,000)	47,030,032	47,435,363	47,842,043	812,011	1.73%
92	Fire and Rescue Department	182,769,246	186,829,813	5,127,130	716,000	0	192,672,943	196,468,261	196,655,196	3,982,253	2.07%
93	Office of Emergency Management	1,877,335	1,836,708	548,857	(6,548)	0	2,379,017	1,872,473	1,872,473	(506,544)	(21.29%)
97	Department of Code Compliance	3,943,145	4,225,341	4,307	0	0	4,229,648	4,339,241	4,339,241	109,593	2.59%
	Total Public Safety	$441,515,810	$453,273,390	$11,671,223	$784,452	($27,000)	$465,702,065	$473,135,585	$474,418,960	$8,716,895	1.87%
	Public Works										
08	Facilities Management Department	$52,395,116	$54,523,321	$2,639,164	($45,000)	$0	$57,117,485	$57,393,164	$57,393,164	$275,679	0.48%
25	Business Planning and Support	903,588	1,205,527	11,400	(9,629)	0	1,207,298	1,258,884	1,258,884	51,586	4.27%
26	Office of Capital Facilities	13,150,051	13,475,164	274,133	100,000	0	13,849,297	14,033,088	14,033,088	183,791	1.33%
87	Unclassified Administrative Expenses	3,233,528	3,391,562	293,036	1,600,000	0	5,284,598	3,665,562	3,665,562	(1,619,036)	(30.64%)
	Total Public Works	$69,682,283	$72,595,574	$3,217,733	$1,645,371	$0	$77,458,678	$76,350,698	$76,350,698	($1,107,980)	(1.43%)

FY 2017 ADOPTED SUMMARY GENERAL FUND DIRECT EXPENDITURES

# Agency Title	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2015 Carryover	FY 2016 Third Quarter	Other Actions July - June	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Inc/(Dec) Over Revised	% Inc/(Dec) Over Revised
Health and Welfare										
67 Department of Family Services	$183,351,821	$195,671,254	$4,294,967	($194,451)	$0	$199,771,770	$200,960,146	$202,003,003	$2,231,233	1.12%
68 Department of Administration for Human Services	12,368,239	12,995,921	95,361	0	0	13,091,282	13,490,180	13,490,180	398,898	3.05%
71 Health Department	51,873,700	55,083,029	3,768,187	(96,384)	0	58,754,832	58,507,785	58,526,590	(228,242)	(0.39%)
73 Office to Prevent and End Homelessness	10,914,595	12,141,549	1,297,482	0	0	13,439,031	12,971,017	12,971,017	(468,014)	(3.48%)
79 Department of Neighborhood and Community Services	27,765,259	28,096,455	613,882	0	0	28,710,337	29,546,148	29,635,648	925,311	3.22%
Total Health and Welfare	$286,273,614	$303,988,208	$10,069,879	($290,835)	$0	$313,767,252	$315,475,276	$316,626,438	$2,859,186	0.91%
Parks and Libraries										
51 Fairfax County Park Authority	$23,085,651	$23,440,278	$510,675	($106,000)	$0	$23,844,953	$24,135,401	$24,142,901	$297,948	1.25%
52 Fairfax County Public Library	26,849,179	27,669,124	2,629,442	(107,737)	0	30,190,829	27,908,287	27,908,287	(2,282,542)	(7.56%)
Total Parks and Libraries	$49,934,830	$51,109,402	$3,140,117	($213,737)	$0	$54,035,782	$52,043,688	$52,051,188	($1,984,594)	(3.67%)
Community Development										
16 Economic Development Authority	$7,335,920	$7,463,150	$0	$0	$0	$7,463,150	$7,570,640	$7,570,640	$107,490	1.44%
31 Land Development Services	12,662,071	14,909,179	1,621,935	(45,000)	0	16,486,114	15,255,591	15,255,591	(1,230,523)	(7.46%)
35 Department of Planning and Zoning	9,896,563	10,670,696	1,079,832	200,000	0	11,950,528	10,973,643	10,973,643	(976,885)	(8.17%)
36 Planning Commission	633,700	754,387	200	0	0	754,587	820,729	820,729	66,142	8.77%
38 Department of Housing and Community Development	5,799,580	6,255,389	102,729	(27,752)	0	6,330,366	6,366,067	6,366,067	35,701	0.56%
39 Office of Human Rights and Equity Programs	1,382,453	1,534,778	7,091	(7,079)	0	1,534,790	1,527,648	1,527,648	(7,142)	(0.47%)
40 Department of Transportation	7,538,750	7,856,391	1,153,236	0	0	9,009,627	8,128,830	8,128,830	(880,797)	(9.78%)
Total Community Development	$45,249,037	$49,443,970	$3,965,023	$120,169	$0	$53,529,162	$50,643,148	$50,643,148	($2,886,014)	(5.39%)
Nondepartmental										
87 Unclassified Administrative Expenses	$2,000	($1,200,000)	$1,925	$1,200,000	$0	$1,925	$7,500,000	$2,407,036	$2,405,111	124940.83%
89 Employee Benefits	308,333,918	339,726,376	867,345	1,516,510	0	342,110,231	357,268,679	356,241,172	14,130,941	4.13%
Total Nondepartmental	$308,335,918	$338,526,376	$869,270	$2,716,510	$0	$342,112,156	$364,768,679	$358,648,208	$16,536,052	4.83%
Total General Fund Direct Expenditures	$1,339,990,881	$1,409,976,323	$38,624,792	$5,585,515	$0	$1,454,186,630	$1,477,872,999	$1,474,556,275	$20,369,645	1.40%

FY 2017 ADOPTED SUMMARY OF APPROPRIATED FUNDS BY FUND TYPE

	General Fund Group	Debt Service Funds	Capital Project Funds	Special Revenue Funds [1]	Internal Service Funds [2,3]	Enterprise Funds [4]	Agency Funds	Trust Funds	Total by Category
Beginning Fund Balance	$230,337,547	$0	$1,058,045	$324,819,739	$174,133,068	$114,969,056	$0	$9,499,980,344	$10,345,297,799
Revenues									
Real Property Taxes	$2,600,366,481	$0	$11,700,000	$175,873,056	$0	$0	$5,531,544	$0	$2,793,471,081
Personal Property Taxes [5]	594,588,125	0	0	0	0	0	0	0	594,588,125
General Other Local Taxes	510,976,755	0	0	42,012,354	0	0	10,402,824	0	563,391,933
Permits, Fees & Regulatory	47,384,162	0	0	25,948,901	0	0	0	0	73,333,063
Fines & Forfeitures	12,443,009	0	0	16,325	0	0	0	0	12,459,334
Revenue from the Use of Money and Property	23,626,715	0	0	6,117,296	13,149,511	779,000	1,000,000	774,048,785	818,721,307
Charges for Services	76,031,208	0	1,475,000	173,894,997	55,768	223,343,112	0	0	474,800,085
Revenue from the Commonwealth [5]	98,616,374	0	0	717,223,441	0	0	0	0	815,839,815
Revenue from the Federal Government	31,501,656	2,100,000	0	192,356,066	0	0	0	1,000,000	226,957,722
Sale of Bonds	0	0	188,000,000	0	0	110,000,000	0	0	298,000,000
Other Revenue	16,471,349	580,000	1,647,455	82,753,536	704,950,681	350,000	0	478,341,839	1,285,094,860
Total Revenue	$4,012,005,834	$2,680,000	$202,822,455	$1,416,195,972	$718,155,960	$334,472,112	$16,934,368	$1,253,390,624	$7,956,657,325
Transfers In	$65,023,852	$330,918,777	$53,438,466	$2,137,720,923	$31,649,337	$225,100,000	$0	$16,000,000	$2,859,851,355
Total Available	$4,307,367,233	$333,598,777	$257,318,966	$3,878,736,634	$923,938,365	$674,541,168	$16,934,368	$10,769,370,968	$21,161,806,479
Expenditures by Category									
Legislative-Executive/Central Services	$117,138,712	$0	$0	$0	$0	$0	$0	$0	$117,138,712
Education	$0	0	175,955,030	2,783,059,319	452,333,708	0	0	226,166,125	3,637,514,182
Judicial Administration	$37,795,401	0	0	761,873	0	0	0	0	38,557,274
Public Safety	$474,428,537	0	0	80,958,654	0	0	0	0	555,387,191
Public Works	$76,350,698	0	0	167,121,190	0	328,070,120	0	0	571,542,008
Health and Welfare	$330,971,566	0	0	223,741,388	0	0	0	0	554,712,954
Parks and Libraries	$55,759,274	0	0	17,487,696	0	0	0	0	73,246,970
Community Development	$54,511,406	0	53,303,839	223,505,087	0	0	16,934,368	0	348,254,700
Capital Improvements	$0	0	24,116,876	0	0	0	0	0	24,116,876
Debt Service	$0	320,522,544	0	0	0	0	0	0	320,522,544
Non-Departmental	$358,740,865	0	0	5,075,000	348,578,881	0	0	518,273,017	1,230,667,763
Total Expenditures	$1,505,696,459	$320,522,544	$253,375,745	$3,501,710,207	$800,912,589	$328,070,120	$16,934,368	$744,439,142	$7,471,661,174
Transfers Out	$2,537,983,545	$13,076,233	$2,885,176	$76,852,273	$0	$227,950,000	$0	$0	$2,858,747,227
Total Disbursements	$4,043,680,004	$333,598,777	$256,260,921	$3,578,562,480	$800,912,589	$556,020,120	$16,934,368	$744,439,142	$10,330,408,401
Ending Fund Balance	$263,687,229	$0	$1,058,045	$300,174,154	$123,025,776	$118,521,048	$0	$10,024,931,826	$10,831,398,078

[1] Not reflected are the following adjustments to balance in FY 2017:
Fund S40000, Public School Food and Nutrition Services, assumes carryover of General Reserve of $9,033,086.
Fund S50000, Public School Grants and Self-Supporting Programs, assumes carryover of reserves of $2,550,968.

[2] Not reflected are the following adjustments to balance in FY 2017:
Fund S60000, Public School Insurance Fund, assumes carryover of Allocated Reserve of $9,494,015.
Fund S62000, Public School Health and Flexible Benefits, assumes carryover of premium stabilization reserve of $38,576,888.

[3] For presentation purposes, all County Internal Service Funds expenditures are included in the Nondepartmental Category.

[4] Not reflected are the following adjustments to balance in FY 2017:
Fund 69020, Sewer Bond Parity Debt Service, does not reflect non-appropriated amortization expense of ($25,000).

[5] 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 2017 ADOPTED REVENUE AND RECEIPTS BY FUND
SUMMARY OF APPROPRIATED FUNDS

Fund	FY 2015 Actual [1]	FY 2016 Adopted Budget Plan [2]	FY 2016 Revised Budget Plan [3]	FY 2017 Advertised Budget Plan [4]	FY 2017 Adopted Budget Plan [5]	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
GOVERNMENTAL FUNDS							
General Fund Group							
10001 General Fund	$3,737,863,723	$3,810,507,655	$3,824,978,033	$4,008,114,187	$4,010,962,074	$185,984,041	4.86%
10010 Revenue Stabilization	220,227	650,000	650,000	1,000,000	1,000,000	350,000	53.85%
10030 Contributory Fund	0	0	1,000,000	0	0	(1,000,000)	(100.00%)
10040 Information Technology	1,562,745	43,760	290,760	43,760	43,760	(247,000)	(84.95%)
Total General Fund Group	$3,739,646,695	$3,811,201,415	$3,826,918,793	$4,009,157,947	$4,012,005,834	$185,087,041	4.84%
Debt Service Funds							
20000 Consolidated Debt Service	$4,073,734	$2,680,000	$2,680,000	$2,680,000	$2,680,000	$0	0.00%
Capital Project Funds							
30000 Metro Operations and Construction	$23,000,000	$24,100,000	$23,210,853	$30,000,000	$30,000,000	$6,789,147	29.25%
30010 General Construction and Contributions	20,113,994	4,300,000	26,757,852	4,700,000	4,575,000	(22,182,852)	(82.90%)
30020 Infrastructure Replacement and Upgrades	10,464,680	0	0	0	0	0	-
30030 Library Construction	0	0	25,000,000	0	0	(25,000,000)	(100.00%)
30040 Contributed Roadway Improvements	8,867,133	143,825	2,919,966	189,605	189,605	(2,730,361)	(93.51%)
30050 Transportation Improvements	15,000,000	0	134,244,500	0	0	(134,244,500)	(100.00%)
30060 Pedestrian Walkway Improvements	249,479	0	1,057,712	0	0	(1,057,712)	(100.00%)
30070 Public Safety Construction	20,000,000	0	220,547,200	0	0	(220,547,200)	(100.00%)
30080 Commercial Revitalization Program	515,275	0	984,514	0	0	(984,514)	(100.00%)
30090 Pro Rata Share Drainage Construction	2,499,065	0	2,620,900	0	0	(2,620,900)	(100.00%)
30300 The Penny for Affordable Housing Fund	16,758,446	16,033,900	16,033,900	12,251,850	12,251,850	(3,782,050)	(23.59%)
30310 Housing Assistance Program	0	0	0	0	0	0	-
30400 Park Authority Bond Construction	19,333,314	0	61,285,000	0	0	(61,285,000)	(100.00%)
S31000 Public School Construction	171,909,724	155,606,000	484,153,530	155,806,000	155,806,000	(328,347,530)	(67.82%)
Total Capital Project Funds	$308,711,110	$200,183,725	$998,815,927	$202,947,455	$202,822,455	($795,993,472)	(79.69%)
Special Revenue Funds							
40000 County Transit Systems	$28,430,397	$43,069,846	$33,204,367	$30,652,330	$30,652,330	($2,552,037)	(7.69%)
40010 County and Regional Transportation Projects	98,227,401	100,524,907	197,340,141	95,477,706	95,477,706	(101,862,435)	(51.62%)
40030 Cable Communications	25,404,480	25,168,468	25,168,468	25,863,861	25,863,861	695,393	2.76%
40040 Fairfax-Falls Church Community Services Board	36,032,546	38,018,747	36,549,258	36,449,287	36,449,287	(99,971)	(0.27%)
40050 Reston Community Center	8,053,608	8,277,427	8,277,427	8,330,240	8,330,240	52,813	0.64%
40060 McLean Community Center	5,346,818	5,393,142	5,393,142	5,737,291	5,737,291	344,149	6.38%
40070 Burgundy Village Community Center	52,405	56,809	56,809	63,377	63,377	6,568	11.56%
40080 Integrated Pest Management Program	2,169,810	2,265,850	2,265,850	2,334,421	2,334,421	68,571	3.03%
40090 E-911	45,019,259	45,880,122	45,880,122	46,772,354	46,772,354	892,232	1.94%
40100 Stormwater Services	53,534,680	56,500,000	85,642,858	64,075,000	64,075,000	(21,567,858)	(25.18%)
40110 Dulles Rail Phase I Transportation Improvement District	24,571,919	22,656,524	22,656,524	25,097,325	22,455,503	(201,021)	(0.89%)
40120 Dulles Rail Phase II Transportation Improvement District	15,277,681	15,248,201	15,248,201	15,814,410	15,814,410	566,209	3.71%
40125 Metrorail Parking System Pledged Revenues	20,616,004	0	6,167,200	5,967,000	5,967,000	(200,200)	(3.25%)
40130 Leaf Collection	2,258,491	2,312,567	2,312,567	2,316,831	2,316,831	4,264	0.18%
40140 Refuse Collection and Recycling Operations	19,069,451	19,014,131	19,014,131	18,762,653	18,762,653	(251,478)	(1.32%)
40150 Refuse Disposal	46,745,151	47,216,521	47,216,521	45,557,601	45,557,601	(1,658,920)	(3.51%)
40160 Energy Resource Recovery (ERR) Facility	27,268,275	25,958,161	25,958,161	19,716,811	19,716,811	(6,241,350)	(24.04%)
40170 I-95 Refuse Disposal	8,042,395	8,653,388	8,653,388	9,124,137	9,124,137	470,749	5.44%
40180 Tysons Service District	4,917,482	6,417,112	6,417,112	8,337,356	6,947,796	530,684	8.27%
40300 Housing Trust Fund	1,370,500	580,391	580,391	484,155	484,155	(96,236)	(16.58%)
40330 Elderly Housing Programs	1,593,514	1,672,540	1,672,540	1,657,744	1,657,744	(14,796)	(0.88%)
40360 Homeowner and Business Loan Programs	2,393,052	2,286,960	2,286,960	2,276,304	2,276,304	(10,656)	(0.47%)
50000 Federal/State Grants	94,806,116	103,629,862	212,920,057	103,833,552	103,833,552	(109,086,505)	(51.23%)
50800 Community Development Block Grant	4,977,348	5,128,616	10,062,594	4,873,926	4,873,926	(5,188,668)	(51.56%)

FY 2017 ADOPTED REVENUE AND RECEIPTS BY FUND
SUMMARY OF APPROPRIATED FUNDS

Fund	FY 2015 Actual [1]	FY 2016 Adopted Budget Plan [2]	FY 2016 Revised Budget Plan [3]	FY 2017 Advertised Budget Plan [4]	FY 2017 Adopted Budget Plan [5]	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Special Revenue Funds (Cont.)							
50810 HOME Investment Partnerships Program	$2,152,493	$1,580,878	$3,720,809	$1,431,830	$1,431,830	($2,288,979)	(61.52%)
S10000 Public School Operating	686,612,556	684,679,275	700,953,835	699,602,936	699,602,936	(1,350,899)	(0.19%)
S40000 Public School Food and Nutrition Services	74,328,574	79,363,202	74,800,480	81,120,244	81,120,244	6,319,764	8.45%
S43000 Public School Adult and Community Education	8,954,009	9,403,432	9,500,367	9,275,462	9,275,462	(224,905)	(2.37%)
S50000 Public School Grants and Self Supporting Programs	43,831,743	48,294,048	62,615,332	49,221,210	49,221,210	(13,394,122)	(21.39%)
Total Special Revenue Funds	$1,392,058,158	$1,409,251,127	$1,672,535,612	$1,420,227,354	$1,416,195,972	($256,339,640)	(15.33%)
TOTAL GOVERNMENTAL FUNDS	$5,444,489,697	$5,423,316,267	$6,500,950,332	$5,635,012,756	$5,633,704,261	($867,246,071)	(13.34%)
PROPRIETARY FUNDS							
Internal Service Funds							
60000 County Insurance	$712,743	$895,859	$720,859	$720,859	$720,859	$0	0.00%
60010 Department of Vehicle Services	78,833,653	81,446,125	72,311,776	78,656,220	78,656,220	6,344,444	8.77%
60020 Document Services	2,744,321	2,971,694	2,971,694	5,453,800	5,453,800	2,482,106	83.52%
60030 Technology Infrastructure Services	29,733,530	29,983,320	29,983,320	36,815,242	36,815,242	6,831,922	22.79%
60040 Health Benefits	167,147,076	181,009,936	181,009,936	192,247,034	192,247,034	11,237,098	6.21%
S60000 Public School Insurance	14,800,859	13,081,339	13,081,339	13,081,339	13,081,339	0	0.00%
S62000 Public School Health and Flexible Benefits	350,724,424	347,155,159	363,830,082	391,181,466	391,181,466	27,351,384	7.52%
S63000 Public School Central Procurement	5,339,881	0	0	0	0	0	-
Total Internal Service Funds	$650,036,487	$656,543,432	$663,909,006	$718,155,960	$718,155,960	$54,246,954	8.17%
Enterprise Funds							
69000 Sewer Revenue	$210,054,712	$222,332,902	$222,332,902	$224,472,112	$224,472,112	$2,139,210	0.96%
69030 Sewer Bond Debt Reserve	0	0	0	5,006,173	5,006,173	5,006,173	-
69310 Sewer Bond Construction	931,604	0	0	104,993,827	104,993,827	104,993,827	-
Total Enterprise Funds	$210,986,316	$222,332,902	$222,332,902	$334,472,112	$334,472,112	$112,139,210	50.44%
TOTAL PROPRIETARY FUNDS	$861,022,803	$878,876,334	$886,241,908	$1,052,628,072	$1,052,628,072	$166,386,164	18.77%
FIDUCIARY FUNDS							
Agency Funds							
70000 Route 28 Taxing District	$10,078,640	$11,045,828	$11,045,828	$11,402,824	$11,402,824	$356,996	3.23%
70040 Mosaic District Community Development Authority	3,882,012	4,529,965	4,529,965	5,531,544	5,531,544	1,001,579	22.11%
Total Agency Funds	$13,960,652	$15,575,793	$15,575,793	$16,934,368	$16,934,368	$1,358,575	8.72%
Trust Funds							
73000 Employees' Retirement Trust	$201,581,895	$466,934,125	$466,934,125	$488,648,836	$488,648,836	$21,714,711	4.65%
73010 Uniformed Employees Retirement Trust	99,192,608	190,515,360	190,515,360	199,347,751	199,347,751	8,832,391	4.64%
73020 Police Retirement Trust	91,224,966	145,925,150	145,925,150	152,606,055	152,606,055	6,680,905	4.58%
73030 OPEB Trust	18,079,565	4,526,866	8,876,866	2,544,836	2,544,836	(6,332,030)	(71.33%)
S71000 Educational Employees' Retirement	159,814,281	382,644,107	359,691,552	382,697,133	382,697,133	23,005,581	6.40%
S71100 Public School OPEB Trust	28,197,837	28,616,149	24,089,000	27,546,013	27,546,013	3,457,013	14.35%
Total Trust Funds	$598,091,152	$1,219,161,757	$1,196,032,053	$1,253,390,624	$1,253,390,624	$57,358,571	4.80%
TOTAL FIDUCIARY FUNDS	$612,051,804	$1,234,737,550	$1,211,607,846	$1,270,324,992	$1,270,324,992	$58,717,146	4.85%
TOTAL APPROPRIATED FUNDS	$6,917,564,304	$7,536,930,151	$8,598,800,086	$7,957,965,820	$7,956,657,325	($642,142,761)	(7.47%)
Appropriated From (Added to) Surplus	($13,886,179)	($469,101,329)	$590,019,174	($549,385,439)	($545,730,236)	($1,135,749,410)	(192.49%)
TOTAL AVAILABLE	$6,903,678,125	$7,067,828,822	$9,188,819,260	$7,408,580,381	$7,410,927,089	($1,777,892,171)	(19.35%)
Less: Internal Service Funds	($650,036,487)	($656,543,432)	($663,909,006)	($718,155,960)	($718,155,960)	($54,246,954)	8.17%
NET AVAILABLE	$6,253,641,638	$6,411,285,390	$8,524,910,254	$6,690,424,421	$6,692,771,129	($1,832,139,125)	(21.49%)

FY 2017 ADOPTED REVENUE AND RECEIPTS BY FUND
SUMMARY OF APPROPRIATED FUNDS

Fund	FY 2015 Actual [1]	FY 2016 Adopted Budget Plan [2]	FY 2016 Revised Budget Plan [3]	FY 2017 Advertised Budget Plan [4]	FY 2017 Adopted Budget Plan [5]	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised

EXPLANATORY NOTE:
The "Total Available" indicates the revenue in each fiscal year that is to be used to support expenditures. This amount is the total revenue adjusted by the amount of funding that is either appropriated from fund balance or added to fund balance. In some instances, adjustments to fund balance that are not currently reflected in the "Changes in Fund Balance" table also affect the "Total Available." Explanations for these adjustments are provided below. The "Total Available," plus (minus) the effect of these changes matches the expenditure totals by fiscal year of the "Expenditure by Fund/Summary of Appropriated Funds," net of any transfers between funds.

[1] Not reflected are the following adjustments to balance in FY 2015:
Fund 60000, County Insurance, net change in accrued liability of $2,541,000.
Fund 69020, Sewer Bond Parity Debt Service, does not reflect non-appropriated amortization expense of ($25,000).
Fund S40000, Public School Food and Nutrition Services, change in inventory of $43,063.
Fund S60000, Public School Insurance, net change in accrued liability of $1,525,307.

[2] Not reflected are the following adjustments to balance in FY 2016:
Fund 69020, Sewer Bond Parity Debt Service, does not reflect non-appropriated amortization expense of ($25,000).
Fund S10000, Public School Operating, does not reflect carryover of ($3,976,588) in Future Year Beginning Balance.
Fund S40000, Public School Food and Nutrition Services, assumes carryover of General Reserve of $9,074,225.
Fund S50000, Public School Grants and Self-Supporting Programs, assumes carryover of reserves of $2,550,968.
Fund S60000, Public School Insurance Fund, assumes carryover of Allocated Reserve of $9,446,932.
Fund S62000, Public School Health and Flexible Benefits, assumes carryover of premium stabilization reserve of $44,148,943.
Fund S63000, Public School Central Procurement, does not reflect carryover of ($310,989) as any remaining balances at year-end FY 2015 were moved to Fund S10000, Public School Operating.

[3] Not reflected are the following adjustments to balance in FY 2016:
Fund 69020, Sewer Bond Parity Debt Service, does not reflect non-appropriated amortization expense of ($25,000).
Fund S63000, Public School Central Procurement, does not reflect carryover of ($310,989) as any remaining balances at year-end FY 2015 were moved to Fund S10000, Public School Operating.

[4] Not reflected are the following adjustments to balance in FY 2017
Fund 10001, General Fund, does not reflect carryover of FY 2015 Audit Adjustment Reserve of ($2,078,693), Reserve for Potential FY 2016 One-Time Requirements of ($5,961,031), and FY 2016 Mid-Year Revenue Adjustment reserve of (12,462,861).
Fund 69020, Sewer Bond Parity Debt Service, does not reflect non-appropriated amortization expense of ($25,000).
Fund S40000, Public School Food and Nutrition Services, assumes carryover of General Reserve of $9,033,086.
Fund S50000, Public School Grants and Self-Supporting Programs, assumes carryover of reserves of $2,550,968.
Fund S60000, Public School Insurance Fund, assumes carryover of Allocated Reserve of $9,494,015.
Fund S62000, Public School Health and Flexible Benefits, assumes carryover of premium stabilization reserve of $38,576,888.

[5] Not reflected are the following adjustments to balance in FY 2017
Fund 69020, Sewer Bond Parity Debt Service, does not reflect non-appropriated amortization expense of ($25,000).
Fund S40000, Public School Food and Nutrition Services, assumes carryover of General Reserve of $9,033,086.
Fund S50000, Public School Grants and Self-Supporting Programs, assumes carryover of reserves of $2,550,968.
Fund S60000, Public School Insurance Fund, assumes carryover of Allocated Reserve of $9,494,015.
Fund S62000, Public School Health and Flexible Benefits, assumes carryover of premium stabilization reserve of $38,576,888.

FY 2017 ADOPTED EXPENDITURES BY FUND
SUMMARY OF APPROPRIATED FUNDS

Fund	FY 2015 Estimate	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
GOVERNMENTAL FUNDS								
General Fund Group								
10001 General Fund	$1,394,255,480	$1,339,990,881	$1,409,976,323	$1,454,186,630	$1,477,872,999	$1,474,556,275	$20,369,645	1.40%
10020 Consolidated Community Funding Pool	10,611,143	10,535,093	10,611,143	10,687,193	11,141,700	11,141,700	454,507	4.25%
10030 Contributory Fund	15,094,665	15,043,954	12,967,166	15,967,166	13,184,484	13,184,484	(2,782,682)	(17.43%)
10040 Information Technology	46,006,474	11,323,206	6,424,000	42,808,773	6,814,000	6,814,000	(35,994,773)	(84.08%)
Total General Fund Group	$1,465,967,762	$1,376,893,134	$1,439,978,632	$1,523,649,762	$1,509,013,183	$1,505,696,459	($17,953,303)	(1.18%)
Debt Service Funds								
20000 Consolidated Debt Service	$321,297,599	$311,145,355	$321,900,342	$327,588,780	$320,522,544	$320,522,544	($7,066,236)	(2.16%)
Capital Project Funds								
30000 Metro Operations and Construction	$36,156,089	$36,156,088	$32,950,226	$32,950,226	$41,051,989	$41,051,989	$8,101,763	24.59%
30010 General Construction and Contributions	98,488,079	33,584,387	23,341,768	118,824,283	28,053,427	22,308,427	(96,515,856)	(81.23%)
30020 Infrastructure Replacement and Upgrades	24,987,845	7,931,175	2,700,000	29,955,220	5,000,000	1,408,449	(28,546,771)	(95.30%)
30030 Library Construction	37,664,832	4,359,450	0	33,305,382	0	0	(33,305,382)	(100.00%)
30040 Contributed Roadway Improvements	35,813,352	1,165,115	0	44,942,247	0	0	(44,942,247)	(100.00%)
30050 Transportation Improvements	165,757,575	20,629,659	0	149,422,916	0	0	(149,422,916)	(100.00%)
30060 Pedestrian Walkway Improvements	3,720,868	534,079	300,000	4,324,452	400,000	400,000	(3,924,452)	(90.75%)
30070 Public Safety Construction	240,592,955	41,459,600	0	359,364,221	100,000	0	(359,364,221)	(100.00%)
30080 Commercial Revitalization Program	2,505,474	397,452	0	2,108,022	0	0	(2,108,022)	(100.00%)
30090 Pro Rata Share Drainage Construction	4,933,986	2,499,065	0	3,654,721	0	0	(3,654,721)	(100.00%)
30300 The Penny for Affordable Housing Fund	42,351,662	12,686,145	16,033,900	45,979,463	12,251,850	12,251,850	(33,727,613)	(73.35%)
30310 Housing Assistance Program	6,698,527	111,008	0	6,587,519	0	0	(6,587,519)	(100.00%)
30400 Park Authority Bond Construction	79,525,061	23,466,814	0	58,864,461	0	0	(58,864,461)	(100.00%)
S31000 Public School Construction	521,900,277	222,027,057	163,052,786	546,786,302	175,955,030	175,955,030	(370,831,272)	(67.82%)
Total Capital Project Funds	$1,301,096,582	$407,007,094	$238,378,680	$1,437,069,435	$262,812,296	$253,375,745	($1,183,693,690)	(82.37%)
Special Revenue Funds								
40000 County Transit Systems	$113,378,389	$96,366,185	$108,663,869	$114,013,266	$99,880,480	$99,880,480	($14,132,786)	(12.40%)
40010 County and Regional Transportation Projects	280,187,646	48,129,713	72,070,518	326,680,510	63,874,776	63,874,776	(262,805,734)	(80.45%)
40030 Cable Communications	19,053,592	11,290,281	12,404,950	19,709,908	13,488,171	13,488,171	(6,221,737)	(31.57%)
40040 Fairfax-Falls Church Community Services Board	154,936,429	144,991,032	153,507,245	159,369,688	159,335,227	161,326,838	1,957,150	1.23%
40050 Reston Community Center	9,104,154	7,503,451	8,991,545	9,529,883	8,650,339	8,650,339	(879,544)	(9.23%)
40060 McLean Community Center	6,599,065	5,327,983	7,236,949	8,060,467	8,791,646	8,791,646	731,179	9.07%
40070 Burgundy Village Community Center	121,825	66,423	45,447	96,475	45,711	45,711	(50,764)	(52.62%)
40080 Integrated Pest Management Program	3,264,866	1,996,614	3,166,927	3,405,084	3,185,712	3,185,712	(219,372)	(6.44%)
40090 E-911	47,290,455	39,600,341	45,824,196	52,568,278	46,824,921	46,824,921	(5,743,357)	(10.93%)
40100 Stormwater Services	102,981,088	49,157,402	55,375,000	110,130,493	62,950,000	62,950,000	(47,180,493)	(42.84%)
40110 Dulles Rail Phase I Transportation Improvement District	17,454,463	17,344,563	17,341,662	17,341,662	17,345,313	17,345,313	3,651	0.02%
40120 Dulles Rail Phase II Transportation Improvement District	500,000	0	500,000	16,150,000	500,000	500,000	(15,650,000)	(96.90%)
40125 Metrorail Parking System Pledged Revenues	0	0	0	8,787,713	8,785,213	8,785,213	(2,500)	(0.03%)
40130 Leaf Collection	2,187,182	2,100,142	2,364,737	2,397,156	2,187,182	2,187,182	(209,974)	(8.76%)
40140 Refuse Collection and Recycling Operations	24,119,610	19,423,401	19,674,456	20,725,941	19,292,040	19,292,040	(1,433,901)	(6.92%)
40150 Refuse Disposal	52,718,946	46,324,132	48,333,031	53,033,744	43,892,758	43,892,758	(9,140,986)	(17.24%)
40160 Energy Resource Recovery (ERR) Facility	21,539,611	17,519,337	25,801,271	25,924,699	26,805,549	26,805,549	880,850	3.40%
40170 I-95 Refuse Disposal	17,655,809	9,304,948	7,709,391	16,135,835	8,807,949	8,807,949	(7,327,886)	(45.41%)
40180 Tysons Service District	0	0	0	6,450,000	0	0	(6,450,000)	(100.00%)
40300 Housing Trust Fund	6,184,391	1,578,386	580,391	5,916,924	484,155	484,155	(5,432,769)	(91.82%)
40330 Elderly Housing Programs	4,030,410	3,478,423	3,466,689	3,962,522	3,580,904	3,580,904	(381,618)	(9.63%)
40360 Homeowner and Business Loan Programs	4,574,595	2,063,402	2,333,715	3,386,229	2,331,087	2,331,087	(1,055,142)	(31.16%)
50000 Federal/State Grants	245,717,024	98,083,818	109,038,326	256,790,556	109,314,388	109,314,388	(147,476,168)	(57.43%)
50800 Community Development Block Grant	10,458,332	5,722,326	5,128,616	10,351,331	4,873,926	4,873,926	(5,477,405)	(52.91%)
50810 HOME Investment Partnerships Program	4,471,758	2,323,088	1,580,878	3,773,138	1,431,830	1,431,830	(2,341,308)	(62.05%)
S10000 Public School Operating [1]	2,537,099,093	2,432,648,480	2,514,738,412	2,597,234,175	2,576,155,067	2,609,766,024	12,531,849	0.48%
S40000 Public School Food and Nutrition Services	90,819,864	75,665,027	88,437,427	87,262,515	90,153,330	90,153,330	2,890,815	3.31%

FY 2017 ADOPTED EXPENDITURES BY FUND
SUMMARY OF APPROPRIATED FUNDS

Fund	FY 2015 Estimate	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
Special Revenue Funds (Cont.)								
S43000 Public School Adult and Community Education	$10,063,348	$9,157,854	$9,638,432	$10,133,046	$9,510,462	$9,510,462	($622,584)	(6.14%)
S50000 Public School Grants & Self Supporting Programs	93,849,636	68,515,472	71,913,207	96,410,871	73,629,503	73,629,503	(22,781,368)	(23.63%)
Total Special Revenue Funds	$3,880,361,581	$3,215,682,224	$3,395,867,287	$4,045,732,109	$3,466,107,639	$3,501,710,207	($544,021,902)	(13.45%)
TOTAL GOVERNMENTAL FUNDS	$6,968,723,524	$5,310,727,807	$5,396,124,941	$7,334,040,086	$5,558,455,662	$5,581,304,955	($1,752,735,131)	(23.90%)
PROPRIETARY FUNDS								
Internal Service Funds								
60000 County Insurance	$43,498,230	$33,972,698	$24,944,451	$62,968,566	$25,827,740	$25,827,740	($37,140,826)	(58.98%)
60010 Department of Vehicle Services	95,155,561	81,699,911	85,538,625	82,359,754	80,896,874	80,896,874	(1,462,880)	(1.78%)
60020 Document Services	6,142,385	5,615,710	5,748,767	5,870,611	9,742,167	9,742,167	3,871,556	65.95%
60030 Technology Infrastructure Services	41,181,396	37,252,377	35,757,278	38,329,840	42,819,296	42,819,296	4,489,456	11.71%
60040 Health Benefits	180,508,175	163,689,013	187,080,466	196,717,557	189,292,804	189,292,804	(7,424,753)	(3.77%)
S60000 Public School Insurance	27,321,986	14,276,098	22,528,271	26,846,747	22,575,354	22,575,354	(4,271,393)	(15.91%)
S62000 Public School Health and Flexible Benefits	409,520,474	356,467,151	391,304,102	403,231,566	429,758,354	429,758,354	26,526,788	6.58%
S63000 Public School Central Procurement	6,500,000	5,339,881	0	0	0	0	0	-
Total Internal Service Funds	$809,828,207	$698,312,839	$752,901,960	$816,324,641	$800,912,589	$800,912,589	($15,412,052)	(1.89%)
Enterprise Funds								
69010 Sewer Operation and Maintenance	$98,093,267	$93,906,639	$96,283,072	$97,560,730	$98,697,646	$98,697,646	$1,136,916	1.17%
69020 Sewer Bond Parity Debt Service	20,446,381	21,011,362	20,906,350	20,906,350	23,510,500	23,510,500	2,604,150	12.46%
69040 Sewer Bond Subordinate Debt Service	26,133,270	26,188,477	26,318,820	26,318,820	26,218,147	26,218,147	(100,673)	(0.38%)
69300 Sewer Construction Improvements	119,923,788	72,260,479	86,389,000	134,052,309	74,650,000	74,650,000	(59,402,309)	(44.31%)
69310 Sewer Bond Construction	31,510,145	18,392,133	13,000,000	27,648,702	104,993,827	104,993,827	77,345,125	279.74%
Total Enterprise Funds	$296,106,851	$231,759,090	$242,897,242	$306,486,911	$328,070,120	$328,070,120	$21,583,209	7.04%
TOTAL PROPRIETARY FUNDS	$1,105,935,058	$930,071,929	$995,799,202	$1,122,811,552	$1,128,982,709	$1,128,982,709	$6,171,157	0.55%
FIDUCIARY FUNDS								
Agency Funds								
70000 Route 28 Taxing District	$10,711,359	$10,080,734	$11,045,828	$11,047,464	$11,402,824	$11,402,824	$355,360	3.22%
70040 Mosaic District Community Development Authority	3,882,012	3,882,012	4,529,965	4,529,965	5,531,544	5,531,544	1,001,579	22.11%
Total Agency Funds	$14,593,371	$13,962,746	$15,575,793	$15,577,429	$16,934,368	$16,934,368	$1,356,939	8.71%
Trust Funds								
73000 Employees' Retirement Trust	$299,361,705	$274,282,674	$306,730,875	$306,730,875	$316,052,401	$316,052,401	$9,321,526	3.04%
73010 Uniformed Employees Retirement Trust	102,295,421	90,294,901	103,558,966	103,558,966	107,670,019	107,670,019	4,111,053	3.97%
73020 Police Retirement Trust	74,812,151	71,066,818	77,675,496	77,675,496	84,233,227	84,233,227	6,557,731	8.44%
73030 OPEB Trust	17,899,040	17,266,827	9,770,060	14,120,060	10,317,370	10,317,370	(3,802,690)	(26.93%)
S71000 Educational Employees' Retirement	196,621,215	185,031,565	207,876,796	198,323,622	208,671,625	208,671,625	10,348,003	5.22%
S71100 Public School OPEB Trust	27,299,452	16,175,412	16,759,500	16,779,500	17,494,500	17,494,500	715,000	4.26%
Total Trust Funds	$718,288,984	$654,118,197	$722,371,693	$717,188,519	$744,439,142	$744,439,142	$27,250,623	3.80%
TOTAL FIDUCIARY FUNDS	$732,882,355	$668,080,943	$737,947,486	$732,765,948	$761,373,510	$761,373,510	$28,607,562	3.90%
TOTAL APPROPRIATED FUNDS	$8,807,540,937	$6,908,880,679	$7,129,871,629	$9,189,617,586	$7,448,811,881	$7,471,661,174	($1,717,956,412)	(18.69%)
Less: Internal Service Funds [2]	($809,828,207)	($698,312,839)	($752,901,960)	($816,324,641)	($800,912,589)	($800,912,589)	$15,412,052	(1.89%)
NET EXPENDITURES	$7,997,712,730	$6,210,567,840	$6,376,969,669	$8,373,292,945	$6,647,899,292	$6,670,748,585	($1,702,544,360)	(20.33%)

[1] Pending School Board approval, FY 2017 expenditures for Fund S10000, Public School Operating, are reduced from the amount shown in the School Board's Advertised Budget to offset the discrepancy between the County's approved Transfer Out from the General Fund to Fund S10000 and the Transfer In from the General Fund reflected in the School Board's Advertised Budget. Final adjustments will be reflected at the *FY 2016 Carryover Review*.

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

FY 2017 ADOPTED CHANGES IN FUND BALANCE
SUMMARY OF APPROPRIATED FUNDS

Fund		Balance 6/30/14	Balance 6/30/15	Balance 6/30/16	Balance 6/30/17	Appropriated From/(Added to) Surplus
GOVERNMENTAL FUNDS						
General Fund Group						
10001	General Fund	$156,391,257	$164,916,223	$88,589,636	$97,177,762	($8,588,126)
10010	Revenue Stabilization	110,575,008	121,140,663	141,697,200	166,484,467	(24,787,267)
10020	Consolidated Community Funding Pool	0	76,050	0	0	0
10030	Contributory Fund	146,310	123,240	50,711	25,000	25,711
10040	Information Technology	31,746,974	36,137,773	0	0	0
	Total General Fund Group	$298,859,549	$322,393,949	$230,337,547	$263,687,229	($33,349,682)
Debt Service Funds						
20000	Consolidated Debt Service	$10,487,298	$10,213,173	$0	$0	$0
Capital Project Funds						
30000	Metro Operations and Construction	$4,689,146	$889,147	$0	$0	$0
30010	General Construction and Contributions	53,460,627	60,572,840	0	0	0
30020	Infrastructure Replacement and Upgrades	12,287,845	20,371,350	0	0	0
30030	Library Construction	12,664,832	8,305,382	0	0	0
30040	Contributed Roadway Improvements	35,014,088	42,166,106	0	0	0
30050	Transportation Improvements	20,808,075	15,178,416	0	0	0
30060	Pedestrian Walkway Improvements	2,113,677	2,129,077	0	0	0
30070	Public Safety Construction	156,726,621	138,717,021	0	0	0
30080	Commercial Revitalization Program	1,005,685	1,123,508	0	0	0
30090	Pro Rata Share Drainage Construction	1,033,821	1,033,821	0	0	0
30300	The Penny for Affordable Housing Fund	25,873,262	29,945,563	0	0	0
30310	Housing Assistance Program	6,698,527	6,587,519	0	0	0
30400	Park Authority Bond Construction	1,712,961	(2,420,539)	0	0	0
S31000	Public School Construction	75,571,956	37,924,521	1,058,045	1,058,045	0
	Total Capital Project Funds	$409,661,123	$362,523,732	$1,058,045	$1,058,045	$0
Special Revenue Funds						
40000	County Transit Systems	$18,696,978	$11,879,876	$125,000	$125,000	$0
40010	County and Regional Transportation Projects	142,679,842	168,498,790	1,883,519	1,883,519	0
40030	Cable Communications	12,950,994	11,938,592	1,681,053	421,608	1,259,445
40040	Fairfax-Falls Church Community Services Board	12,184,138	11,411,867	4,834,935	4,834,935	0
40050	Reston Community Center	5,387,978	5,938,135	4,685,679	4,365,580	320,099
40060	McLean Community Center	10,423,147	10,441,982	7,774,657	4,720,302	3,054,355
40070	Burgundy Village Community Center	328,057	314,039	274,373	292,039	(17,666)
40080	Integrated Pest Management Program	2,733,857	2,769,053	1,488,819	496,528	992,291
40090	E-911	2,334,023	7,752,941	1,064,785	1,012,218	52,567
40100	Stormwater Services	22,235,357	25,612,635	0	0	0
40110	Dulles Rail Phase I Transportation Improvement District	51,362,317	58,589,673	63,904,535	69,014,725	(5,110,190)
40120	Dulles Rail Phase II Transportation Improvement District	35,463,042	50,740,723	49,838,924	65,153,334	(15,314,410)
40125	Metrorail Parking System Pledged Revenues	0	20,616,004	22,216,004	19,397,791	2,818,213
40130	Leaf Collection	3,975,721	4,134,070	4,049,481	4,179,130	(129,649)
40140	Refuse Collection and Recycling Operations	10,997,667	10,108,717	7,848,907	6,771,520	1,077,387
40150	Refuse Disposal	9,862,485	9,748,504	3,354,281	4,442,124	(1,087,843)
40160	Energy Resource Recovery (ERR) Facility	56,718,645	66,425,583	66,410,045	59,272,307	7,137,738
40170	I-95 Refuse Disposal	37,095,349	35,657,796	27,989,349	28,119,537	(130,188)
40180	Tysons Service District	2,362,312	7,279,794	7,246,906	14,194,702	(6,947,796)
40300	Housing Trust Fund	5,773,479	5,565,593	229,060	229,060	0
40330	Elderly Housing Programs	2,717,028	2,701,802	2,308,469	2,308,468	1
40360	Homeowner and Business Loan Programs	3,652,426	3,982,076	2,882,807	2,828,024	54,783
50000	Federal/State Grants	37,973,535	39,204,297	742,262	742,262	0

FY 2017 ADOPTED CHANGES IN FUND BALANCE
SUMMARY OF APPROPRIATED FUNDS

Fund		Balance 6/30/14	Balance 6/30/15	Balance 6/30/16	Balance 6/30/17	Appropriated From/(Added to) Surplus
Special Revenue Funds (Cont.)						
50800	Community Development Block Grant	$1,033,715	$288,737	$0	$0	$0
50810	HOME Investment Partnerships Program	222,924	52,329	0	0	0
S10000	Public School Operating	157,240,947	146,668,730	41,985,890	16,953,496	25,032,394
S40000	Public School Food and Nutrition Services	13,755,425	12,462,035	0	0	0
S43000	Public School Adult and Community Education	366,524	397,679	0	0	0
S50000	Public School Grants and Self Supporting Programs	17,017,789	12,727,348	0	0	0
	Total Special Revenue Funds	$677,545,701	$743,909,400	$324,819,740	$311,758,209	$13,061,531
	TOTAL GOVERNMENTAL FUNDS	$1,396,553,671	$1,439,040,254	$556,215,332	$576,503,483	($20,288,151)
PROPRIETARY FUNDS						
Internal Service Funds						
60000	County Insurance	$89,680,217	$115,928,812	$79,500,931	$78,556,165	$944,766
60010	Department of Vehicle Services	34,908,961	32,042,703	21,994,725	19,754,071	2,240,654
60020	Document Services	1,539,491	1,066,335	445,651	99,115	346,536
60030	Technology Infrastructure Services	8,347,175	6,699,099	2,974,004	515,341	2,458,663
60040	Health Benefits	42,936,455	47,394,518	31,686,897	34,641,127	(2,954,230)
S60000	Public School Insurance	49,246,200	51,296,268	37,530,860	37,530,860	0
S62000	Public School Health and Flexible Benefits	45,144,211	39,401,484	0	0	0
S63000	Public School Central Procurement	310,989	310,989	0	0	0
	Total Internal Service Funds	$272,113,699	$294,140,208	$174,133,068	$171,096,679	$3,036,389
Enterprise Funds						
69000	Sewer Revenue	$135,490,922	$113,352,458	$93,167,998	$92,540,110	$627,888
69010	Sewer Operation and Maintenance	14,917,369	11,210,730	0	2,354	(2,354)
69020	Sewer Bond Parity Debt Service	4,484,883	1,948,521	17,171	(618,329)	635,500
69030	Sewer Bond Debt Reserve	21,728,541	21,728,541	21,728,541	26,734,714	(5,006,173)
69040	Sewer Bond Subordinate Debt Service	4,062,643	2,874,166	55,346	(162,801)	218,147
69300	Sewer Construction Improvements	23,230,612	47,663,309	0	0	0
69310	Sewer Bond Construction	20,680,869	3,220,340	0	0	0
	Total Enterprise Funds	$224,595,839	$201,998,065	$114,969,056	$118,496,048	($3,526,992)
	TOTAL PROPRIETARY FUNDS	$496,709,538	$496,138,273	$289,102,124	$289,592,727	($490,603)
FIDUCIARY FUNDS						
Agency Funds						
70000	Route 28 Taxing District	$3,730	$1,636	$0	$0	$0
70040	Mosaic District Community Development Authority	0	0	0	0	0
	Total Agency Funds	$3,730	$1,636	$0	$0	$0
Trust Funds						
73000	Employees' Retirement Trust	$3,766,055,732	$3,693,354,953	$3,853,558,203	$4,026,154,638	($172,596,435)
73010	Uniformed Employees Retirement Trust	1,516,714,846	1,525,612,553	1,612,568,947	1,704,246,679	(91,677,732)
73020	Police Retirement Trust	1,260,752,015	1,280,910,163	1,349,159,817	1,417,532,645	(68,372,828)
73030	OPEB Trust	195,854,525	224,667,263	240,424,069	248,651,535	(8,227,466)
S71000	Educational Employees' Retirement	2,204,909,399	2,179,692,115	2,341,060,045	2,515,085,553	(174,025,508)
S71100	Public School OPEB Trust	83,877,338	95,899,763	103,209,263	113,260,776	(10,051,513)
	Total Trust Funds	$9,028,163,855	$9,000,136,810	$9,499,980,344	$10,024,931,826	($524,951,482)
	TOTAL FIDUCIARY FUNDS	$9,028,167,585	$9,000,138,446	$9,499,980,344	$10,024,931,826	($524,951,482)
TOTAL APPROPRIATED FUNDS		$10,921,430,794	$10,935,316,973	$10,345,297,800	$10,891,028,036	($545,730,236)

GENERAL FUND PROPERTY TAX RATES
FY 2008 - FY 2017
(per $100 assessed valuation)

Tax Category	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 Advertised	FY 2017 Adopted
Real Estate	$0.89	$0.92	$1.04	$1.09	$1.07	$1.075	$1.085	$1.090	$1.090	$1.130	$1.130
Public Service	0.89	0.92	1.04	1.09	1.07	1.075	1.085	1.090	1.090	1.130	1.130
Personal Property[1]	$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]	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[3]	0.89	0.92	1.04	1.09	1.07	1.075	1.085	1.090	1.090	1.130	1.130
Public Service	0.89	0.92	1.04	1.09	1.07	1.075	1.085	1.090	1.090	1.130	1.130

[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 for personal property taxation purposes. This subclass includes vehicles specifically equipped for the handicapped, privately-owned vans used for van pools, and vehicles belonging to volunteer fire and rescue squad members. The same rate also applies to antique automobiles. In FY 1996, vehicles owned by auxiliary police officers, aircraft and flight simulators, and property owned by homeowners' associations were added to the special subclass. Boats were added in FY 2000 and vehicles owned by reserve deputy sheriffs were included in FY 2007. Beginning in FY 2012, one vehicle owned by a fully disabled veteran is included in this special subclass.

[3] In accordance with the Code of Virginia, mobile homes are considered a separate class of Personal Property and are assessed and taxed in the same manner as local real property.

SUMMARY OF SELECTED NON-GENERAL FUND TAX RATES

FY 2008 - FY 2017

Tax Category	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 Advertised	FY 2017 Adopted
Sewage Rates (Fund 69000)											
Sewer Charge (per 1,000 gal.)	$3.74	$4.10	$4.50	$5.27	$6.01	$6.55	$6.55	$6.62	$6.65	$6.68	$6.68
Availability Fee - Single Family Home	$6,506	$6,896	$7,310	$7,750	$7,750	$7,750	$7,750	$7,750	$7,750	$7,750	$7,750
Refuse Rates											
Leaf Collection (Fund 40130)[1]	$0.015	$0.015	$0.015	$0.015	$0.015	$0.015	$0.015	$0.015	$0.015	$0.015	$0.015
Refuse Collection per unit (Fund 40140)	$330	$345	$345	$345	$345	$345	$345	$345	$345	$345	$345
Refuse Disposal per ton (Fund 40150)	$52.00	$57.00	$60.00	$60.00	$60.00	$60.00	$60.00	$62.00	$62.00	$62.00	$62.00
Community Centers											
Reston (Fund 40050)[1]	$0.047	$0.047	$0.047	$0.047	$0.047	$0.047	$0.047	$0.047	$0.047	$0.047	$0.047
McLean (Fund 40060)[1]	$0.028	$0.026	$0.024	$0.024	$0.023	$0.022	$0.022	$0.023	$0.023	$0.023	$0.023
Burgundy Village (Fund 40070)[1]	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02
Other Special Taxing Districts											
Commercial & Industrial Tax for Transportation Projects (Fund 40010)[1,2]	--	$0.11	$0.11	$0.11	$0.11	$0.11	$0.125	$0.125	$0.125	$0.125	$0.125
Integrated Pest Management Program (Fund 40080)[1]	$0.001	$0.001	$0.001	$0.001	$0.001	$0.001	$0.001	$0.001	$0.001	$0.001	$0.001
Stormwater Services (Fund 40100)[1,3]	--	--	$0.010	$0.015	$0.015	$0.020	$0.020	$0.0225	$0.0250	$0.0275	$0.0275
Dulles Rail Phase I (Fund 40110)[1]	$0.22	$0.22	$0.22	$0.22	$0.22	$0.22	$0.21	$0.21	$0.19	$0.19	$0.17
Dulles Rail Phase II (Fund 40120)[1]	--	--	--	$0.05	$0.10	$0.15	$0.20	$0.20	$0.20	$0.20	$0.20
Tysons Service District (Fund 40180)[1,4]	--	--	--	--	--	--	$0.04	$0.04	$0.05	$0.06	$0.05
Route 28 Corridor (Fund 70000)[1]	$0.20	$0.20	$0.18	$0.18	$0.18	$0.18	$0.18	$0.18	$0.18	$0.18	$0.18

[1] Per $100 of assessed value.

[2] This district was created in FY 2009 after the Virginia General Assembly enacted legislation allowing Northern Virginia jurisdictions to levy an additional real estate tax on commercial and industrial properties for new transportation initiatives.

[3] This service district was created in FY 2010 to support stormwater management operating and capital requirements, as authorized by the Code of Virginia §15.2-2400.

[4] This service district was established on January 8, 2013 to fund transportation infrastructure in Tysons.

ASSESSED VALUATION, TAX RATES, LEVIES AND COLLECTIONS
GENERAL FUND, FISCAL YEARS 2015-2017

	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan
ASSESSED VALUATION OF TAXABLE PROPERTY					
Real Estate					
Local Assessment	$219,021,273,450	$226,608,986,400	$226,608,986,400	$233,373,141,270	$233,373,141,270
Public Service Corporations	863,583,287	876,276,929	892,919,132	892,919,132	892,919,132
Supplemental Assessments	342,729,190	282,893,584	459,500,000	456,982,400	456,982,400
Less: Tax Relief for Elderly/Disabled	(2,369,317,098)	(2,406,255,262)	(2,614,616,891)	(2,581,478,915)	(2,581,478,915)
Less: Exonerations/Certificates/Tax Abatements	(669,208,222)	(627,120,378)	(724,115,083)	(598,248,412)	(598,248,412)
Less: Tax Increment Financing (TIF)[1]	(356,147,860)	(415,593,110)	(415,593,110)	(489,517,210)	(489,517,210)
Total Real Estate Taxable Valuation	$216,832,912,747	$224,319,188,163	$224,207,080,448	$231,053,798,265	$231,053,798,265
Personal Property					
Vehicles	$11,351,445,437	$11,445,837,341	$11,589,067,797	$11,667,647,835	$11,667,647,835
Business Property (excluding vehicles)	2,557,727,545	2,637,244,561	2,608,174,079	2,621,154,253	2,621,154,253
Mobile Homes	16,470,676	16,872,499	15,393,274	15,468,042	15,468,042
Other Personal Property[2]	16,817,430	17,081,500	17,051,405	17,141,398	17,141,398
Public Service Corporations	2,576,347,522	2,576,314,459	2,576,314,459	2,702,902,740	2,702,902,740
Total Personal Property Valuation	$16,518,808,610	$16,693,350,360	$16,806,001,014	$17,024,314,268	$17,024,314,268
Total Taxable Property Valuation	$233,351,721,357	$241,012,538,523	$241,013,081,462	$248,078,112,533	$248,078,112,533
TAX RATE (per $100 assessed value)					
Real Estate					
Regular-Local Assessment	$1.09	$1.09	$1.09	$1.13	$1.13
Public Service Corporations-Equalized	1.09	1.09	1.09	1.13	1.13
Personal Property					
Vehicle/Business/Other	$4.57	$4.57	$4.57	$4.57	$4.57
Public Service Corporations-Equalized	1.09	1.09	1.09	1.13	1.13
Mobile Homes	1.09	1.09	1.09	1.13	1.13
LEVIES AND COLLECTIONS					
Property Tax Levy					
Real Estate Tax Levy	$2,363,478,748	$2,445,079,151	$2,443,857,177	$2,610,907,920	$2,610,907,920
Personal Property Tax Levy	568,550,625	575,078,586	581,290,226	588,461,408	588,461,408
Total Property Tax Levy	$2,932,029,373	$3,020,157,737	$3,025,147,403	$3,199,369,328	$3,199,369,328
Property Tax Collections					
Collection of Current Taxes[3]	$2,926,228,317	$3,004,925,831	$3,011,013,238	$3,184,640,504	$3,184,640,504
Percentage of Total Levy Collected	99.8%	99.5%	99.5%	99.5%	99.5%
Net Collections of Delinquent Taxes	23,425,378	21,293,355	22,014,102	22,014,102	22,014,102
Total Property Tax Collections	$ 2,949,653,695	$3,026,219,186	$3,033,027,340	$3,206,654,606	$3,206,654,606
Yield of $0.01 per $100 of Real Estate Tax Collections	$21,892,019	$22,612,135	$22,611,955	$23,307,324	$23,307,324
Yield of $0.01 per $100 of Personal Property Tax Collections	$1,181,634	$1,182,027	$1,195,374	$1,205,524	$1,205,524

[1] Tax Increment Financing (TIF) includes the Mosaic District and reflects the difference between the 2007 base assessed value and the current assessed value.

[2] Other Personal Property includes boats, trailers, and miscellaneous.

[3] Includes the approximate value of one-half of one cent on the Real Estate Tax rate, which is directed to The Penny for Affordable Housing Fund. The value is $10.93 million, $11.30 million, and $11.70 million in FY 2015, FY 2016 and FY 2017, respectively.

FY 2017 ADOPTED GENERAL FUND REVENUE

Revenue Category	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Increase/ (Decrease) Over Advertised	% Increase/ (Decrease) Over Advertised
TOTAL REAL PROPERTY TAXES							
Real Estate Tax - Current	$2,337,697,470	$2,415,703,385	$2,415,521,985	$2,581,315,480	$2,581,315,480	$0	0.0%
R. E. Tax - Public Service Corps	9,413,058	9,551,419	9,732,819	10,089,986	10,089,986	0	0.0%
Subtotal R. E. Tax - Current	$2,347,110,528	$2,425,254,804	$2,425,254,804	$2,591,405,466	$2,591,405,466	$0	0.0%
R. E. Tax Penalties - Current	$4,145,685	$3,954,824	$3,954,824	$3,954,824	$3,954,824	$0	0.0%
R. E. Tax Interest - Current	94,135	63,249	63,249	63,249	63,249	0	0.0%
R. E. PSC - Penalty Current	404	2,038	2,038	2,038	2,038	0	0.0%
R. E. PSC - Interest Current	18	42	42	42	42	0	0.0%
R.E. Tax Delinquent - Prior Years	5,083,835	4,317,675	4,317,675	4,317,675	4,317,675	0	0.0%
R.E. Tax Penalties - Prior years	587,500	544,570	544,570	544,570	544,570	0	0.0%
R.E. Tax Interest - Prior Years	95,424	78,617	78,617	78,617	78,617	0	0.0%
Subtotal R. E. Tax - Delinq. Collections	$10,007,002	$8,961,015	$8,961,015	$8,961,015	$8,961,015	$0	0.0%
TOTAL REAL PROPERTY TAXES	$2,357,117,530	$2,434,215,819	$2,434,215,819	$2,600,366,481	$2,600,366,481	$0	0.0%
PERSONAL PROPERTY TAXES							
Personal Property Tax - Current	$328,485,655	$328,670,404	$334,757,811	$339,394,375	$339,394,375	$0	0.0%
P. P. Tax - Public Service Corps	28,388,190	28,386,679	28,386,679	30,826,719	30,826,719	0	0.0%
Subtotal P. P. Tax - Current	$356,873,845	$357,057,083	$363,144,490	$370,221,094	$370,221,094	$0	0.0%
P. P. Tax Penalties - Current	$5,329,369	$4,261,928	$4,982,675	$4,982,675	$4,982,675	$0	0.0%
P.P. Tax Interest - Current	401,700	324,163	324,163	324,163	324,163	0	0.0%
P.P. Tax Delinquent - Prior Years	6,629,102	6,153,349	6,153,349	6,153,349	6,153,349	0	0.0%
P.P. Tax Penalties - Prior Years	961,390	800,591	800,591	800,591	800,591	0	0.0%
P.P. Tax Interest - Prior Years	96,814	792,309	792,309	792,309	792,309	0	0.0%
Subtotal P. P. Tax - Delinquent	$13,418,376	$12,332,340	$13,053,087	$13,053,087	$13,053,087	$0	0.0%
TOTAL PERSONAL PROPERTY TAXES	$370,292,221	$369,389,423	$376,197,577	$383,274,181	$383,274,181	$0	0.0%
GENERAL OTHER LOCAL TAXES							
Short-Term Daily Rental	$378,097	$347,541	$347,541	$351,015	$351,015	$0	0.0%
Vehicle Registration Fee	26,075,806	26,441,703	26,441,703	26,573,911	26,573,911	0	0.0%
Vehicle Registration Fee - Delinquent	688,929	565,560	565,560	568,388	568,388	0	0.0%
Auto Delinquent - DMV Hold	7,840	0	0	0	0	0	--
Bank Franchise Tax	15,352,834	15,892,881	16,245,000	16,407,450	16,407,450	0	0.0%
Cigarette Tax	7,377,057	7,181,484	7,109,457	7,073,909	7,073,909	0	0.0%
Gross Receipts Tax on Rental Cars	2,545,643	2,440,023	2,545,643	2,596,556	2,596,556	0	0.0%
Land Transfer Fees	23,899	23,663	23,663	23,663	23,663	0	0.0%
Communication Sales and Use Tax	20,816,708	21,882,460	16,705,277	16,005,070	16,005,070	0	0.0%
Subtotal	$73,266,813	$74,775,315	$69,983,844	$69,599,962	$69,599,962	$0	0.0%
Sales Tax - Local	$176,289,975	$175,744,935	$178,935,134	$183,410,638	$183,410,638	$0	0.0%
Sales Tax - Mobile Home	84,542	70,600	85,000	85,000	85,000	0	0.0%
Subtotal Sales Tax	$176,374,517	$175,815,535	$179,020,134	$183,495,638	$183,495,638	$0	0.0%

FY 2017 ADOPTED GENERAL FUND REVENUE

Revenue Category	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Increase/ (Decrease) Over Advertised	% Increase/ (Decrease) Over Advertised
Deed of Conveyance Tax	$6,358,738	$5,371,403	$5,944,834	$6,004,283	$6,004,283	$0	0.0%
Recordation Tax	23,898,873	19,490,385	22,744,679	22,972,125	22,972,125	0	0.0%
Subtotal Deed of Conveyance/Recordation Taxes	$30,257,610	$24,861,788	$28,689,513	$28,976,408	$28,976,408	$0	0.0%
Transient Occupancy Tax	$9,650,468	$9,300,749	$9,891,729	$10,139,022	$10,139,022	$0	0.0%
Transient Occupancy Tax -- Additional	10,389,720	10,024,750	10,649,464	10,915,701	10,915,701	0	0.0%
Subtotal Transient Occupancy Tax	$20,040,188	$19,325,499	$20,541,193	$21,054,723	$21,054,723	$0	0.0%
TOTAL Other Local Taxes	$299,939,127	$294,778,137	$298,234,684	$303,126,731	$303,126,731	$0	0.0%
Electric Utility Tax - Dominion Virginia Power	$34,491,468	$34,416,582	$34,416,582	$34,760,748	$34,760,748	$0	0.0%
Electric Utility Tax - No. Va. Elec. Coop.	1,740,747	1,719,083	1,719,083	1,736,274	1,736,274	0	0.0%
Subtotal Electric Utility Tax	$36,232,215	$36,135,665	$36,135,665	$36,497,022	$36,497,022	$0	0.0%
Gas Utility Tax - Washington Gas	$9,052,887	$9,375,786	$9,375,786	$9,251,707	$9,251,707	$0	0.0%
Gas Utility Tax - Columbia Gas of VA	527,346	533,158	533,158	526,103	526,103	0	0.0%
Subtotal Gas Utility Tax	$9,580,232	$9,908,944	$9,908,944	$9,777,810	$9,777,810	$0	0.0%
TOTAL Consumer Utility Tax	$45,812,447	$46,044,609	$46,044,609	$46,274,832	$46,274,832	$0	0.0%
Electric Consumption Tax	$2,974,212	$3,020,284	$3,020,284	$3,035,385	$3,035,385	$0	0.0%
Natural Gas Consumption Tax	849,213	855,930	855,930	860,210	860,210	0	0.0%
Subtotal Consumption Tax	$3,823,425	$3,876,214	$3,876,214	$3,895,595	$3,895,595	$0	0.0%
BPOL Tax - Amusements	$239,934	$247,498	$239,934	$242,333	$242,333	$0	0.0%
BPOL Tax - Builders and Developers	215,561	292,254	215,561	217,717	217,717	0	0.0%
BPOL Tax - Business Service Occupation	34,609,498	33,824,545	34,609,498	34,955,593	34,955,593	0	0.0%
BPOL Tax - Consultant/Specialist	30,769,680	27,682,843	30,769,680	31,077,377	31,077,377	0	0.0%
BPOL Tax - Contractors	8,481,929	7,981,428	8,481,929	8,566,748	8,566,748	0	0.0%
BPOL Tax - Hotels and Motels	1,438,583	1,286,460	1,438,583	1,452,969	1,452,969	0	0.0%
BPOL Tax - Money Lenders	798,563	977,577	798,563	806,548	806,548	0	0.0%
BPOL Tax - Personal Service Occupations	6,590,151	6,468,865	6,590,151	6,656,053	6,656,053	0	0.0%
BPOL Tax - Prof. & Spec. Occupations	18,117,320	17,644,837	18,117,320	18,298,493	18,298,493	0	0.0%
BPOL Tax - Real Estate Brokers	1,819,625	1,694,274	1,819,625	1,837,820	1,837,820	0	0.0%
BPOL Tax - Rent of House, Apt & Condo	12,568,844	12,221,390	12,568,844	12,694,533	12,694,533	0	0.0%
BPOL Tax - Repair Services	1,571,007	1,659,305	1,571,007	1,586,717	1,586,717	0	0.0%
BPOL Tax - Research and Development	578,831	712,010	578,831	584,620	584,620	0	0.0%
BPOL Tax - Retail Merchants	30,248,183	29,067,867	30,248,183	30,550,665	30,550,665	0	0.0%
BPOL Tax - Telephone Companies	3,072,346	3,234,248	3,072,346	3,103,069	3,103,069	0	0.0%
BPOL Tax - Wholesale Merchants	1,413,938	1,822,707	1,413,938	1,428,078	1,428,078	0	0.0%
Subtotal BPOL - Current	$152,533,993	$146,818,108	$152,533,993	$154,059,333	$154,059,333	$0	0.0%
BPOL Tax - Penalties & Interest - Current Year	$456,713	$360,000	$360,000	$360,000	$360,000	$0	0.0%
BPOL Tax - Delinquent Taxes - Prior Years	3,863,908	2,731,264	2,731,264	2,731,264	2,731,264	0	0.0%
BPOL Tax - Delinquent Penalty & Interest - Prior Years	137,663	529,000	529,000	529,000	529,000	0	0.0%
Subtotal BPOL - Delinquents	$4,458,284	$3,620,264	$3,620,264	$3,620,264	$3,620,264	$0	0.0%
TOTAL Business, Professional & Occupational Licenses	$156,992,278	$150,438,372	$156,154,257	$157,679,597	$157,679,597	$0	0.0%
TOTAL GENERAL OTHER LOCAL TAXES	$506,567,278	$495,137,332	$504,309,764	$510,976,755	$510,976,755	$0	0.0%

FY 2017 ADOPTED GENERAL FUND REVENUE

Revenue Category	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Increase/ (Decrease) Over Advertised	% Increase/ (Decrease) Over Advertised
PERMITS, FEES & REGULATORY LICENSES							
Building Permits	$11,547,239	$9,919,675	$10,670,080	$10,944,697	$10,944,697	$0	0.0%
Electrical Permits	2,714,400	3,159,916	3,159,916	3,241,242	3,241,242	0	0.0%
Plumbing Permits	1,971,793	2,063,455	2,063,455	2,116,562	2,116,562	0	0.0%
Mechanical Permits	2,072,448	2,285,302	2,285,302	2,344,119	2,344,119	0	0.0%
Cross Connection Charges	569,542	1,503,878	1,503,878	1,542,583	1,542,583	0	0.0%
Home Improvement Inspection Licenses	6,326	9,462	9,462	9,705	9,705	0	0.0%
Elevator Inspection Licenses	2,484,563	2,035,964	2,035,964	2,088,363	2,088,363	0	0.0%
Appliance Permits	593,307	556,754	556,754	571,083	571,083	0	0.0%
Building Re-inspection Fees	10,354	27,242	27,242	27,943	27,943	0	0.0%
Electrical Re-inspection Fees	6,365	12,539	12,539	12,862	12,862	0	0.0%
Plumbing Re-inspection Fees	4,950	11,820	11,820	12,124	12,124	0	0.0%
Mechanical Re-inspection Fees	5,040	12,949	12,949	13,282	13,282	0	0.0%
Plan Resubmission Fee - New Construction	268,633	310,820	310,820	318,820	318,820	0	0.0%
Plan Resubmission Fee - Alteration Construction	456,005	461,370	461,370	473,244	473,244	0	0.0%
Subtotal Inspection Services	$22,710,965	$22,371,146	$23,121,551	$23,716,629	$23,716,629	$0	0.0%
Site Plan Fees	$3,040,797	$4,124,606	$4,124,606	$4,124,606	$4,124,606	$0	0.0%
Developer Bond Extension	404,279	436,944	436,944	436,944	436,944	0	0.0%
Subdivision Plat Fees	223,872	241,388	241,388	241,388	241,388	0	0.0%
Subdivision Plan Fees	2,509,366	2,277,247	2,277,247	2,277,247	2,277,247	0	0.0%
Landfill Special Fees	15,679	180,466	180,466	180,466	180,466	0	0.0%
Utility Permit Fees	18,132	23,270	23,270	23,270	23,270	0	0.0%
Inspection - Site Plans	2,708,340	3,596,273	3,596,273	3,596,273	3,596,273	0	0.0%
Inspection - Subplans	1,043,168	797,148	797,148	797,148	797,148	0	0.0%
VSMP Maintenance Fee	12,600	0	0	500	500	0	0.0%
VSMP Permit Fee	982,933	0	0	100,000	100,000	0	0.0%
VSMP Civil Penalties	308	0	0	100	100	0	0.0%
VSMP Transfer Fee	950	0	0	300	300	0	0.0%
Subtotal Design Review	$10,960,424	$11,677,342	$11,677,342	$11,778,242	$11,778,242	$0	0.0%
TOTAL Inspection Services and Design Review	$33,671,389	$34,048,488	$34,798,893	$35,494,871	$35,494,871	$0	0.0%
Zoning Fees	$2,223,918	$2,008,453	$1,918,955	$1,918,955	$1,918,955	$0	0.0%
Sign Permit Fees	129,865	136,724	127,387	127,387	127,387	0	0.0%
Board of Zoning Appeals Fees	282,663	273,996	206,968	206,968	206,968	0	0.0%
Wetlands Permits	900	600	600	600	600	0	0.0%
Non-Residential Use Permits Fees (NON-RUP's Fees)	154,280	145,740	154,280	154,280	154,280	0	0.0%
Zoning Compliance Letters/Temp Special Permits	215,937	210,019	221,137	221,137	221,137	0	0.0%
Subtotal Zoning Revenue	$3,007,562	$2,775,532	$2,629,327	$2,629,327	$2,629,327	$0	0.0%
Dog Licenses & Dangerous Dog Fees	$912,247	$913,140	$913,140	$913,140	$913,140	$0	0.0%
Auto Graveyard Licenses	200	100	100	100	100	0	0.0%
Bondsmen Licenses	0	30	0	0	0	0	--
Carnival Permits	25	0	0	0	0	0	--
Dance Hall Licenses	6,400	3,690	3,690	3,690	3,690	0	0.0%
Fortune Teller Licenses	500	1,000	1,000	1,000	1,000	0	0.0%
Mixed Drink Establishment Licenses	272,526	210,000	210,000	210,000	210,000	0	0.0%
Land Use Assessment Application Fees	915	1,241	1,241	1,241	1,241	0	0.0%
Massage Therapist Permits	49,980	43,390	51,095	51,095	51,095	0	0.0%
Election Filing Fees	12,306	2,600	0	1,250	1,250	0	0.0%
Concealed Weapon Permits	167,414	191,174	180,998	190,048	190,048	0	0.0%
Precious Metal & Gem Dealers / Pawnbrokers Licenses	10,025	11,850	11,850	11,850	11,850	0	0.0%
Solicitors Licenses	12,360	12,740	12,740	12,740	12,740	0	0.0%
Going Out of Business Fees	0	65	65	65	65	0	0.0%

FY 2017 ADOPTED GENERAL FUND REVENUE

Revenue Category	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Increase/ (Decrease) Over Advertised	% Increase/ (Decrease) Over Advertised
Towing Permit	1,200	1,500	1,500	1,500	1,500	0	0.0%
Fire Prevention Code Permits	1,652,991	1,470,155	1,764,081	1,799,363	1,799,363	0	0.0%
Fire Marshal Fees	4,440,835	4,588,778	4,662,143	4,755,386	4,755,386	0	0.0%
Acceptance Test Overtime Fees	150,640	125,000	125,000	125,000	125,000	0	0.0%
Home Childcare Permits	22,041	25,140	25,140	25,140	25,140	0	0.0%
Tax Abatement Application Fees	0	500	0	0	0	0	--
Alarm Systems Registrations	122,575	126,245	122,575	122,575	122,575	0	0.0%
Taxicab Licenses	152,815	149,390	149,390	149,390	149,390	0	0.0%
Subtotal Misc. Permits, Fees & Licenses	$7,987,994	$7,877,728	$8,235,748	$8,374,573	$8,374,573	$0	0.0%
Swimming Pool Licenses	$264,583	$254,182	$264,583	$264,583	$264,583	$0	0.0%
Alternate Discharge Permits	(4,300)	825	825	825	825	0	0.0%
Alternative Sewage Systems Plan Review	32,875	29,275	29,275	29,275	29,275	0	0.0%
Camps/Campgrounds--State Health Fee	435	360	360	360	360	0	0.0%
Food Establishment Operating Permits	94,740	93,150	93,150	93,150	93,150	0	0.0%
Building Permits Review	52,875	54,400	52,875	52,875	52,875	0	0.0%
Site Development Review	17,425	19,400	17,425	17,425	17,425	0	0.0%
Hotel Permits--State Health Fee	5,200	5,600	5,600	5,600	5,600	0	0.0%
Miscellaneous Environmental Fees	1,898	3,500	1,898	1,898	1,898	0	0.0%
Portable Toilet Fees	580	540	540	540	540	0	0.0%
Private Schools/Day Care Center Licenses	15,255	16,450	16,450	16,450	16,450	0	0.0%
Public Establishment Review	22,495	25,810	25,810	25,810	25,810	0	0.0%
Restaurants--State Health Fee	55,485	55,000	55,000	55,000	55,000	0	0.0%
State Share Septic Tank Permits	95,340	88,515	95,340	95,340	95,340	0	0.0%
State Share Well Permit Fees	45,100	42,850	46,300	46,300	46,300	0	0.0%
Routine Water Sample Fees	3,275	3,325	3,325	3,325	3,325	0	0.0%
Sanitation Inspection Licenses	1,850	2,400	2,400	2,400	2,400	0	0.0%
Septic Tank Permits	62,430	61,290	62,430	62,430	62,430	0	0.0%
Septic Tank Truck Licenses	77,275	80,638	77,275	77,275	77,275	0	0.0%
Well Water Supply Permits	31,530	30,560	31,530	31,530	31,530	0	0.0%
Well Water Supply Licenses	850	900	900	900	900	0	0.0%
Soil Consultant License	1,850	2,100	2,100	2,100	2,100	0	0.0%
Subtotal Health Dept. Permits, Fees & Licenses	$879,045	$871,070	$885,391	$885,391	$885,391	$0	0.0%
TOTAL Misc. Permits Fees & Licenses	$8,867,039	$8,748,798	$9,121,139	$9,259,964	$9,259,964	$0	0.0%
TOTAL PERMITS, FEES & REGULATORY LICENSES	$45,545,990	$45,572,818	$46,549,359	$47,384,162	$47,384,162	$0	0.0%
<u>FINES AND FORFEITURES</u>							
Attorney Fee - Collection of Delinquent Taxes	$9,989	$9,816	$9,816	$9,816	$9,816	$0	0.0%
Circuit Court Fines and Penalties	159,569	166,319	156,504	156,504	156,504	0	0.0%
County Fee - Administrative - Collections of Delinquent Taxes	1,765,618	1,828,203	1,828,203	1,828,203	1,828,203	0	0.0%
Juvenile & Domestic Relations Court (J&DR) Fines/Interest	2,144	2,148	2,148	2,148	2,148	0	0.0%
General District Court Fines/Interest	146,156	127,574	127,574	127,574	127,574	0	0.0%
General District Court Fines	7,319,244	7,088,297	7,088,297	7,088,297	7,088,297	0	0.0%
County Fines - J&DR Court	82,066	81,744	81,744	81,744	81,744	0	0.0%
Alarm Ordinance Violations	598,382	583,187	598,382	598,382	598,382	0	0.0%
Collection Agency Fees	36,907	0	0	0	0	0	--
State Set-Off Debt Service (SOF)	211,000	215,425	215,425	215,425	215,425	0	0.0%
County Fines/Penalties	1,889	2,236	1,927	1,927	1,927	0	0.0%
Parking Violations	2,631,802	3,115,920	2,157,996	2,157,996	2,157,996	0	0.0%
Non-Tax Penalty for Late Payment	119,890	94,283	139,821	139,821	139,821	0	0.0%

FY 2017 ADOPTED GENERAL FUND REVENUE

Revenue Category	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Increase/ (Decrease) Over Advertised	% Increase/ (Decrease) Over Advertised
Non-Tax Interest	28,074	30,284	32,036	32,036	32,036	0	0.0%
Non-Sufficient Funds Check Return	3,031	2,650	3,136	3,136	3,136	0	0.0%
TOTAL FINES AND FORFEITURES	$13,115,761	$13,348,086	$12,443,009	$12,443,009	$12,443,009	$0	0.0%
REVENUE FROM USE OF MONEY & PROPERTY							
Interest on Investments	$10,659,349	$15,761,539	$15,761,539	$19,724,724	$19,724,724	$0	0.0%
Rent of Real Estate	3,536,294	4,337,275	4,474,728	1,978,307	1,978,307	0	0.0%
Rent on Communication Sites	837,082	792,342	792,342	792,342	792,342	0	0.0%
Cafeteria Commissions/Vending Machines	71,482	96,018	71,482	71,482	71,482	0	0.0%
Cash Over and Short	11	0	0	0	0	0	--
Bicycle Locker Rentals	13,170	15,000	15,000	15,000	15,000	0	0.0%
Facility Use Fee	1,100	1,600	1,100	1,100	1,100	0	0.0%
TOTAL REV. FROM USE OF MONEY & PROPERTY	$15,118,488	$21,003,774	$21,116,191	$22,582,955	$22,582,955	$0	0.0%
CHARGES FOR SERVICES							
Courthouse Maintenance Fees	$421,056	$445,249	$393,411	$393,411	$393,411	$0	0.0%
Court Security Fees	1,785,087	1,888,086	1,695,833	1,695,833	1,695,833	0	0.0%
Criminal Justice Academy Fee on Criminal Offenses	178,948	189,384	178,948	178,948	178,948	0	0.0%
EMS Transport Fee	17,927,414	17,879,225	17,927,414	18,017,051	18,017,051	0	0.0%
Copying Machine Revenue	107,259	110,447	110,447	110,447	110,447	0	0.0%
Reimbursement for Recorded Tapes/FOIA Fees	9,804	10,404	13,161	13,161	13,161	0	0.0%
Proposed Vacation Fees	400	800	800	800	800	0	0.0%
Refuse Collection Fees	0	2,900	2,900	2,900	2,900	0	0.0%
Jail Fees / DNA Fees	71,886	73,641	70,115	70,115	70,115	0	0.0%
Parental Support - Boys Probation House	1,380	200	1,380	1,380	1,380	0	0.0%
Parental Support - Girls Probation House	6,548	500	500	500	500	0	0.0%
Parental Support - Supervised Visitation	5,629	5,868	5,868	5,868	5,868	0	0.0%
Commonwealth's Attorney Fees	29,761	32,104	29,761	29,761	29,761	0	0.0%
Police Reports and Photo Fees	234,414	256,199	234,414	234,414	234,414	0	0.0%
Sheriff Fees	66,271	66,271	66,271	66,271	66,271	0	0.0%
Police Reimbursement	1,333,386	1,574,324	1,224,027	1,224,027	1,224,027	0	0.0%
Animal Shelter Fees	270,055	225,000	284,200	292,700	292,700	0	0.0%
Miscellaneous Charges for Services	22,349	0	0	0	0	0	--
Seniors on the Go	23,680	35,380	23,680	23,680	23,680	0	0.0%
Taxi Access	10,090	11,490	11,490	11,490	11,490	0	0.0%
Parking Garage Fees	883,372	969,382	883,372	883,372	883,372	0	0.0%
Adoption Service Fees	7,028	4,228	4,228	4,228	4,228	0	0.0%
Street Sign Fees	1,980	1,737	1,737	1,737	1,737	0	0.0%
Restricted Parking Fees	1,420	2,000	3,030	3,030	3,030	0	0.0%
Sales - Mapping Division	20,072	23,088	23,088	23,088	23,088	0	0.0%
Copay - Inmate Medical	14,817	16,140	14,400	14,400	14,400	0	0.0%
Coin-Operated Copiers	194,621	174,544	215,106	217,257	217,257	0	0.0%
Library Database Fees	0	5,834	0	0	0	0	--
Library Overdue Penalties	1,167,049	1,277,251	1,137,603	1,110,301	1,110,301	0	0.0%
Employee Child Care Center Fees	1,216,013	1,230,032	1,230,032	1,243,979	1,243,979	0	0.0%
School Age Child Care (SACC) Fees	36,154,980	37,289,995	38,479,014	39,290,521	39,290,521	0	0.0%
County Clerk Fees	4,479,493	4,258,254	4,479,494	4,524,289	4,524,289	0	0.0%
Domestic Violence Services Client Fees - ADAPT	73,941	68,470	73,941	73,941	73,941	0	0.0%
FASTRAN Rider Fees	19,947	19,248	21,349	21,349	21,349	0	0.0%
Medicaid Client Fees - Logisticare	85,331	167,650	85,331	85,331	85,331	0	0.0%
Subtotal Misc. Charges for Services	$66,825,481	$68,315,325	$68,926,345	$69,869,580	$69,869,580	$0	0.0%

FY 2017 ADOPTED GENERAL FUND REVENUE

Revenue Category	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Increase/ (Decrease) Over Advertised	% Increase/ (Decrease) Over Advertised
Senior+ Monthly Participant Fees	$40,050	$42,951	$0	$0	$0	$0	--
Senior Center Annual Participant Fees	161,992	162,850	162,850	162,850	162,850	0	0.0%
James Lee Theatre	36,872	20,202	20,202	20,202	20,202	0	0.0%
Rec - Non-County Resident Sport Fee	440,359	430,262	430,262	430,262	430,262	0	0.0%
Rec - Community Use/Building Director Fee	53,640	39,751	39,751	39,751	39,751	0	0.0%
DNCS Recreation Class Fees	72,421	65,000	65,000	65,000	65,000	0	0.0%
Park Authority Recreation Class Fees	1,013,164	1,314,874	900,953	900,953	900,953	0	0.0%
Rec - Neighborhood Ctr/Therapeutic Rec Fees	308,334	294,030	308,357	308,357	308,357	0	0.0%
Custodial Fees	253,358	256,015	235,156	235,156	235,156	0	0.0%
Subtotal Recreation Revenue	$2,380,191	$2,625,935	$2,162,531	$2,162,531	$2,162,531	$0	0.0%
Nursing Home Pre-Screening Admission Fee	$172,628	$190,000	$245,558	$272,569	$272,569	$0	0.0%
Speech Fees	101,195	147,156	147,156	147,156	147,156	0	0.0%
Hearing Fees	39,598	41,696	41,696	41,696	41,696	0	0.0%
Vital Statistic Fees	634,906	629,847	629,847	629,847	629,847	0	0.0%
Dental Health Fees	23,449	26,354	26,354	26,354	26,354	0	0.0%
Pharmacy Fees	2	25	25	25	25	0	0.0%
X-Ray Fees	8,065	11,395	8,065	8,065	8,065	0	0.0%
General Medical Clinic Fees	908,838	862,403	908,838	908,838	908,838	0	0.0%
Family Planning Services	44,182	43,731	41,555	41,555	41,555	0	0.0%
Medicaid Dental Fees	29,798	39,216	39,216	39,216	39,216	0	0.0%
Lab Services Fees	504,449	521,395	521,395	644,363	644,363	0	0.0%
Administrative Fees - Health Dept	7,296	4,373	7,296	7,296	7,296	0	0.0%
Non-Medicaid Pediatric Clinic Visits		0	0	0	0	0	--
Non-Medicaid Maternal Clinic Visits	56	0	0	0	0	0	--
Sewage Disposal/Well Water Evaluation	2,800	3,600	3,600	3,600	3,600	0	0.0%
Adult Day Health Care Fees	931,321	938,398	931,321	931,321	931,321	0	0.0%
Adult Day Health Care Medicaid Reimbursement	297,196	215,336	297,196	297,196	297,196	0	0.0%
Subtotal Health Dept Revenue	$3,705,779	$3,674,925	$3,849,118	$3,999,097	$3,999,097	$0	0.0%
TOTAL CHARGES FOR SERVICES	$72,911,452	$74,616,185	$74,937,994	$76,031,208	$76,031,208	$0	0.0%
RECOVERED COSTS							
City of Fairfax Shared Govt. Expenses	$4,085,497	$3,909,193	$3,928,524	$4,046,380	$4,046,380	$0	0.0%
City of Fairfax Public Assistance	960,679	1,004,327	1,017,166	1,027,338	1,027,338	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	848,360	761,739	862,479	862,479	862,479	0	0.0%
Falls Church - FASTRAN/Employment	14,119	14,119	14,119	14,119	14,119	0	0.0%
Falls Church Health Dept. Services	333,728	311,588	342,522	333,728	379,461	45,733	13.7%
Inmate Room and Board	545,363	725,397	537,046	537,046	537,046	0	0.0%
Boarding of Prisoners	529,124	2,091,941	529,124	141,541	141,541	0	0.0%
Professional Dues Deduction	42,939	42,026	43,136	43,136	43,136	0	0.0%
Recovered Costs - Circuit Court	25	200	25	25	25	0	0.0%
Recovered Costs - General District Court	103,176	106,418	93,466	93,466	93,466	0	0.0%
E-Rate Telecom Program	60,151	57,794	34,250	14,855	14,855	0	0.0%
Misc. Recovered Costs - Other	2,875,180	35,435	45,435	35,435	35,435	0	0.0%
Child Care Services for Other Jurisdictions	117,096	135,555	117,096	117,096	117,096	0	0.0%
CPAN, Circuit Court Computer Service	324,140	333,500	333,500	333,500	333,500	0	0.0%
Golden Gazette	81,183	88,500	88,500	88,500	88,500	0	0.0%

FY 2017 ADOPTED GENERAL FUND REVENUE

Revenue Category	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Increase/ (Decrease) Over Advertised	% Increase/ (Decrease) Over Advertised
Police Academy Cost Recovery	25,100	38,900	25,100	25,100	25,100	0	0.0%
FASTRAN	66,109	67,106	70,590	70,590	70,590	0	0.0%
Reimbursement - School Health	3,995,766	3,995,766	3,995,766	3,995,766	3,995,766	0	0.0%
State Reimbursement Adult Detention Center	2,565,956	2,633,103	2,234,740	2,234,740	2,234,740	0	0.0%
Admin -- City of Fairfax	0	7,131	7,131	7,131	7,131	0	0.0%
TOTAL RECOVERED COSTS	$17,586,529	$16,372,577	$14,332,554	$14,034,810	$14,080,543	$45,733	0.3%
REVENUE FROM THE COMMONWEALTH							
Reduction in State Aid -- Requires locality to pick funding stream to cut	($2,352,619)	$0	$0	$0	$0	$0	--
State Shared Rolling Stock Tax	$109,704	$109,704	$109,704	$109,704	$109,704	$0	0.0%
State Law Enforcement Funding (HB 599)	23,731,260	23,731,261	23,731,261	23,731,261	24,481,261	750,000	3.2%
State Indirect Aid	7,530	54,217	54,217	54,217	54,217	0	0.0%
Subtotal Non-Categorical State Aid	$23,848,494	$23,895,182	$23,895,182	$23,895,182	$24,645,182	$750,000	3.1%
State Shared Retirement - Circuit Court	$174,600	$176,465	$176,465	$176,465	$176,465	$0	0.0%
State Shared Commonwealth Atty. Expenses	1,699,296	1,713,655	1,713,655	1,713,655	1,738,655	25,000	1.5%
State Shared Retirement - Commonwealth Atty.	33,780	32,309	32,309	32,309	32,309	0	0.0%
State Shared Dept. of Tax Admin/Finance Expenses	2,096,095	2,069,754	2,069,754	2,069,754	2,094,754	25,000	1.2%
State Shared Retirement - Dept. of Tax Admin./Finance	42,311	55,172	55,172	55,172	55,172	0	0.0%
State Shared Sheriff Expenses	14,076,201	14,919,693	14,445,954	14,445,954	14,925,954	480,000	3.3%
State Shared Retirement - Sheriff	287,350	278,576	278,576	278,576	278,576	0	0.0%
State Shared General Registrar/ Electoral Board Expenses	85,081	85,806	85,806	85,806	85,806	0	0.0%
Subtotal Shared Expenses	$18,494,714	$19,331,430	$18,857,691	$18,857,691	$19,387,691	$530,000	2.8%
Libraries State Aid	$500,942	$500,819	$500,819	$500,819	$500,819	$0	0.0%
Virginia Share Public Assistance Programs	33,153,611	38,579,366	38,358,386	38,785,936	38,785,936	0	0.0%
Va Child Care Supplement - SACC Program	1,085,571	1,036,072	1,036,072	1,036,072	1,036,072	0	0.0%
Va. Juvenile Crime Control Act Funding	613,374	621,170	621,170	621,170	621,170	0	0.0%
State Share J&DR Court Residential Services	2,312,666	2,452,428	2,452,428	2,452,428	2,452,428	0	0.0%
Subtotal Categorical State Aid	$37,666,164	$43,189,855	$42,968,875	$43,396,425	$43,396,425	$0	0.0%

FY 2017 ADOPTED GENERAL FUND REVENUE

Revenue Category	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Increase/ (Decrease) Over Advertised	% Increase/ (Decrease) Over Advertised
State Reimb. - General District Court	$72,294	$85,265	$85,265	$85,265	$85,265	$0	0.0%
State Reimb. - Health Department	9,607,853	9,760,015	9,077,567	9,077,567	9,077,567	0	0.0%
State Reimb. - Residential Beds - JDC	1,300	10,850	10,850	10,850	10,850	0	0.0%
State Reimb. - Commonwealth Atty. Witness Expense	20,340	16,400	16,400	16,400	16,400	0	0.0%
State Reimb.- Police Intoxication	4,975	6,125	6,125	6,125	6,125	0	0.0%
State Share J&DR Court Services	2,040,261	1,990,869	1,990,869	1,990,869	1,990,869	0	0.0%
Subtotal State Recovered Costs	$11,747,023	$11,869,524	$11,187,076	$11,187,076	$11,187,076	$0	0.0%
State Reimb - Personal Property Tax (PPTRA)	$211,313,944	$211,313,944	$211,313,944	$211,313,944	$211,313,944	$0	0.0%
TOTAL REVENUE FROM THE COMMONWEALTH	$300,717,720	$309,599,935	$308,222,768	$308,650,318	$309,930,318	$1,280,000	0.4%
REVENUE FROM THE FEDERAL GOVT.							
J&DR Court - USA Grant	$91,718	$99,500	$99,500	$99,500	$99,500	$0	0.0%
USDA Grant - Office for Children/Human Svc.	60,330	44,689	44,689	44,689	44,689	0	0.0%
Federal Direct Aid	0	23,000	23,000	23,000	23,000	0	0.0%
Criminal Alien Assistance Program	618,417	400,000	400,000	400,000	400,000	0	0.0%
Federal Emergency Assistance	3,945	0	0	0	0	0	--
Subtotal Categorical Federal Aid	$774,410	$567,189	$567,189	$567,189	$567,189	$0	0.0%
DFS Federal and Federal Pass-Through	$35,493,705	$28,677,720	$29,660,034	$29,367,313	$30,889,467	$1,522,154	5.2%
Payments in Lieu of Taxes - Federal	83,062	45,000	45,000	45,000	45,000	0	0.0%
Federal Aid for Indirect Costs	0	0	0	0	0	0	--
TOTAL REVENUE FROM THE FEDERAL GOVERNMENT	$36,351,177	$29,289,909	$30,272,223	$29,979,502	$31,501,656	$1,522,154	5.1%
Combined State & Federal Public Assistance	$68,647,317	$67,257,086	$68,018,420	$68,153,249	$69,675,403	$1,522,154	2.2%
MISCELLANEOUS REVENUE - GIFTS, DONATIONS, OTHER							
Litigation Proceeds	$186,707	$115,000	$115,000	$115,000	$115,000	$0	0.0%
Miscellaneous Revenue - Environ Mgmt.	130,447	20,000	14,632	14,632	14,632	0	0.0%
Contract Rebates	1,885,468	1,581,792	2,006,138	2,016,169	2,016,169	0	0.0%
Gifts, Donations & Miscellaneous Revenue	5,757	130,000	130,000	130,000	130,000	0	0.0%
Linebarger Collection Fees	8,303	0	0	0	0	0	--
Sales of Land, Vehicles and Salvage	322,895	115,005	115,005	115,005	115,005	0	0.0%
TOTAL MISCELLANEOUS/OTHER	$2,539,577	$1,961,797	$2,380,775	$2,390,806	$2,390,806	$0	0.0%
Total Recovered Costs/Misc./Other Revenue	$20,126,106	$18,334,374	$16,713,329	$16,425,616	$16,471,349	$45,733	0.3%
GRAND TOTAL GENERAL FUND REVENUE	$3,737,863,723	$3,810,507,655	$3,824,978,033	$4,008,114,187	$4,010,962,074	$2,847,887	0.1%

FY 2017 ADOPTED
REVENUE FROM THE COMMONWEALTH [1]

Fund/Fund Title	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
10001 General Fund [2]	$300,717,720	$309,599,935	$308,222,768	$308,650,318	$309,930,318	$1,707,550	0.55%
10030 Contributory Fund	0	0	1,000,000	0	0	(1,000,000)	(100.00%)
30010 General Construction and Contributions	0	0	100,000	0	0	(100,000)	(100.00%)
30020 Infrastructure Replacement and Upgrades	464,680	0	0	0	0	0	-
30040 Contributed Roadway Improvement	426,130	0	223,386	0	0	(223,386)	(100.00%)
30060 Pedestrian Walkway Improvements	137,622	0	385,571	0	0	(385,571)	(100.00%)
30080 Commercial Revitalization Program	415,275	0	984,514	0	0	(984,514)	(100.00%)
40000 County Transit Systems	19,830,913	32,340,450	21,333,338	21,447,928	21,447,928	114,590	0.54%
40010 County and Regional Transportation Projects	40,260,310	0	77,702,949	42,723,012	42,723,012	(34,979,937)	(45.02%)
40040 Fairfax-Falls Church Community Services Board	11,741,114	13,179,720	11,716,017	11,716,017	11,716,017	0	0.00%
40090 E-911	4,539,261	4,400,000	4,400,000	4,600,000	4,600,000	200,000	4.55%
40100 Stormwater Services	1,893,945	0	109,243	0	0	(109,243)	(100.00%)
40140 Refuse Collection and Recycling Operations	128,034	128,034	128,034	128,034	128,034	0	0.00%
50000 Federal/State Grants	27,982,488	32,709,479	37,050,770	31,174,522	31,174,522	(5,876,248)	(15.86%)
69310 Sewer Bond Construction	900,914	0	0	0	0	0	-
S10000 Public School Operating	580,500,452	580,185,212	587,021,540	593,626,528	593,626,528	6,604,988	1.13%
S40000 Public School Food and Nutrition Services	1,041,978	1,149,874	1,149,874	1,153,857	1,153,857	3,983	0.35%
S43000 Public School Adult and Community Education	1,074,511	923,790	936,843	744,292	744,292	(192,551)	(20.55%)
S50000 Public School Grants and Self Supporting Programs	10,635,365	9,988,159	12,017,624	9,909,251	9,909,251	(2,108,373)	(17.54%)
Total Revenue from the Commonwealth	$1,002,690,712	$984,604,653	$1,064,482,471	$1,025,873,759	$1,027,153,759	($37,328,712)	(3.51%)

[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 $93,627,188 to the Northern Virginia Transportation Commission (NVTC) in FY 2017 as a credit to help offset Fairfax County's Operating Subsidy and $5,000,000 as a credit to help offset Fairfax County's Capital Construction Subsidy in Fund 30000, Metro Operations and Construction. State aid in the amount of $15,203,928 is also projected to be disbursed to NVTC in FY 2017 which will be utilized to offset operations in Fund 40000, County Transit Systems.

[2] Personal Property Taxes of $211,313,944 that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Revenue from the Commonwealth category in accordance with guidelines from the State Auditor of Public Accounts.

FY 2017 ADOPTED
REVENUE FROM THE FEDERAL GOVERNMENT

Fund/Fund Title	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
10001 General Fund	$36,351,177	$29,289,909	$30,272,223	$29,979,502	$31,501,656	$1,229,433	4.06%
20000 Consolidated Debt Service	2,951,575	2,100,000	2,100,000	2,100,000	2,100,000	0	0.00%
30060 Pedestrian Walkway Improvements	96,340	0	550,023	0	0	(550,023)	(100.00%)
30400 Park Authority Bond Construction	321,214	0	0	0	0	0	-
40010 County and Regional Transportation Projects	1,272,508	0	15,227,492	0	0	(15,227,492)	(100.00%)
40040 Fairfax-Falls Church Community Services Board	4,245,020	4,234,459	4,228,673	4,228,673	4,228,673	0	0.00%
40100 Stormwater Services	695,917	0	808,615	0	0	(808,615)	(100.00%)
40360 Homeowner and Business Loan Programs	526	26,130	26,130	26,130	26,130	0	0.00%
50000 Federal/State Grants	61,361,656	68,646,233	140,345,816	70,928,744	70,928,744	(69,417,072)	(49.46%)
50800 Community Development Block Grant	4,526,891	4,837,674	9,771,652	4,873,926	4,873,926	(4,897,726)	(50.12%)
50810 HOME Investment Partnerships Program	2,005,262	1,535,471	3,675,402	1,431,830	1,431,830	(2,243,572)	(61.04%)
73030 OPEB Trust	1,308,470	1,000,000	1,000,000	1,000,000	1,000,000	0	0.00%
S10000 Public School Operating	41,802,895	42,219,310	50,533,088	42,219,310	42,219,310	(8,313,778)	(16.45%)
S31000 Public School Construction	889,518	0	22,909,085	0	0	(22,909,085)	(100.00%)
S40000 Public School Food and Nutrition Services	33,674,483	35,750,825	34,549,926	36,075,261	36,075,261	1,525,335	4.41%
S43000 Public School Adult and Community Education	1,770,597	1,666,438	1,778,342	1,666,438	1,666,438	(111,904)	(6.29%)
S50000 Public School Grants and Self Supporting Programs	29,678,954	29,666,448	41,240,022	30,905,754	30,905,754	(10,334,268)	(25.06%)
Total Revenue from the Federal Government	$222,953,003	$220,972,897	$359,016,489	$225,435,568	$226,957,722	($132,058,767)	(36.78%)

FAIRFAX COUNTY
FY 2015 - FY 2017 County Funded Programs
for School-Related Services

	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan
General Fund Transfers					
General Fund Transfer to School Operating Fund	$1,768,498,393	$1,825,153,345	$1,825,153,345	$1,879,907,945	$1,913,518,902
General Fund Transfer to School Construction Fund	0	0	13,100,000	13,100,000	13,100,000
General Fund Transfer to School Debt Service	177,141,176	187,157,477	187,157,477	189,870,099	189,870,099
Subtotal	**$1,945,639,569**	**$2,012,310,822**	**$2,025,410,822**	**$2,082,878,044**	**$2,116,489,001**
Police Department					
School Resource Officers (55/55.0 FTE)[1]	$6,551,081	$6,796,356	$6,759,119	$7,020,636	$7,020,636
Non-Billable Overtime Hours[1]	223,514	188,478	187,774	194,698	194,698
School Crossing Guards (64/64.0 FTE)[1]	2,884,226	2,996,288	2,945,684	3,095,166	3,095,166
Subtotal	**$9,658,821**	**$9,981,122**	**$9,892,577**	**$10,310,500**	**$10,310,500**
Fire Department					
Fire safety programs for pre-school through middle school aged students	$164,724	$153,113	$153,113	$156,455	$156,455
Subtotal	**$164,724**	**$153,113**	**$153,113**	**$156,455**	**$156,455**
Health Department					
School Health (280/207.75 FTE)	$15,371,414	$15,676,881	$16,624,691	$17,017,160	$17,044,608
Subtotal	**$15,371,414**	**$15,676,881**	**$16,624,691**	**$17,017,160**	**$17,044,608**
Community Services Board (CSB)					
Infant and Toddler Connection[1,2]	$162,550	$172,746	$169,120	$179,187	$179,187
Youth and Family Services[1,2]	7,715,579	8,921,194	8,907,045	9,153,813	9,270,242
Subtotal	**$7,878,129**	**$9,093,940**	**$9,076,165**	**$9,333,000**	**$9,449,429**
Department of Family Services					
Net Cost of the School-Age Child Care (SACC) Program (557/516.25 FTE) - includes general services and services for special needs clients, partially offset by program revenues[3]	$7,440,657	$7,729,635	$8,778,590	$8,604,867	$8,604,867
Net Cost of Locally Funded Head Start and School Readiness Activities (21/21.0 FTE)[4]	7,420,755	7,945,610	8,151,017	8,159,934	8,159,934
Local Cash Match Associated with the Head Start/Early Head Grant Funding[4]	1,247,109	1,219,786	1,518,088	1,194,786	1,194,786
Local Cash Match Associated with the Virginia Preschool Initiative Grant Funding	126,428	250,000	516,125	325,000	325,000
Behavioral Health Services for Youth (3/3.0 FTE)[1]	177,418	1,216,117	1,259,863	1,224,705	1,224,705
Net Cost of Children's Services Act (10/10.0 FTE)[1]	19,185,962	21,181,890	21,294,480	21,699,335	21,699,335
County contribution to Schools for SACC space	750,000	1,000,000	1,000,000	1,000,000	1,000,000
Subtotal	**$36,348,329**	**$40,543,038**	**$42,518,163**	**$42,208,627**	**$42,208,627**
Department of Neighborhood and Community Services					
After School Programs at Fairfax County Middle Schools	$3,196,337	$3,158,173	$3,158,173	$3,269,835	$3,269,835
After School Partnership Program	145,000	145,000	145,000	145,000	145,000
Field improvements[5]	2,256	250,000	531,229	250,000	250,000
Therapeutic recreation	59,080	65,709	61,646	62,066	62,066
Subtotal	**$3,402,673**	**$3,618,882**	**$3,896,048**	**$3,726,901**	**$3,726,901**
Fairfax County Park Authority					
Maintenance of Fairfax County Public Schools' athletic fields	$1,525,419	$1,910,338	$3,574,910	$1,910,338	$1,910,338
Subtotal	**$1,525,419**	**$1,910,338**	**$3,574,910**	**$1,910,338**	**$1,910,338**
TOTAL: County Funding for School Related Services	**$2,019,989,078**	**$2,093,288,136**	**$2,111,146,489**	**$2,167,541,025**	**$2,201,295,859**

[1] Includes Fringe Benefits in an effort to more accurately reflect program costs.

[2] As part of the Lines of Business review as well as a system-wide review of behavioral health services for youth, the Fairfax-Falls Church Community Services Board (CSB) has adopted a broader definition of services to be reflected herein as compared to previous years. Rather than including services primarily provided at Fairfax County Public School locations, CSB now includes services that support maintaining children and youth in school or those transitioning to or back to school. It should be noted that CSB's provision of such behavioral health services for youth reduces the need for more intensive services or out-of-home placements, often at higher cost, as mandated under federal and state law.

[3] Includes Fringe Benefits in an effort to more accurately reflect program costs associated with the SACC program and to be consistent with SACC rate setting methodology.

[4] This includes Local Cash Match funding for Federal Head Start and Early Head Start for the Higher Horizons, Gum Springs and Schools' contracts.

[5] Only the cost of athletic field lighting is reflected here. All other Fairfax County Public Schools-related field improvement funding is managed by, and shown under, the Fairfax County Park Authority.

FAIRFAX COUNTY
FY 2015 - FY 2017 Additional County Funded Programs for General Youth Services

	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan
Additional County Funded Youth Programs					
Community Services Board (CSB) - Infant and Toddler Connection[1]	$3,688,113	$4,386,957	$4,453,853	$4,496,699	$4,496,699
CSB - Medical Services[1]	1,028,608	1,087,129	1,191,055	1,224,431	1,224,431
CSB - Wellness Health Promotion and Prevention[1]	636,058	778,814	800,445	828,467	828,467
CSB - Emergency[1]	136,199	254,818	469,467	495,298	495,298
CSB - Support Coordination[1]	931,379	1,219,782	1,195,809	1,255,693	1,255,693
Family Services - Net cost of services for children (excluding SACC, Head Start, School Readiness)	22,692,119	25,207,799	25,632,801	25,451,711	25,451,711
Juvenile and Domestic Relations District Court - Residential Services	3,095,897	3,055,672	3,089,755	3,148,842	3,148,842
Department of Neighborhood and Community Services - Therapeutic Recreation	1,181,597	1,314,178	1,232,922	1,241,316	1,241,316
Department of Neighborhood and Community Services - Teen Centers (excluding Club 78)	1,152,689	1,297,235	1,297,394	1,316,960	1,316,960
Department of Neighborhood and Community Services - Community Centers	2,259,037	2,768,828	2,672,773	2,742,307	2,742,307
Department of Neighborhood and Community Services - Net cost Extension/Community Education	76,169	71,000	89,900	89,900	89,900
Department of Neighborhood and Community Services - Youth Sports Scholarship	150,236	150,000	150,000	150,000	150,000
Fairfax County Park Authority - Athletic Field Maintenance (non-school fields)	2,337,326	2,700,000	3,214,936	2,700,000	2,700,000
Subtotal: Additional County Funded Programs for General Youth Services (Non-School)	**$39,365,427**	**$44,292,212**	**$45,491,110**	**$45,141,624**	**$45,141,624**
TOTAL: County Funded Programs for Youth (Includes Both School and Non-School Programs)	**$2,059,354,505**	**$2,137,580,348**	**$2,156,637,599**	**$2,212,682,649**	**$2,246,437,483**

[1] As part of the Lines of Business review as well as a system-wide review of behavioral health services for youth, the Fairfax-Falls Church Community Services Board (CSB) has adopted a broader definition of services to be reflected herein as compared to previous years. Rather than including services primarily provided at Fairfax County Public School locations, CSB now includes services that support maintaining children and youth in school or those transitioning to or back to school. It should be noted that CSB's provision of such behavioral health services for youth reduces the need for more intensive services or out-of-home placements, often at higher cost, as mandated under federal and state law.

FAIRFAX COUNTY
FY 2015 - FY 2017 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 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan
Additional County-Administered Programs for School-Related Services					
Wellness Grant Funding Administered by CSB[1,2]	$60,000	$60,000	$59,700	$59,925	$59,925
Infant and Toddler Connection Grant Funding Administered by CSB[1,2]	4,202,660	3,875,453	4,210,541	4,210,541	4,210,541
Youth & Family Grant Funding Administered by CSB[1,2]	702,253	702,253	702,253	702,253	702,253
Health Planning Region Funding Administered by CSB[1,2]	356,438	0	1,000,000	1,000,000	1,000,000
Head Start Grant Funding Administered by DFS[2]	4,972,051	4,997,402	4,909,851	4,967,101	4,967,101
Early Head Start Grant Funding Administered by DFS[2]	3,842,136	4,915,561	6,029,332	4,864,961	4,864,961
Virginia Preschool Initiative Administered by DFS[2]	4,874,425	5,002,000	5,351,681	4,905,000	4,905,000
Subtotal: County-Administered Programs	**$19,009,963**	**$19,552,669**	**$22,263,358**	**$20,709,781**	**$20,709,781**
GRAND TOTAL	**$2,078,364,468**	**$2,157,133,017**	**$2,178,900,957**	**$2,233,392,430**	**$2,267,147,264**

[1] As part of the Lines of Business review as well as a system-wide review of behavioral health services for youth, the Fairfax-Falls Church Community Services Board (CSB) has adopted a broader definition of services to be reflected herein as compared to previous years. Rather than including services primarily provided at Fairfax County Public School locations, CSB now includes services that support maintaining children and youth in school or those transitioning to or back to school. It should be noted that CSB's provision of such behavioral health services for youth reduces the need for more intensive services or out-of-home placements, often at higher cost, as mandated under federal and state law.

[2] It should be noted that these expenditures/budgets are by fiscal year. The amounts contain multiple program years in each fiscal year and therefore do not correlate to annual awards for these grants.

Services for Older Adults

Fairfax County projects a significant increase in the older adult population. Between 2010 and 2030, the County expects the 50 and over age group to increase by 19 percent, the 65 and over age group by 51 percent, and the 70 and over age group by 55 percent. This dramatic increase in the older population led to Board of Supervisors to adopt The Fairfax County 50+ Community Action Plan in September 2014. The Action Plan includes 31 initiatives regarding housing, transportation, community engagement, services, safety and health and long-range planning. Given this aging of the population, the County highlights services currently provided to older adults. It should be noted that the figures in the following table do not reflect the cost of all services provided to older adults, as only those services specifically designed for older adults, or those where participation by this population has been tracked or can be reasonably estimated, have been included. There are many general County services that are used extensively by the older adult population, such as Emergency Medical Services and cultural tours, but limited data on actual utilization rates makes it difficult to quantify those costs.

Given the rapid growth in the older adult population in the County, the increasing trend of older adults aging in place and the commensurate increase in demand for services, a large number of service delivery models have been undertaken in various County agencies in recent years. Following the adoption of the FY 2010 budget and at the direction of the Board of Supervisors, staff from agencies providing services to older adults, including the Department of Family Services, the Fairfax-Falls Church Community Services Board, the Department of Housing and Community Development, the Health Department and the Department of Neighborhood and Community Services have evaluated the continuum of older adult services including but not limited to Senior Centers, Senior+ and Adult Day Health Care Centers to ensure coordination of programs and opportunities for provision of more cost efficient service delivery with the ultimate goal to promote long term sustainability.

The table on the following pages details the cost of services provided specifically to older adults included in the FY 2017 Adopted Budget Plan. Following the table is a description of the programs, as well as utilization data by age if available. In FY 2017, services to older adults total $79.0 million or 2.0 percent of General Fund Disbursements of $4.0 billion. Excluding the General Fund Transfer to Fairfax County Public Schools and School Debt Service of $2.1 billion, spending on services for older adults is approximately 4.2 percent of the remaining General Fund Disbursements.

County Funded Programs for Older Adults[1]

Name and Description of Service	FY 2015 Actual	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan
Facilities Management Department				
Lease for the Lorton Senior Center at Gunston Plaza (Operated by the Dept. of Neighborhood and Community Services)	$116,823	$151,366	$155,150	$155,150
Department of Neighborhood and Community Services				
Senior Center and Senior Plus Program	$3,897,663	$3,823,517	$4,053,952	$4,053,952
Seniors-On-the-Go! Taxi Cab Voucher Program	154,143	376,560	318,864	318,864
Subtotal Dept. of Neighborhood and Community Services	$4,051,806	$4,200,077	$4,372,816	$4,372,816
Fairfax County Public Library				
Programs Primarily Used by Older Adults	$398,852	$413,211	$413,211	$413,211
Department of Tax Administration				
Tax Relief for the Elderly and Disabled	$25,825,556	$28,499,324	$29,170,712	$29,170,712
Department of Family Services				
Adult Protective Services	$1,872,416	$1,983,933	$2,045,131	$2,045,131
Adult and Aging Services	10,855,288	11,526,662	11,600,208	11,600,208
Subtotal Department of Family Services	$12,727,704	$13,510,595	$13,645,339	$13,645,339
Health Department				
Long-Term Care Developmental Services[2]	$3,590,520	$3,683,318	$3,357,622	$3,357,622
Fire and Rescue Department				
Senior Safety Programs	$60,106	$62,891	$63,165	$63,165
Subtotal - General Fund	**$46,771,367**	**$50,520,782**	**$51,178,015**	**$51,178,015**

Services for Older Adults

County Funded Programs for Older Adults[1]

Name and Description of Service	FY 2015 Actual	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan
Fund 50000, Federal-State Grant Fund[3]				
Community-Based Social Services	$877,314	$1,650,079	$1,005,940	$1,005,940
Ombudsman	602,334	831,961	699,436	699,436
Fee for Service	283,835	310,985	270,762	270,762
Congregate Meals	1,458,722	3,088,795	1,460,369	1,460,369
Home-Delivered Meals	1,490,419	2,265,806	1,427,981	1,427,981
Care-Coordination	641,131	940,610	747,158	747,158
Caregiver Support	295,635	524,406	287,977	287,977
Chronic Disease Self Management	57,932	7,614	0	0
Subtotal Fund 50000	$5,707,322	$9,620,256	$5,899,623	$5,899,623
Fund 40040, Community Services Board				
Countywide Older Adults and Families Program	$1,058,756	$1,127,507	$1,189,751	$1,189,751
Fund 10030, Contributory Fund				
Northern Virginia Healthcare Center/Birmingham Green Adult Care Residence	$2,621,884	$2,576,887	$2,452,456	$2,452,456
Fund 40330, Elderly Housing Programs				
Lewinsville Senior Residence, Little River Glen, and Lincolnia Center	$3,478,423	$3,962,522	$3,580,904	$3,580,904
Fund 30000, Metro Operations and Construction				
MetroAccess	$13,367,392	$13,661,240	$14,344,302	$14,344,302
Fund 60030, Technology Infrastructure Services				
Computer Labs	$330,832	$340,659	$344,065	$344,065
Subtotal - General Fund Supported	**$26,564,609**	**$31,289,071**	**$27,811,101**	**$27,811,101**
TOTAL SERVICES FOR OLDER ADULTS	**$73,335,976**	**$81,809,853**	**$78,989,116**	**$78,989,116**

[1] This analysis reflects only those services included in General Fund and General Fund Supported agencies, and does not include services supported by non-General Fund or non-appropriated funds, such as rent relief provided through Fund 81100, Fairfax County Rental Program, or recreational activities provided by Fund 40050, Reston Community Center. Likewise, this analysis does not include capital projects funded in prior years, such as senior centers or adult day health care facilities. Capital expenses vary significantly from year to year and one year's data cannot serve as a proxy for "average" capital expenditures in a particular service area.

[2] Includes Insight Memory Care Center, formerly known as Alzheimer's Family Day Center.

[3] The FY 2017 funding level represents anticipated funding, actual funding received may be different.

Services for Older Adults

The following provides a brief description of the programs, as well as utilization data if available, included in the Services for Older Adults table on the previous two pages. For additional information please refer to the specific agency narrative in Volume 1 and Volume 2.

Department of Neighborhood and Community Services

Senior Center and Senior Plus Program

The Department of Neighborhood and Community Services offers services to individuals aged 55 years and older. Services are primarily offered through the 14 senior centers located throughout the County. The Senior Plus Program provides services for older adults who require a higher level of assistance to participate in older adult activities.

***Seniors on the Go!* Taxi Cab Voucher Program**

The *Seniors on the Go!* Taxi Cab Voucher Program allows older adults to purchase vouchers that partially subsidize the cost of taxi rides. Vouchers can be used by married couples over 65 with less than $50,000 in combined income and by single persons over 65 with less than $40,000 in income. In FY 2015, 90 older adults were newly enrolled in the program. In FY 2016, the program is averaging approximately 10 new consumers per month.

Fairfax County Public Library

Programs Primarily Used by Older Adults

The Fairfax County Public Library offers several programs which, although not limited to the older adult population, are heavily used by older adults (those 62 and older). Examples of programs include talking books; home delivery program; book collections maintained at older adult residences, nursing homes, and adult day care centers; large print books; and a self-help group for adults who are coping with loss of vision.

Department of Tax Administration

Tax Relief for the Elderly and Disabled

Tax relief is provided to adults 65 and older and disabled persons on a graduated scale depending upon the level of income and net assets, which must not exceed $72,000 and $340,000, respectively. In FY 2015, 7,014 people participated in the program.

Department of Family Services

Adult Protective Services

Adult Protective Services provides mandated investigations of situations of suspected abuse, neglect or exploitation involving older adults age 60+ and incapacitated adults age 18+ as well as case management services to provide protection for at-risk adults in the community and in public and private facilities. In FY 2015, 1,047 investigations were conducted.

Adult Services and Aging Services

Adult Services and Aging Services provides case management, including needs assessment, care plans, coordination/authorization of services, and follow-up for adults age 60 and older and adults age 18 and older with disabilities. Services may include home-based care and mandated Medicaid preadmission screenings. Some services may have functional and financial eligibility requirements. In FY 2015, 2,362 clients were served. Transportation services are also provided between older adults' residences and their local senior center and adult day health care facility as well as trips in support of basic living. A fee of $0.50 is charged for each one-way trip. Older adults 60 and older who are attendees of a senior center, adult day health center, or residents of senior housing are eligible for services. In FY 2015, 109,567 trips were provided.

Health Department

Long-Term Care Services

Long-Term Care Developmental Services includes both the Adult Day Health Care program and the Insight Memory Care Center, formerly known as Alzheimer's Family Day Center. The Adult Day Health Care program provides therapeutic recreational activities, supervision and health care to meet the needs of adults, 18 years and older who have physical and/or cognitive disabilities. Services are provided on a sliding fee scale. The goal is to provide services to 270 older adults in FY 2017, and that 90 percent of family caregivers will state that their loved one's participation in the program enables them to continue to live at home in the community. The Insight Memory Care Center provides specialized day care services for people with Alzheimer's type illnesses as well as respite, support and education for their care giving families. In FY 2015, Insight Memory Care Center reached 533 Fairfax family caregivers and the Health Department, Adult Day Health Care program, reached over 500 caregivers by providing community outreach, education, support and training.

Fire and Rescue Department

Senior Safety Programs

The Fire and Rescue Department offers various older adult safety programs for individuals 55 and older, including Basic Fire Safety, Emergency Preparedness for the Older Adult, Life Safety Education Seniors Program, Caregiver and Staff Training for those who care for older adults, "Battery for Life" which provides free smoke alarm batteries, and the "File of Life" Program which is an educational program that stresses the importance of maintaining current medication dosages and current physician information. The department plans to reach 9,000 older adults in FY 2017.

Fund 50000, Federal-State Grant Fund

Community-Based Services

Community-Based Services provides services to adults age 60 and older to enable them to live as independently as possible in the community. This includes assisted transportation, information and referral, telephone reassurance, volunteer home services, insurance counseling, and other related services. In FY 2015, 16,255 callers or persons making email inquiries to the Adult and Aging Division within the Department of Family Services received information and referral services and/or access to the services.

Ombudsman

The Ombudsman Program, serving the City of Alexandria and the counties of Arlington, Fairfax, and Loudoun, improves quality of life for the more than 10,000 residents in 110 nursing and assisted living facilities by educating residents and care providers about patient rights and by resolving complaints against nursing and assisted living facilities, as well as home care agencies, through counseling, negotiation and investigation. More than 47 trained volunteers are part of this program. The program also provides information about long-term care providers and educates the community about long-term care issues. Please note Prince William County is no longer part of this partnership.

Fee for Service

Fee for Service provides home-based care to adults age 60 and older to enable them to remain in their homes rather than in more restrictive settings. Services are primarily targeted toward those older adults who are frail, isolated, of a minority group or in economic need.

Congregate Meals

Congregate Meals are provided in 29 congregate meal sites around the County including the County's senior and adult day health centers, several private senior centers and other sites serving older adults such as the Alzheimer's Family Day Center. Congregate Meals are also provided to residents of the five County senior housing complexes. In FY 2015, 231,290 congregate meals were served to 2,260 participants.

Home-Delivered Meals

Home-Delivered Meals provides meals to frail, homebound, low-income residents age 60 and older who cannot prepare their own meals. In FY 2015, 227,925 meals were provided to 736 older adults and younger adults with disabilities. Meals are delivered through partnerships with 23 community volunteer organizations that drive 49 delivery routes.

Caregiver Support

Caregiver Support provides education and support services to caregivers of persons 60 and older, or older adults caring for grandchildren. Services include scholarships for respite care, gap-filling respite and bathing services, assisted transportation (which is also reflected in Community-Based Services), assistance paying for supplies and services, and other activities that contribute to the well-being of older adults and help to relieve caregiver stress. In FY 2015, 42 clients received services through the Adult Day Health Care respite scholarship, 112 clients through the bathing and respite program, 72 clients through the Discretionary Fund, and 39 clients received assisted transportation services, taking 1,284 one-way trips. Over 25,000 readers of the Golden Gazette received caregiver related information through a regular feature, *Caregivers Corner*. An online version of *Caregivers Corner* reached 2,099 monthly subscribers.

Fund 40040, Fairfax-Falls Church Community Services Board

Countywide Older Adults and Families Program

The Older Adults and Families Program of the Fairfax-Falls Church Community Services Board (CSB) provides strengths-based, person-centered, and solution-focused mental health outpatient treatment and case management services for older adults. Services support recovery and independence appropriate to the individual's physical and cognitive abilities and are provided in either an office or community-based setting, as appropriate. To address the unique needs of older adults, services include psychiatric evaluation, medication management, case management and supportive counseling, with linkage to and coordination of services with other community agencies, health care providers and family caregivers. In FY 2015, the program served 581 older adults age 60 and over for a total of 10,889 service hours.

Fund 10030, Contributory Fund

Northern Virginia Healthcare Center/Birmingham Green Adult Care Residence

This facility is owned by the counties of Fairfax, Fauquier, Loudoun and Prince William, and the City of Alexandria as tenants in common. During FY 2015, 123 Fairfax County citizens over the age of 55 were served in the facility (97 in the nursing facility and 26 in assisted living). To be eligible for admission to the nursing and assisted living facilities, older adults and adults with disabilities must meet income, resource, and functional requirements. The Department of Family Services' Self Sufficiency Division accepts and processes applications for Medicaid and auxiliary grants, and the Department of Family Services' Adult and Aging Division assesses for functional eligibility.

Fund 40330, Elderly Housing Programs

Lewinsville Senior Residence, Little River Glen, and Lincolnia Center

The Department of Housing and Community Development provides services related to the County's support of the operation of three locally-funded elderly housing developments, Lewinsville Senior Residence, Little River Glen, and Lincolnia Center Residences, which are owned or leased by the Fairfax County Redevelopment and Housing Authority (FCRHA). The programs' 220 available units/beds in the three facilities support clients who are 62 and older and also meet income requirements. The Lincolnia facility began renovations in FY 2014 and are expected to conclude in FY 2016. During the renovation residents will be relocated to other facilities.

Fund 30000, Metro Operations and Construction

MetroAccess

MetroAccess is a door-to-door paratransit service for people with disabilities who are not able to use fixed-route forms (bus and rail) of public transportation due to functional limitations that relate to their disability. MetroAccess provided approximately 270,553 completed stops for Fairfax County residents in FY 2015. An estimated 59 percent of MetroAccess customers residing in Fairfax County are over 55 years old.

Fund 60030, Technology Infrastructure Services

Computer Labs

The Department of Information Technology supports computer labs at libraries and recreation/senior centers that are used by citizens, many of whom are older adults.

FY 2017

Adopted Budget Plan

COUNTY OF FAIRFAX
1742
VIRGINIA

Compensation and Positions

Explanation of Schedules

Personnel Services and Fringe Benefits

Personnel Services Summary
Summarizes Personnel Services funding by major expense categories (regular salaries, extra compensation, fringe benefits, etc.) for the General Fund, General Fund Supported Funds, and Other Funds.

Personnel Services by Agency
Displays Personnel Services funding, organized by fund, program area, and agency or fund.

Summary of General Fund Employee Benefit Costs by Category
Provides a breakdown of General Fund expenditures for all employee benefits by individual category, including health insurance, dental insurance, life insurance, FICA (Social Security), unemployment, language proficiency pay, employee assistance program, and training.

Distribution of Fringe Benefits by General Fund Agency
Combines Personnel Services, Operating Expenses, and Capital Equipment with Fringe Benefits expenditures for each General Fund agency to reflect a total cost per agency.

Summary of Positions

Regular Positions All Funds
Displays the number of General Fund positions by Program Area, the number of positions in the General Fund Supported Funds, and in Other Funds.

Summary of Position Changes
Provides the total position count for all agencies and funds with funding appropriated by the Board of Supervisors. The change in the position count for each year is broken out into categories, including positions which have been "Abolished", were necessary to support "New Facilities", or required for "Other Changes", including workload increases. Also included is the number of positions that were added by the Board of Supervisors at other times during the fiscal year, i.e. "Other Reviews."

Position Summaries
Details the position count and full-time equivalents (FTE) for the prior, current and upcoming fiscal year, including regular County positions, State positions, and County grant positions.

FY 2017 ADOPTED PERSONNEL SERVICES SUMMARY

(All Appropriated Funds excluding Schools Funds)

	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Increase/ (Decrease) Over Revised
Regular Positions						
General Fund	9,765	9,757	9,812	9,795	9,831	19
General Fund Supported	1,345	1,322	1,327	1,347	1,355	28
Other Funds	1,244	1,256	1,246	1,260	1,252	6
Total	12,354	12,335	12,385	12,402	12,438	53
Regular Salaries and Compensation Increases						
General Fund	$656,218,781	$769,241,083	$763,790,007	$799,002,288	$802,097,739	$38,307,732
General Fund Supported	81,159,898	96,688,900	95,738,698	101,280,041	101,985,098	6,246,400
Other Funds	69,370,655	84,631,271	83,531,608	86,004,685	86,004,685	2,473,077
Total	$806,749,334	$950,561,254	$943,060,313	$986,287,014	$990,087,522	$47,027,209
Limited Term						
General Fund	$22,573,439	$17,610,569	$19,135,356	$19,668,077	$19,618,077	$482,721
General Fund Supported	5,867,819	5,601,093	6,813,395	5,749,134	5,749,134	(1,064,261)
Other Funds	3,503,015	2,814,248	2,990,414	2,937,279	2,937,279	(53,135)
Total	$31,944,273	$26,025,910	$28,939,165	$28,354,490	$28,304,490	($634,675)
Shift Differential						
General Fund	$3,891,224	$4,553,545	$4,553,545	$4,553,545	$4,553,545	$0
General Fund Supported	381,619	379,939	378,550	376,904	376,904	(1,646)
Other Funds	252,440	934,901	934,901	940,993	940,993	6,092
Total	$4,525,283	$5,868,385	$5,866,996	$5,871,442	$5,871,442	$4,446
Extra Compensation						
General Fund	$51,894,274	$44,206,571	$47,826,571	$46,045,132	$45,698,067	($2,128,504)
General Fund Supported	1,635,155	1,586,087	1,606,280	1,618,438	1,618,438	12,158
Other Funds	5,326,006	5,374,343	5,373,902	5,487,287	5,487,287	113,385
Total	$58,855,435	$51,167,001	$54,806,753	$53,150,857	$52,803,792	($2,002,961)
Position Turnover						
General Fund	$0	($62,065,312)	($62,065,312)	($63,798,016)	($63,798,016)	($1,732,704)
General Fund Supported	0	(8,689,892)	(8,689,892)	(8,969,709)	(8,969,709)	(279,817)
Other Funds	0	(2,935,711)	(2,935,711)	(3,009,284)	(3,009,284)	(73,573)
Total	$0	($73,690,915)	($73,690,915)	($75,777,009)	($75,777,009)	($2,086,094)
Total Salaries						
General Fund	$734,577,718	$773,546,456	$773,240,167	$805,471,026	$808,169,412	$34,929,245
General Fund Supported	89,044,491	95,566,127	95,847,031	100,054,808	100,759,865	4,912,834
Other Funds	78,452,116	90,819,052	89,895,114	92,360,960	92,360,960	2,465,846
Total	$902,074,325	$959,931,635	$958,982,312	$997,886,794	$1,001,290,237	$42,307,925
Fringe Benefits						
General Fund	$307,188,662	$338,338,526	$340,260,210	$355,880,829	$354,853,322	$14,593,112
General Fund Supported	33,813,737	34,968,868	36,598,464	37,538,576	37,814,125	1,215,661
Other Funds [1]	196,923,605	221,873,273	232,565,172	225,849,006	225,849,006	(6,716,166)
Total	$537,926,004	$595,180,667	$609,423,846	$619,268,411	$618,516,453	$9,092,607
Total Costs of Personnel Services						
General Fund	$1,041,766,380	$1,111,884,982	$1,113,500,377	$1,161,351,855	$1,163,022,734	$49,522,357
General Fund Supported	122,858,228	130,534,995	132,445,495	137,593,384	138,573,990	6,128,495
Other Funds	275,375,721	312,692,325	322,460,286	318,209,966	318,209,966	(4,250,320)
Total	$1,440,000,329	$1,555,112,302	$1,568,406,158	$1,617,155,205	$1,619,806,690	$51,400,532

[1] It should be noted that the Other Funds amount for fringe benefits includes payments made for claims and administrative expenses for the County's self-insured health insurance plans in Fund 60040, Health Benefits. Fringe benefit expenses for the General Fund, General Fund Supported funds, and all Other Funds include employer contributions made to the Health Benefits Fund to support claims and administrative expenses.

FY 2017 ADOPTED PERSONNEL SERVICES BY AGENCY

# / Agency Title	Regular Compensation [1]	Fringe Benefits	New Positions	Compensation Increases [2]	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
Legislative-Executive Functions / Central Services									
01 Board of Supervisors	$5,168,109	$0	$0	$159,047	$0	$0	$0	($50,945)	$5,276,211
02 Office of the County Executive	6,082,811	0	0	178,814	151,747	0	0	(363,776)	6,049,596
04 Department of Cable and Consumer Services	0	0	0	0	0	0	0	0	0
06 Department of Finance	4,472,686	0	0	138,657	0	0	0	(571,292)	4,040,051
11 Department of Human Resources	6,279,507	0	0	178,785	0	0	17,180	(320,847)	6,154,625
12 Department of Procurement and Material Management	3,654,458	0	0	106,738	79,098	0	6,716	(410,766)	3,436,244
13 Office of Public Affairs	1,416,765	0	0	48,672	37,863	0	0	(103,013)	1,400,287
15 Office of Elections	1,476,376	0	116,476	54,289	1,335,816	0	318,897	(94,926)	3,206,928
17 Office of the County Attorney	7,523,891	0	0	211,353	0	0	0	(460,025)	7,275,219
20 Department of Management and Budget	4,604,589	0	0	151,721	0	0	0	(417,508)	4,338,802
37 Office of the Financial and Program Auditor	335,797	0	0	10,549	0	0	0	0	346,346
41 Civil Service Commission	308,732	0	0	10,147	54,688	0	0	0	373,567
57 Department of Tax Administration	19,525,701	0	0	650,781	197,828	0	220,224	(2,050,158)	18,544,376
70 Department of Information Technology	24,543,332	0	203,590	653,411	113,341	0	32,664	(1,798,616)	23,747,722
Total Legislative-Executive Functions / Central Services	$85,392,754	$0	$320,066	$2,552,964	$1,970,381	$0	$595,681	($6,641,872)	$84,189,974
Judicial Administration									
80 Circuit Court and Records	$9,594,542	$0	$0	$319,865	$150,128	$0	$88,302	($1,001,324)	$9,151,513
82 Office of the Commonwealth's Attorney	3,902,831	0	0	128,683	61,467	0	0	(368,375)	3,724,606
85 General District Court	2,473,384	0	343,214	52,551	45,754	14,271	10,708	(68,766)	2,871,116
91 Office of the Sheriff	14,391,466	0	0	479,320	0	6,500	1,509,399	(1,434,105)	14,952,580
Total Judicial Administration	$30,362,223	$0	$343,214	$980,419	$257,349	$20,771	$1,608,409	($2,872,570)	$30,699,815
Public Safety									
04 Department of Cable and Consumer Services	$737,839	$0	$0	$21,492	$0	$0	$0	($131,474)	$627,857
31 Land Development Services	10,678,263	0	0	329,947	0	0	0	(2,049,789)	8,958,421
81 Juvenile and Domestic Relations District Court	20,774,479	0	0	702,327	694,933	173,109	432,799	(2,132,495)	20,645,152
90 Police Department	143,268,140	0	4,134,881	4,345,172	211,783	1,330,195	19,677,929	(7,180,530)	165,787,570
91 Office of the Sheriff	41,664,584	0	259,298	1,346,509	0	470,699	3,588,485	(5,213,491)	42,116,084
92 Fire and Rescue Department	152,643,885	0	0	4,998,004	316,869	2,409,768	17,935,217	(10,636,786)	167,666,957
93 Office of Emergency Management	1,324,928	0	0	36,184	0	0	0	(15,743)	1,345,369
97 Department of Code Compliance	3,558,972	0	0	117,872	256,352	0	184,064	(340,399)	3,776,861
Total Public Safety	$374,651,090	$0	$4,394,179	$11,897,507	$1,479,937	$4,383,771	$41,818,494	($27,700,707)	$410,924,271
Public Works									
08 Facilities Management Department	$13,620,976	$0	$318,654	$417,392	$0	$4,200	$284,449	($1,037,627)	$13,608,044
25 Business Planning and Support	1,937,202	0	0	53,671	0	0	0	(11,652)	1,979,221
26 Office of Capital Facilities	11,857,955	0	0	340,710	500	0	0	(255,777)	11,943,388
Total Public Works	$27,416,133	$0	$318,654	$811,773	$500	$4,200	$284,449	($1,305,056)	$27,530,653

FY 2017 ADOPTED PERSONNEL SERVICES BY AGENCY

# / Agency Title	Regular Compensation [1]	Fringe Benefits	New Positions	Compensation Increases [2]	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
Health and Welfare									
67 Department of Family Services	$95,509,654	$0	$0	$3,189,588	$7,181,051	$0	$1,061,225	($10,212,393)	$96,729,125
68 Department of Administration for Human Services	12,525,640	0	0	350,454	97,604	0	0	(924,195)	12,049,503
71 Health Department	40,176,271	0	0	1,134,068	1,139,636	0	0	(2,641,808)	39,808,167
73 Office to Prevent and End Homelessness	824,376	0	0	22,391	0	0	0	0	846,767
79 Department of Neighborhood and Community Services	15,214,123	0	0	568,420	3,432,733	15,982	79,192	(1,590,214)	17,720,236
Total Health and Welfare	$164,250,064	$0	$0	$5,264,921	$11,851,024	$15,982	$1,140,417	($15,368,610)	$167,153,798
Parks and Libraries									
51 Fairfax County Park Authority	$22,722,764	$0	$0	$661,938	$2,494,700	$10,762	$119,535	($2,564,030)	$23,445,669
52 Fairfax County Public Library	21,957,358	0	0	712,310	1,098,649	118,059	57,636	(1,963,089)	21,980,923
Total Parks and Libraries	$44,680,122	$0	$0	$1,374,248	$3,593,349	$128,821	$177,171	($4,527,119)	$45,426,592
Community Development									
16 Economic Development Authority	$3,791,918	$0	$0	$114,599	$24,385	$0	$8,851	($257,205)	$3,682,548
31 Land Development Services	14,805,386	0	0	446,303	0	0	0	(3,096,044)	12,155,645
35 Department of Planning and Zoning	11,009,025	0	0	323,232	0	0	0	(1,041,600)	10,290,657
36 Planning Commission	477,007	0	0	15,041	289,374	0	10,144	0	791,566
38 Department of Housing and Community Development	4,841,524	0	0	117,271	151,778	0	54,451	(409,229)	4,755,795
39 Office of Human Rights and Equity Programs	1,499,911	0	0	46,930	0	0	0	(138,188)	1,408,653
40 Department of Transportation	9,313,835	0	0	285,426	0	0	0	(439,816)	9,159,445
Total Community Development	$45,738,606	$0	$0	$1,348,802	$465,537	$0	$73,446	($5,382,082)	$42,244,309
Nondepartmental									
89 Employee Benefits	$0	$354,853,322	$0	$0	$0	$0	$0	$0	$354,853,322
Total Nondepartmental	$0	$354,853,322	$0	$0	$0	$0	$0	$0	$354,853,322
Total General Fund	$772,490,992	$354,853,322	$5,376,113	$24,230,634	$19,618,077	$4,553,545	$45,698,067	($63,798,016)	$1,163,022,734
GENERAL FUND SUPPORTED FUNDS									
40040 Fairfax-Falls Church Community Services Board	$72,572,896	$27,903,475	$286,444	$2,358,366	$5,537,680	$216,389	$1,210,698	($7,073,332)	$103,012,616
40330 Elderly Housing Programs	760,660	236,774	0	20,796	133,741	1,452	51,451	(46,132)	1,158,742
60000 County Insurance	1,208,067	475,998	0	30,994	0	0	0	(99,062)	1,615,997
60010 Department of Vehicle Services	16,746,104	6,509,524	0	533,590	0	138,020	252,740	(1,353,382)	22,826,596
60020 Document Services	1,374,795	717,971	0	17,118	8,652	7,463	35,442	(22,972)	2,138,469
60030 Technology Infrastructure Services	5,898,128	1,970,383	0	177,140	69,061	13,580	68,107	(374,829)	7,821,570
Total General Fund Supported Funds	$98,560,650	$37,814,125	$286,444	$3,138,004	$5,749,134	$376,904	$1,618,438	($8,969,709)	$138,573,990

FY 2017 ADOPTED PERSONNEL SERVICES BY AGENCY

# / Agency Title	Regular Compensation [1]	Fringe Benefits	New Positions	Compensation Increases [2]	Limited Term	Shift Differential	Extra Compensation	Turnover	Personnel Services
OTHER FUNDS									
40010 County and Regional Transportation Projects	$4,387,329	$1,539,777	$0	$114,622	$0	$0	$0	$0	$6,041,728
40030 Cable Communications	4,105,688	1,915,873	0	116,133	324,187	0	83,098	(95,520)	6,449,459
40050 Reston Community Center	2,766,901	1,414,715	0	81,789	1,129,234	15,094	34,895	(21,625)	5,421,003
40060 McLean Community Center	1,679,097	837,606	0	53,719	643,609	5,093	11,180	(4,295)	3,226,009
40070 Burgundy Village Community Center	0	1,378	0	0	18,687	0	0	0	20,065
40080 Integrated Pest Management Program	1,023,647	295,140	0	27,940	0	0	11,138	0	1,357,865
40090 E-911	14,000,020	7,657,257	0	657,738	0	148,400	3,340,568	(932,054)	24,871,929
40100 Stormwater Services	12,857,807	6,231,053	45,093	398,148	424,080	0	182,588	(641,434)	19,497,335
40140 Refuse Collection and Recycling Operations	7,543,061	3,401,826	0	218,659	5,688	0	472,798	(308,187)	11,333,845
40150 Refuse Disposal	7,831,186	2,998,554	0	263,441	0	518,861	573,167	(156,588)	12,028,621
40160 Energy Resource Recovery (ERR) Facility	657,316	294,853	0	18,803	29,263	0	22,266	(5,375)	1,017,126
40170 I-95 Refuse Disposal	2,609,610	909,495	0	80,822	42,864	202,556	95,003	(69,717)	3,870,633
50800 Community Development Block Grant	926,294	410,855	0	0	0	0	0	0	1,337,149
50810 HOME Investment Partnerships Program	80,066	32,940	0	0	0	0	0	0	113,006
60040 Health Benefits [3]	48,000	187,953,322	0	0	74,500	0	0	0	188,075,822
69010 Sewer Operation and Maintenance	20,003,034	8,773,829	0	780,712	245,167	50,989	656,344	(774,489)	29,735,586
73000 Employees' Retirement Trust	1,720,431	816,530	0	53,898	0	0	2,968	0	2,593,827
73010 Uniformed Employees Retirement Trust	368,666	168,299	0	11,550	0	0	637	0	549,152
73020 Police Retirement Trust	368,666	168,299	0	11,550	0	0	637	0	549,152
73030 OPEB Trust	90,450	27,405	0	2,799	0	0	0	0	120,654
Total Other Funds	$83,067,269	$225,849,006	$45,093	$2,892,323	$2,937,279	$940,993	$5,487,287	($3,009,284)	$318,209,966
Total All Funds	$954,118,911	$618,516,453	$5,707,650	$30,260,961	$28,304,490	$5,871,442	$52,803,792	($75,777,009)	$1,619,806,690

[1] The Regular Compensation category includes the full-year impact of merit and longevity increases provided to uniformed public safety employees in FY 2016. It should be noted that these increases impact the Fringe Benefits and Extra Compensation categories as well. The total FY 2017 General Fund expenditure impact across all categories of the full-year cost of FY 2016 compensation increases is $3,975,808.

[2] The Compensation Increases category represents the salary costs of FY 2017 increases, including merit and longevity increases provided to uniformed public safety employees on their anniversary dates (including the elimination of the hold at Step 8), performance increases provided to non-uniformed merit employees in July 2016, a 1.33% Market Rate Adjustment (MRA) provided to all employees in July 2016, and increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions. It should be noted that these increases impact other categories as well, including Fringe Benefits, Limited Term, Extra Compensation, and Turnover. The total FY 2017 General Fund disbursement impact of these FY 2017 compensation increases across all categories totals $32,357,923. This total includes $4,527,799 for uniformed merit and longevities, $526,691 for the Step 8 hold elimination, $11,729,306 for non-uniformed performance increases, $15,376,826 for the 1.33% MRA, and $197,301 for the benchmark class review.

[3] It should be noted that the fringe benefit amount listed for Fund 60040, Health Benefits, includes payments made for claims and administrative expenses for the County's self-insured health insurance plans. These expenses total $187,932,674 for the FY 2017 Adopted Budget Plan. Fringe benefit expenditures for all funds include employer contributions made to the Health Benefits Fund, and these contributions support the $187.9 million paid in claims and administrative expenses. Thus, this amount should be excluded when determining countywide Fringe Benefit expenditures.

FY 2017 ADOPTED SUMMARY OF GENERAL FUND EMPLOYEE BENEFIT COSTS BY CATEGORY

This schedule summarizes total General Fund Employee Benefit costs, including certain benefit costs and associated reimbursements for employees of General Fund agencies that are expended in the General Fund and reimbursed by capital projects.

BENEFIT CATEGORY	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan	Increase/ (Decrease) Over Revised	% Increase/ (Decrease) Over Revised
FRINGE BENEFITS							
Group Health Insurance	$94,024,537	$103,546,666	$103,706,910	$106,367,207	$106,664,379	$2,957,469	2.9%
Dental Insurance	3,824,374	4,091,256	4,097,862	4,136,376	4,148,115	50,253	1.2%
Group Life Insurance	1,447,788	1,446,416	1,450,442	1,488,305	1,492,018	41,576	2.9%
FICA	44,784,982	48,561,924	48,076,681	49,169,866	49,300,193	1,223,512	2.5%
Employees' Retirement	67,544,286	77,846,031	79,042,082	84,324,733	83,683,598	4,641,516	5.9%
Uniformed Retirement	56,402,683	59,795,002	60,835,002	63,777,425	62,830,823	1,995,821	3.3%
Police Retirement	37,822,401	41,146,840	41,146,840	44,742,322	44,859,601	3,712,761	9.0%
Virginia Retirement System	529,000	652,055	652,055	678,426	678,426	26,371	4.0%
Line of Duty	1,057,152	1,104,102	1,104,102	1,252,264	1,252,264	148,162	13.4%
Flexible Spending Accounts	124,559	120,727	120,727	129,131	129,131	8,404	7.0%
Unemployment Compensation	247,956	274,794	274,794	181,884	181,884	(92,910)	(33.8%)
Capital Project Reimbursements	(1,143,028)	(972,199)	(972,199)	(976,895)	(976,895)	(4,696)	0.5%
Employee Assistance Program	237,890	364,912	364,912	249,785	249,785	(115,127)	(31.5%)
Tuition Reimbursement	284,082	360,000	360,000	360,000	360,000	0	0.0%
Total General Fund Fringe Benefits	$307,188,662	$338,338,526	$340,260,210	$355,880,829	$354,853,322	$14,593,112	4.3%
OPERATING EXPENSES							
Employee Awards Program	$206,910	$215,000	$215,000	$215,000	$215,000	$0	0.0%
Employee Development Initiatives	938,346	1,172,850	1,635,021	1,172,850	1,172,850	(462,171)	(28.3%)
Total Operating Expenses	$1,145,256	$1,387,850	$1,850,021	$1,387,850	$1,387,850	($462,171)	(25.0%)
TOTAL GENERAL FUND EMPLOYEE BENEFITS	$308,333,918	$339,726,376	$342,110,231	$357,268,679	$356,241,172	$14,130,941	4.1%

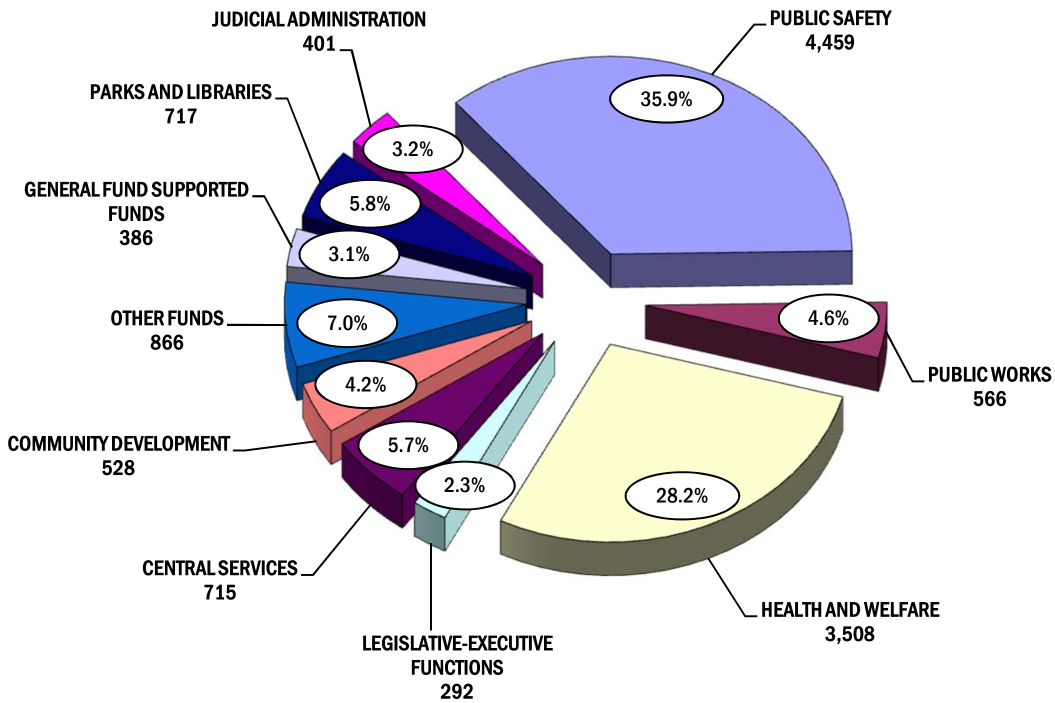
FY 2017 ADOPTED DISTRIBUTION OF FRINGE BENEFITS BY GENERAL FUND AGENCY

#	Agency Title	Personnel Services	Fringe Benefits	Operating Expenses	Recovered Costs	Capital Equipment	Total Cost
	Legislative-Executive Functions / Central Services						
01	Board of Supervisors	$5,276,211	$2,316,694	$571,950	$0	$0	$8,164,855
02	Office of the County Executive	6,049,596	2,656,274	669,116	0	0	9,374,986
04	Department of Cable and Consumer Services	0	0	0	0	0	0
06	Department of Finance	4,040,051	1,773,917	5,188,399	(751,697)	0	10,250,670
11	Department of Human Resources	6,154,625	2,702,390	1,321,928	0	0	10,178,943
12	Department of Procurement and Material Management	3,436,244	1,508,796	1,592,540	(288,803)	0	6,248,777
13	Office of Public Affairs	1,400,287	614,842	111,501	(239,882)	0	1,886,748
15	Office of Elections	3,206,928	1,408,107	891,637	0	0	5,506,672
17	Office of the County Attorney	7,275,219	3,194,424	403,846	(466,522)	0	10,406,967
20	Department of Management and Budget	4,338,802	1,905,094	189,319	0	0	6,433,215
37	Office of the Financial and Program Auditor	346,346	152,075	32,166	0	0	530,587
41	Civil Service Commission	373,567	164,027	66,386	0	0	603,980
57	Department of Tax Administration	18,544,376	8,142,517	5,665,489	0	0	32,352,382
70	Department of Information Technology	23,747,722	10,427,217	8,874,887	0	0	43,049,826
	Total Legislative-Executive Functions / Central Services	$84,189,974	$36,966,374	$25,579,164	($1,746,904)	$0	$144,988,608
	Judicial Administration						
80	Circuit Court and Records	$9,151,513	$4,018,272	$1,985,826	$0	$0	$15,155,611
82	Office of the Commonwealth's Attorney	3,724,606	1,635,411	120,634	0	0	5,480,651
85	General District Court	2,871,116	1,260,658	912,356	0	0	5,044,130
91	Office of the Sheriff	14,952,580	6,565,421	4,076,770	0	0	25,594,771
	Total Judicial Administration	$30,699,815	$13,479,762	$7,095,586	$0	$0	$51,275,163
	Public Safety						
04	Department of Cable and Consumer Services	$627,857	$275,681	$180,448	$0	$0	$1,083,986
31	Land Development Services	8,958,421	3,933,489	1,395,067	0	0	14,286,977
81	Juvenile and Domestic Relations District Court	20,645,152	9,064,932	2,157,583	0	0	31,867,667
90	Police Department	165,787,570	72,794,477	23,975,435	(697,406)	679,880	262,539,956
91	Office of the Sheriff	42,116,084	18,492,450	5,619,017	0	106,942	66,334,493
92	Fire and Rescue Department	167,666,957	73,619,683	28,988,239	0	0	270,274,879
93	Office of Emergency Management	1,345,369	590,728	527,104	0	0	2,463,201
97	Department of Code Compliance	3,776,861	1,658,355	562,380	0	0	5,997,596
	Total Public Safety	$410,924,271	$180,429,795	$63,405,273	($697,406)	$786,822	$654,848,755
	Public Works						
08	Facilities Management Department	$13,608,044	$5,975,059	$52,230,537	($8,445,417)	$0	$63,368,223
25	Business Planning and Support	1,979,221	869,042	168,588	(888,925)	0	2,127,926
26	Office of Capital Facilities	11,943,388	5,244,137	9,422,651	(7,332,951)	0	19,277,225
87	Unclassified Administrative Expenses	0	0	3,757,592	(166,030)	74,000	3,665,562
	Total Public Works	$27,530,653	$12,088,238	$65,579,368	($16,833,323)	$74,000	$88,438,936
	Health and Welfare						
67	Department of Family Services	$96,729,125	$42,472,099	$105,808,627	($534,749)	$0	$244,475,102
68	Department of Administration for Human Services	12,049,503	5,290,730	1,504,820	(64,143)	0	18,780,910
71	Health Department	39,808,167	17,479,083	18,718,423	0	0	76,005,673
73	Office to Prevent and End Homelessness	846,767	371,801	12,124,250	0	0	13,342,818
79	Department of Neighborhood and Community Services	17,720,236	7,780,652	20,820,920	(8,905,508)	0	37,416,300
	Total Health and Welfare	$167,153,798	$73,394,365	$158,977,040	($9,504,400)	$0	$390,020,803

FY 2017 ADOPTED DISTRIBUTION OF FRINGE BENEFITS BY GENERAL FUND AGENCY

#	Agency Title	Personnel Services	Fringe Benefits	Operating Expenses	Recovered Costs	Capital Equipment	Total Cost
	Parks and Libraries						
51	Fairfax County Park Authority	$23,445,669	$10,294,591	$4,681,009	($3,983,777)	$0	$34,437,492
52	Fairfax County Public Library	21,980,923	9,651,446	5,927,364	0	0	37,559,733
	Total Parks and Libraries	$45,426,592	$19,946,037	$10,608,373	($3,983,777)	$0	$71,997,225
	Community Development						
16	Economic Development Authority	$3,682,548	$1,616,944	$3,888,092	$0	$0	$9,187,584
31	Land Development Services	12,155,645	5,337,335	3,453,678	(353,732)	0	20,592,926
35	Department of Planning and Zoning	10,290,657	4,518,451	682,986	0	0	15,492,094
36	Planning Commission	791,566	347,563	29,163	0	0	1,168,292
38	Department of Housing and Community Development	4,755,795	2,088,188	2,122,772	(512,500)	0	8,454,255
39	Office of Human Rights and Equity Programs	1,408,653	618,515	118,995	0	0	2,146,163
40	Department of Transportation	9,159,445	4,021,755	468,337	(1,498,952)	0	12,150,585
	Total Community Development	$42,244,309	$18,548,751	$10,764,023	($2,365,184)	$0	$69,191,899
	Non-Departmental						
87	Unclassified Administrative Expenses	$0	$0	$2,407,036	$0	$0	$2,407,036
89	Employee Benefits	0	0	1,387,850	0	0	1,387,850
	Total Non-Departmental	$0	$0	$3,794,886	$0	$0	$3,794,886
	GENERAL FUND DIRECT EXPENDITURES	$808,169,412	$354,853,322	$345,803,713	($35,130,994)	$860,822	$1,474,556,275

FY 2017 REGULAR POSITIONS ALL FUNDS



TOTAL REGULAR POSITIONS = 12,438

General Fund Program Areas include: General Fund agencies and Fund 40040, Fairfax-Falls Church Community Services Board, in Health and Welfare, Fund 40090, E-911, in Public Safety, and Fund 40100, Stormwater Services, in Public Works.

General Fund Supported Funds include: Fund 40330, Elderly Housing Programs; Fund 60000, County Insurance; Fund 60010, Department of Vehicle Services; Fund 60020, Document Services Division; and Fund 60030, Technology Infrastructure Services.

Other Funds include: Fund 40010, County and Regional Transportation Projects; Fund 40030, Cable Communications; Fund 40050, Reston Community Center; Fund 40060, McLean Community Center; Fund 40080, Integrated Pest Management Program; Fund 40140, Refuse Collection and Recycling Operations; Fund 40150, Refuse Disposal; Fund 40160, Energy Resource Recovery (ERR) Facility; Fund 40170, I-95 Refuse Disposal; Fund 69010 Sewer Operation and Maintenance; Fund 73000, Employees' Retirement Trust; and Fund 73030, OPEB Trust.

Summary of Position Changes
FY 1991 - FY 2017

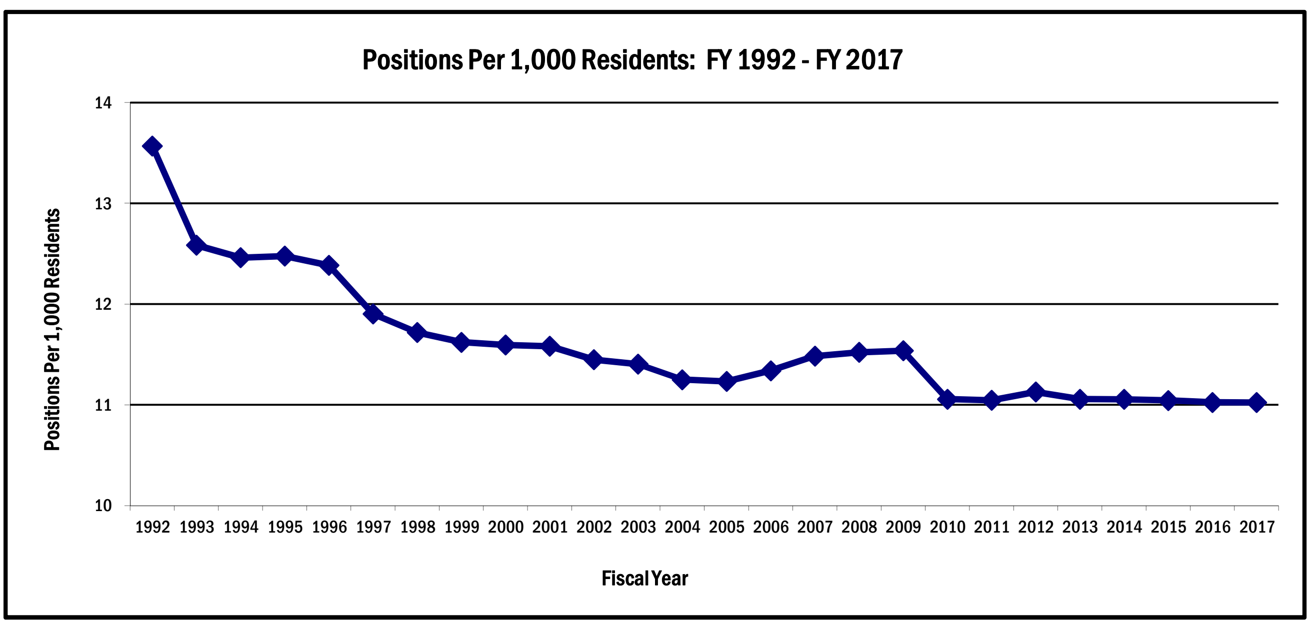
Authorized Positions - All Funds

Fiscal Years[1]	From	To	Abolished	New Facilities	Other Changes	Other Reviews	TOTAL CHANGE	Population[2]	Positions Per 1,000 Residents
FY 1991 to FY 1992	11,164	11,124	(153)	41	20	52	(40)	832,130	13.57
FY 1992 to FY 1993	11,124	10,628	(588)	0	13	79	(496)	844,500	12.58
FY 1993 to FY 1994	10,628	10,685	(88)	62	56	27	57	857,496	12.46
FY 1994 to FY 1995	10,685	10,870	(157)	94	131	117	185	871,268	12.48
FY 1995 to FY 1996	10,870	11,016	(49)	60	76	59	146	889,526	12.38
FY 1996 to FY 1997	11,016	10,782	(477)	150	(14)	107	(234)	905,888	11.90
FY 1997 to FY 1998	10,782	10,802	(56)	4	43	29	20	921,789	11.72
FY 1998 to FY 1999	10,802	10,911	(35)	26	41	77	109	938,912	11.62
FY 1999 to FY 2000	10,911	11,108	(17)	106	26	82	197	958,060	11.59
FY 2000 to FY 2001	11,108	11,317	0	25	107	77	209	977,058	11.58
FY 2001 to FY 2002	11,317	11,385	(2)	14	39	17	68	994,401	11.45
FY 2002 to FY 2003	11,385	11,498	(48)	70	1	90	113	1,008,263	11.40
FY 2003 to FY 2004	11,498	11,443	(124)	49	0	20	(55)	1,017,194	11.25
FY 2004 to FY 2005	11,443	11,547	(4)	56	0	52	104	1,027,972	11.23
FY 2005 to FY 2006	11,547	11,742	(21)	163	50	3	195	1,035,479	11.34
FY 2006 to FY 2007	11,742	11,936	0	159	16	19	194	1,039,409	11.48
FY 2007 to FY 2008	11,936	12,024	0	55	15	18	88	1,043,601	11.52
FY 2008 to FY 2009	12,024	12,101	0	0	33	44	77	1,048,842	11.54
FY 2009 to FY 2010	12,101	11,796	(308)	2	0	1	(305)	1,066,858	11.06
FY 2010 to FY 2011	11,796	12,031	(191)	4	11	411	235	1,089,262	11.05
FY 2011 to FY 2012	12,031	12,278	0	3	36	208	247	1,103,262	11.13
FY 2012 to FY 2013	12,278	12,281	(26)	5	45	(21)	3	1,110,673	11.06
FY 2013 to FY 2014	12,281	12,314	(83)	2	40	74	33	1,113,933	11.05
FY 2014 to FY 2015	12,314	12,354	(45)	11	46	28	40	1,118,561	11.04
FY 2015 to FY 2016 Revised	12,354	12,385	(70)	0	51	50	31	1,123,375	11.02
FY 2016 to FY 2017 Adopted	12,385	12,438	(17)	18	52	0	53	1,128,375	11.02
Total	**11,164**	**12,438**	**(2,559)**	**1,179**	**934**	**1,720**	**1,274**		

In addition, a total of 168 project positions have been abolished since FY 1991, resulting in a total of 2,727 abolished positions. This results in a net increase of 1,106 positions through the FY 2017 Adopted Budget Plan. Despite the net addition of positions, Positions Per 1,000 Residents have decreased dramatically during the period between FY 1992 and FY 2017, from 13.57 (including the 168 project positions) to 11.02, an 18.8 percent decrease.

( ) Denotes Abolished Positions
[1] Fiscal Year totals reflect actuals except for the current and budget year which reflect latest budgeted position counts.
[2] Population numbers used to compute Positions Per 1,000 Residents are provided by the Department of Neighborhood and Community Services and adjusted for fiscal year.

During the period FY 1992 - FY 2017, the following chart depicts the trend in merit regular positions per 1,000 residents:



Summary of Position Changes

FY 2017 Position Actions

Total Change: 53 Regular Merit Positions

Agency	Explanation	# of Positions
NEW POSITIONS		**70**
Facilities Management	Maintenance for Public Safety Headquarters	3
Facilities Management	Maintenance for original Mt. Vernon High School	3
Elections	Absentee voting and information technology support	2
Information Technology	Information technology security	2
General District Court	Diversion First	5
Police	Patrol (Public Safety Staffing Plan)	14
Police	South County Police Station	15
Police	Diversion First	3
Police	Human Trafficking Task Force	2
Police	Polygraph Positions	2
Sheriff	Diversion First	3
Community Services Board	Diversion First	8
Community Services Board	Support Coordination	4
Stormwater Services	Administrative support for work order system and safety program	1
Sewer Operation and Maintenance	Wastewater activities	3
REDUCTIONS/REALIGNMENTS		**(17)**
Cable and Consumer Services	Transfer to Document Services as part of Mailroom Realignment	(12)
Cable and Consumer Services	Transfer to Cable Communications as part of Mailroom Realignment	(2)
Management and Budget	Central Services Redesign	(2)
Park Authority	Elimination of positions vacant for extended period	(12)
Library	Transfer to Document Services as part of Archives Realignment	(6)
Administration for Human Services	Transfer from Community Services Board	1
Information Technology	Elimination of positions vacant for extended period	(2)
Cable Communications	Transfer from Cable and Consumer Services as part of Realignment	2
Community Services Board	Transfer to Administration for Human Services	(1)
Document Services	Elimination of position vacant for extended period	(1)
Document Services	Transfer from Library as part of Archives Realignment	6
Document Services	Transfer from Cable and Consumer Services as part of Mailroom Realignment	12
	TOTAL CHANGE:	**53**

Summary of Position Changes

FY 2016 Position Actions

Total Change: 31 Regular Merit Positions

Agency	Explanation	# of Positions
NEW POSITIONS		**51**
Elections	Electoral Board support	2
Economic Development Authority	Business development for data analytics and cloud computing	1
Transportation	County Transit	1
Family Services	Self Sufficiency	20
Family Services	Domestic Violence	2
Health	School Health	4
Commonwealth's Attorney	Domestic Violence	1
General District Court	Veteran's Docket	2
Police	Regional Gang Task Force	2
County and Regional Transportation Projects	Transportation funding	13
Stormwater Services	Stormwater activities	1
Vehicle Services	School bus mechanics	2
REDUCTIONS/REALIGNMENTS		**(70)**
County Executive	Office of Public Private Partnerships	(1)
Cable and Consumer Services	Mail services	(1)
Human Resources	Employee benefits	(2)
Purchasing and Supply Management	Warehouse driver	(1)
Public Affairs	Government Center lobby reception	(1)
Management and Budget	FOCUS Business Support Group	(2)
Business Planning and Support	Transfer of Information Technology support from Land Development Services	2
Business Planning and Support	Transfer of Information Technology support from Refuse Collection and Recycling	2
Land Development Services	Transfer of Information Technology support to Business Planning and Support	(2)
Housing and Community Development	Transfer of position to Administration for Human Services	(1)
Human Rights and Equity Programs	Human Rights Specialist	(1)
Parks	Financial management	(1)
Parks	Strategic planning	(1)
Parks	Volunteer services	(1)
Parks	Technology support	(1)
Parks	Night guards	(2)
Library	Library aides	(14)
Administration for Human Services	Financial processing	(2)
Administration for Human Services	Transfer from Housing and Community Development	1
Information Technology	FOCUS support	(2)
Health	Annandale Adult Day Health	(8)
Neighborhood and Community Services	Division Director	(1)
Neighborhood and Community Services	Regional services	(1)
Neighborhood and Community Services	Human services system planning	(1)

Summary of Position Changes

FY 2016 Position Actions

Agency	Explanation	# of Positions
Neighborhood and Community Services	Coordinated services planning	(1)
Community Services Board	Special projects	(1)
Community Services Board	Substance Abuse Counselor	(1)
Community Services Board	Assessments and screening	(2)
Community Services Board	Service Director	(1)
Community Services Board	Assisted community residential services	(2)
Community Services Board	Residential treatment and supportive residential services	(8)
Community Services Board	Sojourn House	(10)
Refuse Collection and Recycling Operations	Transfer of Information Technology support to Business Planning and Support	(2)
OTHER CHANGES DURING FISCAL YEAR		**50**
County Attorney	Workload requirements	2
Capital Facilities	Transfers from Refuse Collection and Recycling Operations	7
Land Development Services	Transfers from Refuse Collection and Recycling Operations	3
Land Development Services	Realignment of position	(1)
Housing and Community Development	Transfer from Elderly Housing	1
Park Authority	Realignment of position	(1)
Family Services	Self Sufficiency (FY 2015 Carryover)	9
Family Services	Self Sufficiency (FY 2016 Third Quarter)	16
Family Services	School Health (FY 2016 Third Quarter)	1
Family Services	Transfer to Administration for Human Services	(1)
Administration for Human Services	Transfer from Family Services	1
Fire and Rescue	SAFER grant	18
Community Services Board	Mobile Crisis Unit (FY 2015 Carryover)	6
Stormwater Services	Transfer from Refuse Collection and Recycling Operations	1
Refuse Collection and Recycling Operations	Transfer from Refuse Disposal	1
Refuse Collection and Recycling Operations	Transfers to Capital Facilities, Land Development Services, Stormwater Services, and I-95 Refuse Disposal	(12)
Refuse Disposal	Transfers from I-95 Refuse Disposal	2
Refuse Disposal	Transfer to Refuse Collection and Recycling Operations	(1)
I-95 Refuse Disposal	Transfer from Refuse Collection and Recycling Operations	1
I-95 Refuse Disposal	Transfers to Refuse Disposal and Sewer Operation and Maintenance	(3)
Elderly Housing	Transfer to Housing and Community Development	(1)
Sewer Operation and Maintenance	Transfer from I-95 Refuse Disposal	1
	TOTAL CHANGE:	**31**

Summary of Position Changes

FY 2015 Position Actions

Total Change: 40 Regular Merit Positions

Agency	Explanation	# of Positions
NEW POSITIONS		**57**
Facilities Management	Merrifield Center	4
Elections	Election Commission recommendations	3
Purchasing and Supply Management	Contract rebates and surplus and excess property programs	2
Capital Facilities	Transportation funding	1
Capital Facilities	Public-Private Education Act projects	3
Capital Facilities	Stormwater activities	1
Land Development Services	Economic Development Core Team	2
Transportation	Title VI compliance	1
Transportation	Intelligent Transportation Systems	2
Transportation	Transit marketing	1
Transportation	Transportation project research	1
Family Services	Behavioral Health Services for Youth	3
Family Services	School Readiness	3
Family Services	Self Sufficiency	3
Family Services	Domestic Violence	1
Family Services	Kinship	1
Neighborhood and Community Services	Providence Community Center	7
Juvenile and Domestic Relations District Court	Evening Reporting conversion from grant	2
Commonwealth's Attorney	Criminal case workload	3
Police	Animal Shelter expansion	2
Fire and Rescue	Fire Prevention	2
Code Compliance	Customer service	1
County and Regional Transportation Projects	Transportation Funding	6
Stormwater Services	Stormwater activities	2
REDUCTIONS/REALIGNMENTS		**(45)**
Family Services	Conversion of SACC positions to non-merit	(45)
Business Planning and Support	Transfer of Information Technology support from Land Development Services	4
Capital Facilities	Transfer to Land Development Services	(1)
Land Development Services	Transfer of Information Technology support to Business Planning and Support	(4)
Land Development Services	Transfer from Capital Facilities	1
OTHER CHANGES DURING FISCAL YEAR		**28**
Board of Supervisors	Transfer of support for the Clerk to the Board from the County Executive	2
County Executive	Transfer of support for the Clerk to the Board	(1)
Finance	Grant monitoring	1
Human Resources	Benefits support	1
Capital Facilities	Support for improved economic development processing	1
Capital Facilities	Transfer from Refuse Collection and Recycling	3

Summary of Position Changes

FY 2015 Position Actions

Agency	Explanation	# of Positions
Elections	Transfer to Parks and Fire and Rescue	(2)
Land Development Services	Support for improved economic development processing	15
Land Development Services	Realignment of position	(1)
Land Development Services	Transfer to Stormwater Services	(2)
Planning and Zoning	Support for improved economic development processing	3
Transportation	Support for improved economic development processing	2
Parks	Transfer from Elections	1
Family Services	Realignment of position	(2)
Health	Support for improved economic development processing	1
Health	Epidemiology	2
Neighborhood and Community Services	Transfer from Juvenile and Domestic Relations District Court	1
Juvenile and Domestic Relations District Court	Transfer to Neighborhood and Community Services	(1)
Fire and Rescue	Transfer from Elections	1
Fire and Rescue	Support for improved economic development processing	5
Community Services Board	Realignment of position	(1)
Integrated Pest Management Program	Realignment of position	(1)
Stormwater Services	Support for improved economic development processing	1
Stormwater Services	Transfer to Land Development Services	2
Stormwater Services	Transfer from Refuse Collection and Recycling	1
Refuse Collection and Recycling	Transfer to Capital Facilities	(3)
Refuse Collection and Recycling	Transfer to I-95 Refuse Disposal	(1)
Refuse Collection and Recycling	Transfer to Stormwater Services	(1)
I-95 Refuse Disposal	Transfer from Refuse Collection and Recycling	1
	TOTAL CHANGE:	40

FY 2017 ADOPTED POSITION SUMMARY
(GENERAL FUND)

	FY 2015		FY 2016										FY 2017					
	Actual		*Adopted*		*Carryover*		*Out of Cycle*		*Third Quarter*		*Revised*		*Advertised*		*Adopted*		*Inc/ (Dec)*	
# Agency Title	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*
Legislative-Executive Functions / Central Services																		
01 Board of Supervisors	77	77.00	77	77.00	0	0.00	0	0.00	0	0.00	77	77.00	77	77.00	77	77.00	0	0.00
02 Office of the County Executive	54	54.00	53	53.00	0	0.00	0	0.00	0	0.00	53	53.00	53	53.00	53	53.00	0	0.00
04 Department of Cable and Consumer Services	15	15.00	14	14.00	0	0.00	0	0.00	0	0.00	14	14.00	0	0.00	0	0.00	(14)	(14.00)
06 Department of Finance	55	55.00	55	55.00	0	0.00	0	0.00	0	0.00	55	55.00	55	55.00	55	55.00	0	0.00
11 Department of Human Resources	77	77.00	75	75.00	0	0.00	0	0.00	0	0.00	75	75.00	75	75.00	75	75.00	0	0.00
12 Department of Procurement and Material Management	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
13 Office of Public Affairs	18	18.00	17	17.00	0	0.00	0	0.00	0	0.00	17	17.00	17	17.00	17	17.00	0	0.00
15 Office of Elections	26	26.00	28	28.00	0	0.00	0	0.00	0	0.00	28	28.00	30	30.00	30	30.00	2	2.00
17 Office of the County Attorney	60	60.00	60	60.00	0	0.00	2	2.00	0	0.00	62	62.00	62	62.00	62	62.00	0	0.00
20 Department of Management and Budget	54	54.00	52	52.00	0	0.00	0	0.00	0	0.00	52	52.00	50	50.00	50	50.00	(2)	(2.00)
37 Office of the Financial and Program Auditor	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
41 Civil Service Commission	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
57 Department of Tax Administration	283	283.00	283	283.00	0	0.00	0	0.00	0	0.00	283	283.00	283	283.00	283	283.00	0	0.00
70 Department of Information Technology	252	252.00	250	250.00	0	0.00	0	0.00	0	0.00	250	250.00	250	250.00	250	250.00	0	0.00
Total Legislative-Executive Functions / Central Services	1,027	1,027.00	1,019	1,019.00	0	0.00	2	2.00	0	0.00	1,021	1,021.00	1,007	1,007.00	1,007	1,007.00	(14)	(14.00)
Judicial Administration																		
80 Circuit Court and Records	163	163.00	163	163.00	0	0.00	0	0.00	0	0.00	163	163.00	163	163.00	163	163.00	0	0.00
82 Office of the Commonwealth's Attorney	40	40.00	41	41.00	0	0.00	0	0.00	0	0.00	41	41.00	41	41.00	41	41.00	0	0.00
85 General District Court	21	21.00	23	23.00	0	0.00	0	0.00	0	0.00	23	23.00	23	23.00	28	28.00	5	5.00
91 Office of the Sheriff	171	170.50	171	170.50	0	0.00	(2)	(2.00)	0	0.00	169	168.50	170	169.50	169	168.50	0	0.00
Total Judicial Administration	395	394.50	398	397.50	0	0.00	(2)	(2.00)	0	0.00	396	395.50	397	396.50	401	400.50	5	5.00
Public Safety																		
04 Department of Cable and Consumer Services	10	10.00	10	10.00	0	0.00	0	0.00	0	0.00	10	10.00	10	10.00	10	10.00	0	0.00
31 Land Development Services	97	97.00	97	97.00	0	0.00	2	2.00	0	0.00	99	99.00	99	99.00	99	99.00	0	0.00
81 Juvenile and Domestic Relations District Court	303	301.50	303	301.50	0	0.00	0	0.00	0	0.00	303	301.50	303	301.50	303	301.50	0	0.00
90 Police Department	1,720	1,720.00	1,722	1,722.00	0	0.00	0	0.00	0	0.00	1,722	1,722.00	1,755	1,755.00	1,758	1,758.00	36	36.00
91 Office of the Sheriff	429	428.50	429	428.50	0	0.00	2	2.00	0	0.00	431	430.50	430	429.50	434	433.50	3	3.00
92 Fire and Rescue Department	1,574	1,574.00	1,574	1,574.00	0	0.00	18	18.00	0	0.00	1,592	1,592.00	1,592	1,592.00	1,592	1,592.00	0	0.00
93 Office of Emergency Management	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
97 Department of Code Compliance	45	45.00	45	45.00	0	0.00	0	0.00	0	0.00	45	45.00	45	45.00	45	45.00	0	0.00
Total Public Safety	4,191	4,189.00	4,193	4,191.00	0	0.00	22	22.00	0	0.00	4,215	4,213.00	4,247	4,245.00	4,254	4,252.00	39	39.00
Public Works																		
08 Facilities Management Department	203	203.00	203	203.00	0	0.00	0	0.00	0	0.00	203	203.00	209	209.00	209	209.00	6	6.00
25 Business Planning and Support	15	15.00	19	19.00	0	0.00	0	0.00	0	0.00	19	19.00	19	19.00	19	19.00	0	0.00
26 Office of Capital Facilities	148	148.00	148	148.00	0	0.00	7	7.00	0	0.00	155	155.00	149	149.00	155	155.00	0	0.00
Total Public Works	366	366.00	370	370.00	0	0.00	7	7.00	0	0.00	377	377.00	377	377.00	383	383.00	6	6.00
Health and Welfare																		
67 Department of Family Services	1,445	1,419.14	1,467	1,440.64	9	9.00	(1)	(0.50)	16	16.00	1,491	1,465.14	1,475	1,449.14	1,491	1,465.14	0	0.00
68 Department of Administration for Human Services	166	165.00	165	164.50	0	0.00	1	1.00	0	0.00	166	165.50	167	166.50	167	166.50	1	1.00
71 Health Department	656	584.47	652	579.75	0	0.00	0	0.00	1	1.00	653	580.75	652	579.75	653	580.75	0	0.00
73 Office to Prevent and End Homelessness	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
79 Department of Neighborhood and Community Services	224	224.00	220	220.00	0	0.00	0	0.00	0	0.00	220	220.00	220	220.00	220	220.00	0	0.00
Total Health and Welfare	2,499	2,400.61	2,512	2,412.89	9	9.00	0	0.50	17	17.00	2,538	2,439.39	2,522	2,423.39	2,539	2,440.39	1	1.00
Parks and Libraries																		
51 Fairfax County Park Authority	356	354.00	350	348.50	0	0.00	(1)	(0.75)	0	0.00	349	347.75	337	336.25	337	336.25	(12)	(11.50)
52 Fairfax County Public Library	400	379.00	386	365.50	0	0.00	0	0.00	0	0.00	386	365.50	380	359.50	380	359.50	(6)	(6.00)
Total Parks and Libraries	756	733.00	736	714.00	0	0.00	(1)	(0.75)	0	0.00	735	713.25	717	695.75	717	695.75	(18)	(17.50)
Community Development																		
16 Economic Development Authority	35	35.00	36	36.00	0	0.00	0	0.00	0	0.00	36	36.00	36	36.00	36	36.00	0	0.00
31 Land Development Services	177	177.00	175	175.00	0	0.00	0	0.00	0	0.00	175	175.00	173	173.00	175	175.00	0	0.00
35 Department of Planning and Zoning	133	133.00	133	133.00	0	0.00	0	0.00	0	0.00	133	133.00	133	133.00	133	133.00	0	0.00
36 Planning Commission	7	7.00	7	7.00	0	0.00	0	0.00	0	0.00	7	7.00	7	7.00	7	7.00	0	0.00
38 Department of Housing and Community Development	44	44.00	43	43.00	0	0.00	1	1.00	0	0.00	44	44.00	44	44.00	44	44.00	0	0.00
39 Office of Human Rights and Equity Programs	17	17.00	16	16.00	0	0.00	0	0.00	0	0.00	16	16.00	16	16.00	16	16.00	0	0.00
40 Department of Transportation	118	118.00	119	119.00	0	0.00	0	0.00	0	0.00	119	119.00	119	119.00	119	119.00	0	0.00
Total Community Development	531	531.00	529	529.00	0	0.00	1	1.00	0	0.00	530	530.00	528	528.00	530	530.00	0	0.00
Total General Fund Positions	9,765	9,641.11	9,757	9,633.39	9	9.00	29	29.75	17	17.00	9,812	9,689.14	9,795	9,672.64	9,831	9,708.64	19	19.50

FY 2017 ADOPTED POSITION SUMMARY
(GENERAL FUND SUPPORTED AND OTHER FUNDS)

	FY 2015		FY 2016										FY 2017					
	Actual		*Adopted*		*Carryover*		*Out of Cycle*		*Third Quarter*		*Revised*		*Advertised*		*Adopted*		Inc/(Dec)	
Fund	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*
General Fund Supported																		
40040 Fairfax-Falls Church Community Services Board	977	972.75	952	947.75	6	6.00	0	0.25	0	0.00	958	954.00	961	956.75	969	965.00	11	11.00
40330 Elderly Housing Programs	13	13.00	13	13.00	0	0.00	(1)	(1.00)	0	0.00	12	12.00	12	12.00	12	12.00	0	0.00
60000 County Insurance	14	14.00	14	14.00	0	0.00	0	0.00	0	0.00	14	14.00	14	14.00	14	14.00	0	0.00
60010 Department of Vehicle Services	258	258.00	260	260.00	0	0.00	0	0.00	0	0.00	260	260.00	260	260.00	260	260.00	0	0.00
60020 Document Services	10	10.00	10	10.00	0	0.00	0	0.00	0	0.00	10	10.00	27	27.00	27	27.00	17	17.00
60030 Technology Infrastructure Services	73	73.00	73	73.00	0	0.00	0	0.00	0	0.00	73	73.00	73	73.00	73	73.00	0	0.00
Total General Fund Supported	1,345	1,340.75	1,322	1,317.75	6	6.00	(1)	(0.75)	0	0	1,327	1,323.00	1,347	1,342.75	1,355	1,351.00	28	28.00
Other Funds																		
40010 County and Regional Transportation Projects	34	34.00	47	47.00	0	0.00	0	0.00	0	0.00	47	47.00	47	47.00	47	47.00	0	0.00
40030 Cable Communications	52	52.00	52	52.00	0	0.00	0	0.00	0	0.00	52	52.00	54	54.00	54	54.00	2	2.00
40050 Reston Community Center	50	50.00	50	50.00	0	0.00	0	0.00	0	0.00	50	50.00	50	50.00	50	50.00	0	0.00
40060 McLean Community Center	31	28.18	31	28.18	0	0.00	0	0.00	0	0.00	31	28.18	31	28.18	31	28.18	0	0.00
40080 Integrated Pest Management Program	11	11.00	11	11.00	0	0.00	0	0.00	0	0.00	11	11.00	11	11.00	11	11.00	0	0.00
40090 E-911	205	205.00	205	205.00	0	0.00	0	0.00	0	0.00	205	205.00	205	205.00	205	205.00	0	0.00
40100 Stormwater Services	180	180.00	181	181.00	0	0.00	1	1.00	0	0.00	182	182.00	183	183.00	183	183.00	1	1.00
40140 Refuse Collection and Recycling Operations	142	142.00	140	140.00	0	0.00	(11)	(11.00)	0	0.00	129	129.00	136	136.00	129	129.00	0	0.00
40150 Refuse Disposal	144	144.00	144	144.00	0	0.00	1	1.00	0	0.00	145	145.00	145	145.00	145	145.00	0	0.00
40160 Energy Resource Recovery (ERR) Facility	12	12.00	12	12.00	0	0.00	0	0.00	0	0.00	12	12.00	12	12.00	12	12.00	0	0.00
40170 I-95 Refuse Disposal	42	42.00	42	42.00	0	0.00	(2)	(2.00)	0	0.00	40	40.00	41	41.00	40	40.00	0	0.00
69010 Sewer Operation and Maintenance	315	315.00	315	315.00	0	0.00	1	1.00	0	0.00	316	316.00	319	319.00	319	319.00	3	3.00
73000 Employees' Retirement Trust	25	25.00	25	25.00	0	0.00	0	0.00	0	0.00	25	25.00	25	25.00	25	25.00	0	0.00
73030 OPEB Trust	1	1.00	1	1.00	0	0.00	0	0.00	0	0.00	1	1.00	1	1.00	1	1.00	0	0.00
Total Other Funds	1,244	1,241.18	1,256	1,253.18	0	0.00	(10)	(10.00)	0	0.00	1,246	1,243.18	1,260	1,257.18	1,252	1,249.18	6	6.00
Total All Funds	12,354	12,223.04	12,335	12,204.32	15	15.00	18	19.00	17	17.00	12,385	12,255.32	12,402	12,272.57	12,438	12,308.82	53	53.50

FY 2017 ADOPTED POSITION SUMMARY

(GENERAL FUND STATE POSITIONS)

Agency Title	FY 2015 Actual Pos	FY 2015 Actual FTE	FY 2016 Adopted Pos	FY 2016 Adopted FTE	FY 2016 Carryover Pos	FY 2016 Carryover FTE	FY 2016 Out of Cycle Pos	FY 2016 Out of Cycle FTE	FY 2016 Third Quarter Pos	FY 2016 Third Quarter FTE	FY 2016 Revised Pos	FY 2016 Revised FTE	FY 2017 Advertised Pos	FY 2017 Advertised FTE	FY 2017 Adopted Pos	FY 2017 Adopted FTE	Inc/(Dec) Pos	Inc/(Dec) FTE
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	43	43.00	43	43.00	0	0.00	0	0.00	0	0.00	43	43.00	43	43.00	43	43.00	0	0.00
General District Court	94	91.10	94	91.10	0	0.00	0	0.00	0	0.00	94	91.10	94	91.10	117	114.10	23	23.00
Office of the Sheriff	27	27.00	27	27.00	0	0.00	0	0.00	0	0.00	27	27.00	27	27.00	27	27.00	0	0.00
Total General Fund	179	176.10	179	176.10	0	0.00	0	0.00	0	0.00	179	176.10	179	176.10	202	199.10	23	23.00

FY 2017 ADOPTED POSITION SUMMARY
(GRANT POSITIONS)

	FY 2015		FY 2016										FY 2017					
	Actual		*Adopted*		*Carryover*		*Out of Cycle*		*Third Quarter*		*Revised*		*Advertised*		*Adopted*		*Inc/(Dec)*	
Fund/Agency Title	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*	*Pos*	*FTE*
Fund 50000, Federal/State Grant																		
Office of Human Rights and Equity Programs	4	3.90	5	4.90	0	0.00	(2)	(2.00)	0	0.00	3	2.90	4	3.90	4	3.90	1	1.00
Department of Transportation	8	8.00	7	6.00	0	0.00	0	1.00	0	0.00	7	7.00	7	7.00	7	7.00	0	0.00
Department of Family Services	180	177.00	180	174.50	0	0.00	(3)	(1.10)	0	0.00	177	173.40	178	172.00	178	172.00	1	(1.40)
Health Department	63	63.00	63	63.00	0	0.00	1	1.00	0	0.00	64	64.00	63	63.00	63	63.00	(1)	(1.00)
Fairfax-Falls Church Community Services Board	56	55.50	57	56.80	0	0.00	3	3.20	0	0.00	60	60.00	60	59.80	60	59.80	0	(0.20)
Department of Neighborhood and Community Services	2	2.00	1	0.90	0	0.00	2	2.10	0	0.00	3	3.00	1	0.90	1	0.90	(2)	(2.10)
Juvenile and Domestic Relations District Court	1	0.50	1	0.50	0	0.00	0	0.00	0	0.00	1	0.50	1	0.50	1	0.50	0	0.00
General District Court	8	8.00	8	8.00	0	0.00	1	1.00	0	0.00	9	9.00	8	8.00	8	8.00	(1)	(1.00)
Police Department	12	12.00	8	8.00	0	0.00	2	2.00	0	0.00	10	10.00	6	6.00	6	6.00	(4)	(4.00)
Fire and Rescue Department	18	18.00	18	16.80	0	0.00	0	1.20	0	0.00	18	18.00	18	16.80	18	16.80	0	(1.20)
Emergency Management	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 [1]	356	351.90	352	343.40	0	0.00	4	8.40	0	0.00	356	351.80	350	341.90	350	341.90	(6)	(9.90)
Fund 50800, Community Development Block Grant																		
Department of Housing and Community Development	22	22.00	22	22.00	0	0.00	(5)	(5.00)	0	0.00	17	17.00	17	17.00	17	17.00	0	0.00
Total Community Development Block Grant	22	22.00	22	22.00	0	0.00	(5)	(5.00)	0	0.00	17	17.00	17	17.00	17	17.00	0	0.00
Fund 50810, HOME Investment Partnerships Program																		
Department of Housing and Community Development	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
Total HOME Investment Partnerships Program	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

[1] It should be noted that the FY 2016 Revised position count includes grant positions that are funded with prior year awards for which additional funding is not anticipated.

FY 2017

Adopted Budget Plan

Glossary and Index

GLOSSARY

Account: A separate financial reporting unit. All budgetary transactions are recorded in accounts.

Accounting Period: A period of time (e.g., one month, one year) where the County determines its financial position and results of operations.

Accrual: Accrual accounting/budgeting refers to a method of accounting/budgeting in which revenues are recorded when earned and outlays are recorded when goods are received or services are performed, even though the actual receipts and disbursements of cash may occur, in whole or in part, in a different fiscal period.

Accrual Basis of Accounting: A method of accounting where revenues are recorded when service is given and expenses are recognized when the benefit is received. In Fairfax County, governmental and agency funds are accounted for on a modified accrual basis of accounting in which revenue is recognized when it is measurable and available. Revenue from the use of money and property and from intergovernmental reimbursement grants is recorded as earned. Other revenues are considered available to be used to pay liabilities of the current period if they are collectible within the current period or within 45 days thereafter. Expenditures are generally recorded when the related fund liability is incurred, with the exception of principal and interest on general long-term debt and certain other general long-term obligations.

Actual: Monies that have already been used or received; different from budgeted monies, which are estimates of funds to be spent or received.

Actuarial: A methodology that makes determinations of required contributions to achieve future funding levels by addressing risk and time.

Adopted Budget Plan: A plan of financial operations approved by the Board of Supervisors highlighting major changes made to the County Executive's Advertised Budget Plan by the Board of Supervisors. The Adopted Budget Plan reflects approved tax rates and estimates of revenues, expenditures, transfers, agency goals, objectives and performance data. Sections are included to show major budgetary/financial policies and guidelines used in the fiscal management of the County.

Ad Valorem Tax: A tax levied on the assessed value of real estate and personal property. This tax is also known as property tax.

Advanced Live Support (ALS): The rapid intervention of advanced emergency medical services such as cardiac monitoring, starting IV fluids, giving medication, manual defibrillation, and the process of using advance airway adjuncts.

Advertised Budget Plan: A plan of financial operations submitted by the County Executive to the Board of Supervisors. This plan reflects estimated revenues, expenditures and transfers, as well as agency goals, objectives and performance data. In addition, sections are included to show major budgetary/financial policies and guidelines used in the fiscal management of the County.

Affordability: The extent to which a service or product can be paid for without the client having to sacrifice basic needs.

Affordable Housing: Housing is generally considered affordable when the cost of rent/mortgage does not exceed 30-35 percent of the annual gross household income.

Amortization: The reduction of debt through regular payments of principal and interest sufficient to retire the debt instrument at a predetermined date known as maturity.

Annual Required Contribution (ARC): The actuarially determined amount of employer funding required to support pension or OPEB (other post-employment benefit) costs. The ARC is composed of the normal cost, which is the cost of benefits earned in the current year, and the amortization of the unfunded liability for benefits earned in prior years.

Appropriation: A specific amount of money authorized by the Board of Supervisors to a specified unit of the County government to make expenditures and to incur obligations for specific purposes. Appropriation authorizations expire at the end of the fiscal year.

Appropriation Controls: A specific amount of money authorized by the Board of Supervisors to a specified unit of the County government to make expenditures and to incur obligations for specific purposes. Spending is generally controlled either at the bottom line of appropriation categories such as Personnel Services, Operating Expenses, Recovered Costs (Work Performed for Others), or Capital Equipment (for operating agencies) or the bottom-line of a project budget, e.g., for capital construction funds or grant budget. In addition, agencies cannot transfer funds from one fund to another fund without authorization from the Board of Supervisors. Agencies cannot adjust their bottom-line budget expenditures without authorization from the Board of Supervisors. Typically, the Board of Supervisors approves agency bottom-line expenditure adjustments during the next budget review cycle, i.e., Third Quarter or Carryover. With adequate justification and DMB approval, agencies can perform a budget transfer of funds from one category to another, e.g., from Personnel Services to Operating Expenses, as long as there is no change to the agency's bottom-line budget and the budget transfer must occur within the same agency and/or fund.

Appropriated Fund: Funds budgeted and authorized by the Board of Supervisors for County agencies and funds to incur liabilities for the acquisition of goods and services. These funds, which include revenues derived from governmental sources, require annual appropriation by the Board of Supervisors for legal spending authority by agencies.

Arbitrage: With respect to the issuance of municipal securities, arbitrage usually refers to the difference between the interest paid on the tax-exempt securities and the interest earned by investing the security proceeds in higher yielding taxable securities. Internal Revenue Service regulations govern arbitrage on the proceeds from issuance of governmental securities.

Area Median Income (AMI): A measure of the amount of income for a specific geographical area where one-half of that area's population earns more than the AMI and the other half of the population earns less than AMI.

Assessed Property Value: The estimated actual value set upon real estate or other taxable property by the County Property Appraiser (Department of Tax Administration) as a basis for levying real estate tax. Real property is assessed as of January 1 each year at the estimated fair market value of all land and improvements, with the resulting taxes being payable in the subsequent fiscal year. Real estate taxes are due in equal installments, on July 28 and December 5. Unpaid taxes automatically constitute liens on real property which must be satisfied prior to sale or transfer, and after three years, foreclosure proceedings can be initiated.

Assessed Value: A value set on real and other property as a basis for levying taxes.

Assessment: The official valuation of property for purposes of taxation.

Assessment Ratio: The ratio of the assessed value of a taxed item to the market value of that item. In Fairfax County, real estate is assessed at 100 percent of market value as of January 1 each year.

Assets: Resources owned or held by a government which have monetary value. Assets may be tangible or intangible and are expressed in terms of cost or some other value.

Audit Adjustment: This is an adjustment for an expenditure or revenue collection which has not been included in the Carryover Actuals, but has been deemed by the auditors to have occurred in the previous fiscal year. When an audit adjustment occurs, the Actual expenditures or revenues are either increased or decreased, resulting in a change to the actual Ending Balance and the Revised Beginning Balance. In addition, an audit adjustment can sometimes affect the revised budget plan for the following fiscal year.

Auditor of Public Accounts: A state agency that oversees accounting, financial reporting and audit requirements for the units of local government in the Commonwealth of Virginia.

Authorized but Unissued Bonds: Bonds authorized by the Board of Supervisors following a referendum, but not issued to the bond markets. Bonds approved after July 1, 1991 have a maximum of 10 years available by law in which to be issued.

Average Household Size: The average number of persons residing within a household in a particular area. It is computed by dividing the total population in households (excluding group quarters such as correctional facilities, nursing homes and college dormitories) by the total number of occupied housing units in that area.

Balanced Budget: A budget is balanced when projected total funds available equal total disbursements, including established reserves. All local governments in the Commonwealth of Virginia must adopt a balanced budget as a requirement of state law no later than by July 1.

Base Budget: Cost of continuing the existing levels of service in the current budget cycle.

Basic Life Support (BLS): The level of medical care which is used for victims of life-threatening illnesses or injuries until they can be given full medical care at a hospital. It can be provided by trained medical personnel, including emergency medical technicians, paramedics, and by laypersons who have received BLS training. BLS is generally used in the pre-hospital setting, and can be provided without medical equipment.

Basis Point: Equal to 1/100 of one percent. For example, if interest rates rise from 6.50 percent to 6.75 percent, the difference is referred to as an increase of 25 basis points.

Beginning Balance: Unexpended funds from the previous fiscal year that may be used to make payments during the current fiscal year.

Benchmarking: The systematic comparison of performance with other jurisdictions in order to discover best practices that will enhance performance. Benchmarking involves determining the quality of products, services and practices by measuring critical factors (e.g., how effective, how much a product or service costs) and comparing the results to those of highly regarded competitors.

Benefits: Expenditures related to employee benefits that are funded through employee and employer payroll deductions, like health insurance, retirement, and social security costs.

Best Practice: Program or service that is the most effective technique to reach an intended outcome when applied to a particular condition or circumstance. Best practices are generally documented as evidence-based by national organizations' review of research.

Birmingham Green: A multi-jurisdictional entity that operates an assisted living facility and a nursing home for the care of indigent adults who are unable to live independently.

Board of Supervisors: The Code of Virginia (§ 15.2-802) provides that the powers of the County as a body politic and corporate shall be vested in an urban county board of supervisors, to consist of one member from each district of such county and to be known as the board of supervisors (the board). Each member shall be a qualified voter of his or her district and shall be elected by the qualified voters thereof. In addition to the above board members, the voters shall elect a county chairman who shall be a qualified voter of the county. The Board of Supervisors of Fairfax County is composed of ten members, one from each of the nine County magisterial districts, plus a chairman. Supervisors are elected for four-year terms.

Bond: A written promise to pay a specified sum of money (called the principal), at a specified date in the future, together with periodic interest at a specified rate. In the budget document, these payments are identified as debt service. Bonds may be used as an alternative to tax receipts to secure revenue for long-term capital improvements. The two major categories are General Obligation Bonds (G.O. Bonds) and Revenue Bonds. The majority of bonds issued for County and School construction projects are known as General Obligation Bonds.

Bond Covenants: A legally enforceable promise made to the bondholders from the issuer, generally in relation to the source of repayment funding.

Bond Proceeds: The money paid to the issuer by the purchaser or underwriter of a new issue of municipal securities. These moneys are used to finance the project or purpose for which the securities were issued and to pay certain costs of issuance as may be provided in the bond contract.

Bond Rating: A rating (made by an established bond rating company) from a schedule of grades indicating the probability of timely repayment of principal and interest on bonds issued. Fairfax County uses the services of the nation's three primary bond rating services, Moody's Investors Service, Standard & Poor's, and Fitch, to perform credit analyses to determine the probability of an issuer of debt defaulting partially or fully. Fairfax County has maintained a Triple A bond rating status from Moody's since 1975, Standard and Poor's since 1978, and Fitch since 1997.

Bond Referendum: A process whereby the voters of a governmental unit are given the opportunity to approve or disapprove a proposed issue of municipal securities, most commonly required for the approval of General Obligation Bonds. Requirements for voter approval may be imposed by constitution, statute or local ordinance.

Budget: A plan for the acquisition and allocation of resources to accomplish specified purposes. The term may be used to describe special purpose fiscal plans or parts of a fiscal plan, such as "the budget of the Police Department," "the Capital Budget," or "the School Board's budget," or it may relate to a fiscal plan for an entire jurisdiction, such as "the budget of Fairfax County."

Budget Calendar: A schedule of key dates which the County follows in the preparation, adoption and administration of the budget.

Budget Message: Included in the Overview Volume, also referred to as the *County Executive Summary*, the budget message provides a summary of the most important aspects of the budget, changes from previous fiscal years, and recommendations regarding the County's financial policy for the upcoming period.

Budget Transfers: Budget transfers shift previously budgeted funds from one item of expenditure to another. Transfers may occur throughout the course of the fiscal year as needed for County government operations.

Build-Out: This refers to the time in the life cycle of the County when no incorporated property remains undeveloped. All construction from this point forward is renovation, retrofitting or land cleared through the demolition of existing structures.

Business Process Redesign: A methodology that seeks to improve customer service by focusing on redesigning current processes, and possibly incorporating automation-based productivity improvements. Redesign efforts require an Information Strategy Plan (ISP) which identifies and prioritizes the business areas to be redesigned. New or enhanced Business System Applications (BSAs) are usually required to improve the flow of information across organizational boundaries.

Business, Professional and Occupational License (BPOL) Tax: Businesses, professions, trades and occupations are assessed a license tax based on gross receipts for the prior year, without deductions. Exclusions are deductions from the definition of gross receipts. Section 4-7.2-1(B) of the Fairfax County Code and Chapter 37 of Title 58.1 of the Code of Virginia lists the only deductions that can be claimed. Individuals engaged in home occupations and who are self-employed must also file if their gross receipts are greater than $10,000. Receipts of venture capital or other investment funds are excluded from taxation except commissions and fees.

Calendar Year: Twelve months beginning January 1 and ending December 31.

Capital Asset: Property that has an initial useful life longer than one year and that is of significant value. The useful life of most capital assets extends well beyond one year and includes land, infrastructure, buildings, renovations to buildings that increase their value, equipment, vehicles, and other tangible and intangible assets.

Capital Equipment: Equipment such as vehicles, furniture, technical instruments, etc., which have a life expectancy of more than one year and a value of over $5,000. Equipment with a value of less than $5,000 is operating equipment.

Capital Expenditure: A direct expenditure that results in or contributes to the acquisition or construction of major capital assets (e.g., lands, roads, buildings). The expenditure may be for new construction, addition, replacement or renovations to buildings that increase their value, or major alteration of a capital asset. Capital assets include land, infrastructure, buildings, equipment, vehicles and other tangible and intangible assets that have useful lives longer than one year.

Capital Facilities: Fixed assets, such as buildings or land.

Capital Improvement Program (CIP): A five-year plan for public facilities which addresses the construction or acquisition of fixed assets, primarily buildings but also including parks, sewers, sidewalks, etc., and major items of capital equipment and operating expenses related to new facilities.

Capital Outlay: Expenditures for capital-related expenditures.

Capital Paydown: Capital construction funded with current year General Fund revenues as opposed to construction financed through the issuance of bonds. This is also referred to as "pay-as-you-go" construction.

Capital Project: Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful life.

Capital Project Expenditure: An expenditure that acquires, expands, repairs, or rehabilitates a physical asset. It does not include day-to-day maintenance expenditures such as custodial or janitorial services, painting, minor carpentry, electrical and plumbing repairs, or repair/routine replacement of fixtures or furniture.

Capital Renewal: Capital renewal is the planned replacement of building subsystems such as roofs, electrical systems, HVAC systems and plumbing systems that have reached the end of their useful life. Major capital renewal investments are required in facilities to replace old, obsolete building subsystems that have reached the end of their life cycle.

Capital Projects Funds: Funds, defined by the State Auditor of Public Accounts, that account for the acquisition and/or construction of major capital facilities or capital improvements other than sewers.

Carryover: The process by which certain unspent or unencumbered funds for appropriations previously approved by the Board of Supervisors and for commitments to pay for goods and services at the end of one fiscal year are reappropriated in the next fiscal year. Typically, funds carried over are nonrecurring expenditures, such as capital projects or capital equipment items.

Cash Management: An effort to manage cash flows in such a way that interest and penalties paid are minimized and interest earned is maximized.

Cash Management System: A system of financial practices which ensures that sufficient cash is available on a daily basis for payment of County obligations when due.

Chart of Accounts: A list of expenditure, revenue, and other accounts describing and categorizing financial transactions.

Child Care Assistance and Referral (CCAR) Program: The CCAR program provides financial assistance for child care to families with low to moderate income who are working, or who are in education/training programs and need assistance with paying for the cost of child care. The program pays for child care in center-based and family child care programs. CCAR provides information about County child care programs and supports families in choosing care.

Children's Services Act (CSA): The Children's Services Act (CSA) provides both community- and facility-based services to at-risk children and their families. Services offered through CSA are driven by federal and state mandates in foster care and special education. County agencies and Fairfax County Public Schools (FCPS) work collaboratively to design service plans meeting the unique needs of families with children and youth who have, or are at-risk of having, serious emotional or behavioral difficulties.

Class: A group of positions which are sufficiently alike in general duties and responsibilities to warrant the use of the same title, specification and pay range.

Classification: The grouping of positions in regards to:

- kinds of duties performed and responsibilities;
- level of duties performed;
- requirements as to education, knowledge and experience and ability;
- tests of fitness; and ranges of pay.

Class Series: A number of classes of positions which are substantially similar as to the types of work involved and differ only in rank as determined by the level of the duties and degree of responsibility involved and the amount of training and experience required.

Class Specification: A written description of a class consisting of a class title, a general statement of the level of work, a statement of the distinguishing features of work, some examples of work, and the minimum qualifications for the class.

Client: A person or group of people that uses the professional advice or services of a lawyer, accountant, advertising agency, architect, etc. or who is receiving the benefits, services, etc., of a social welfare agency, a government bureau, etc.

Client Cost for Service: The direct cost, as charged to the client, of receiving a service.

Community Development Block Grant (CDBG): A general purpose federal grant primarily used by the County to facilitate the production and preservation of low and moderate income housing.

Compensation: Expenditures related to employee pay.

Comprehensive Annual Financial Report (CAFR): This official annual report, prepared by the Department of Finance, presents the status of the County's finances in a standardized format. The CAFR is organized by fund and contains two basic types of information: (1) a balance sheet that compares assets with liabilities and fund balance, and (2) an operating statement that compares revenues and expenditures. The CAFR contains the annual audited results of the County's financial position and activity.

Comprehensive Plan: The plan that guides and implements coordinated, adjusted, and harmonious land development that best promotes the health, safety, and general welfare of County residents. It contains long-range recommendations for land use, transportation systems, community services, historic resources, environmental resources, and other facilities, services, and resources.

Congregate Meals: Meals served by the Area Agency on Aging's Nutrition Program to senior citizens who eat together at the County's senior centers.

Consolidated Community Funding Pool: A separately-budgeted pool of County funding, located in Fund 10020, which was established in FY 1998 to facilitate the implementation of a competitive funding process through which community-based organizations, which are primarily human-services oriented, will be awarded County funding on a competitive basis. These organizations previously had received County funding either as a contribution or through contracts with specific County agencies. Since FY 2001, the County has awarded grants from this pool on a two-year funding cycle to provide increased stability for the community-based organizations.

Consolidated Plan: The U.S. Department of Housing and Urban Development (HUD) requires a Consolidated Plan application which combines the planning and application submission processes for several HUD programs: Community Development Block Grant, HOME Investment Partnerships Program, Emergency Shelter Grant, and Housing Opportunities for Persons with AIDS. Citizen participation is required as part of the process and is accomplished through representation on the Consolidated Plan Review Committee (CPRC), involvement in public hearings held on housing and community development needs, and participation in public hearings at which the Board of Supervisors takes action on the allocation of funds as recommended by the CPRC.

Constant or Real Dollars: The presentation of dollar amounts adjusted for inflation to reflect the real purchasing power of money as compared to a certain point in time in the past.

Consumer Price Index: CPI is a measure of the price level of a fixed "market basket" of goods and services relative to the value of that same basket in a designated base period. Measures for two population groups are currently published by the Bureau of Labor Statistics, CPI-U and CPI-W. CPI-U is based on a market basket determined by expenditure patterns of all urban households including professionals, self-employed, the poor, the unemployed, retired persons, and urban wage-earners and clerical workers. The CPI-W represents expenditure patterns of only urban wage-earner and clerical-worker families including sales workers, craft workers, service workers, and laborers. The CPI is used as appropriate to adjust for inflation.

Contingency: An appropriation of funds available to cover unforeseen events that occur during the fiscal year.

Contractual Services: Services rendered to a government by private firms, individuals, or other governmental agencies. Examples include utilities, rent, maintenance agreements, and professional consulting services.

Contributory Agencies: Governmental and nongovernmental organizations that are supported in part by contributions from the County. Examples include the Northern Virginia Regional Commission, the Northern Virginia Regional Park Authority, and the Arts Council of Fairfax County, and community agencies such as Volunteer Fairfax.

Cost Center: Expenditure categories within a program area that relate to specific organizational goals or objectives. Each cost center may consist of an entire agency or a part of an agency. The Civil Service Commission, for example, being small and having a single purpose, is treated as a single cost center. The Office of the County Executive consists of four cost centers: Administration of County Policy, Office of Equity Programs, Office of Internal Audit, and Office of Partnerships.

Costs of Issuance: The expenses associated with the sale of a new issue of municipal securities, including such items as printing, legal and rating agency fees, and others.

Credit Rating: The credit worthiness of a governmental unit as determined by an independent rating agency. Fairfax County is rated by three rating agencies: 1) Moody's Investors Service; 2) Standard and Poor's; and Fitch Investors Services.

Cross-Cutting Initiative: A cross-cutting initiative involves the participation of two or more government agencies in addressing a challenge or implementing a program in Fairfax County. For example, there is a coordinated effort to address the challenge of West Nile Virus control by several agencies including the Health Department, the Park Authority, the Department of Public Works and Environmental Services, the Office of Public Affairs, and others.

Dashboard: Beginning with the FY 2014 Advertised Budget Plan, each General Fund and General Fund Supported agency budget narrative features a high-level dashboard of key drivers and metrics.

Debt Limit: The maximum amount of debt which an issuer of municipal securities is permitted to incur under constitutional, statutory or charter provisions.

Debt Service: The amount of money necessary to pay interest on an outstanding debt; the principal of maturing serial bonds and the required contributions to a sinking fund for term bonds. Debt service on bonds may be calculated on a calendar year, fiscal year, or bond fiscal year basis.

Debt Service Funds: Funds defined by the State Auditor of Public Accounts to finance and account for the payment of principal and interest on borrowed funds such as bonds. Fairfax County has three debt service funds, one for school debt, one for the Wastewater Management Program, and one for bonds issued to finance capital expenditures for all other agencies (County debt service). These funds receive revenue primarily by transfers from the General Fund, except for the Sewer Debt Service Fund, which is supported by sewer service fees.

Defeasance: A provision that voids a bond when the borrower sets aside cash or bonds sufficient to service the borrower's debt. When a bond issue is defeased, the borrower sets aside cash to pay off the bonds; therefore, the outstanding debt and cash offset each other on the balance sheet and do not need to be recorded.

Deferred Retirement Option Plan (DROP): A provision within a defined benefit retirement system that allows an employee who reaches retirement eligibility to agree to defer leaving employment until a specified date in the future, on the condition of being deemed to have retired for purposes of the retirement system. The employee continues to receive a salary and fringe benefits; however, contributions on the employees' behalf to the retirement system cease, while the payments the employee would receive if he/she was retired are invested and provided when the employee reaches the agreed upon date (no more than three years).

Deficit: The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Defined Benefit Pension Plan: A pension plan having terms that specify the amount of pension benefits to be provided at a future date or after a certain period of time. The amount specified usually is a function of one or more factors such as age, years of service, and compensation.

Department: All office, divisions and other work units, which are under the control of a single department head. Example: Community Services Board (CSB).

Depreciation: The decrease in value of physical assets due to use and the passage of time. In financial terms, it refers to the process of allocating the cost of a capital asset to the periods during which the asset is used.

Devolution: The transfer or delegation of power to a lower level, especially by federal or state government to a local or regional government.

Dillon Rule: Fairfax County operates under the urban county executive form of government, an optional form of Virginia county government, and like other Virginia local governments, Fairfax County has limited powers. This doctrine of limited authority for local governments is commonly called the Dillon Rule, a name that is derived from the writings of a judge and law professor named John Forrest Dillon (1831-1914). The Dillon Rule is used in interpreting law when there is a question of whether or not a local government has a certain power. The Dillon Rule narrowly defines the power of local governments. Virginia courts have concluded that local governments in Virginia have only those powers that are specifically conferred on them by the Virginia General Assembly. Fairfax County has limited powers in and cannot take certain actions without appropriate action from the state, which limits revenue diversification options among other things.

Direct Costs: These are capital costs that can be traced easily to a specific project, activity, or product. Examples of such costs include the contract price, preliminary engineering studies, surveys, legal fees to establish title, installation costs, freight, and materials used in the construction or installation of the asset.

Disbursement: An expenditure or a transfer of funds to another accounting entity within the County financial system. Total disbursements equal the sum of expenditures and transfers out to other funds.

Distinguished Budget Presentation Program: A voluntary program administered by the Government Finance Officers Association to encourage governments to publish efficiently organized and easily readable budget documents.

Diversion First: Fairfax County community and government leaders have launched an effort, called Diversion First, to reduce the number of people with mental illness in local jails by diverting nonviolent offenders experiencing mental health crises to treatment rather than bringing them to jail. The Diversion First team includes county and state leaders, judges and magistrates, public defender and commonwealth's attorney, mental health advocates and consumers, and public safety chiefs and staff.

Economic Success Strategic Plan (ESSP) - Fairfax County's strategic plan for economic success focuses on high-level policy recommendations to help the county to expand and diversify the economy. The Board of Supervisors approved this plan on March 3, 2015. This economic roadmap was created by the 50-member, board-appointed Economic Advisory Commission, along with county staff. The group broadly sought input to craft the plan, obtaining feedback from more than 250 participants. Stakeholder representation was inclusive of various members of the community, including business, community, and civic leaders, local chambers of commerce, area colleges and universities, and local residents. The strategy focuses on high-level policy recommendations to help the county to expand and diversify the economy, and it focuses on six goals:

- Further diversifying our economy
- Creating places where people want to be
- Improving the speed, consistency, and predictability of the county's development review process
- Investing in natural and physical infrastructure
- Achieving economic success through education and social equity
- Increasing the agility of county government

Effectiveness: The degree to which an entity, program, or procedure is successful at achieving its goals and objectives.

Efficiency: The degree to which an entity, program, or procedure is successful at achieving its goals and objectives with the least use of resources. Efficiency measures are 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.

Eligibility: The conditions and requirements established by a service provider for clients to access specific services.

Employees Advisory Council: Established by the Fairfax County Merit System Ordinance to provide a continuing medium through which all employees in the competitive service, both Schools and County, may contribute their advice and suggestions for the improvement of the career merit system and other aspects of the government of Fairfax County.

Emergency Management Performance Grant (EMPG): This is a federally funded program which plays an important role in the implementation of the National Preparedness System (NPS) by supporting the building, sustainment, and delivery of core capabilities essential to achieving the National Preparedness Goal (the Goal) of a secure and resilient Nation. The purpose of EMPG is to provide federal funds to assist State, local, territorial, and tribal governments in preparing for all hazards.

Encumbrance: An obligation incurred in the form of purchase orders, contracts and similar items that will become payable when the goods are delivered or the services rendered. An encumbrance is an obligation of funding for an anticipated expenditure prior to actual payment for an item. Funds are usually reserved or set aside and encumbered once a contracted obligation has been entered.

ENSNI: Estimate, No Scope, No Inflation. Term used in the Fairfax County CIP to describe funding estimates for future capital projects which have not yet been scoped and are developed using today's dollars without considering inflation.

Enterprise Funds: Funds, defined by the State Auditor of Public Accounts to account for operations that are financed and operated in a manner similar to private business enterprises. An enterprise fund is a self-supporting fund design to account for activities supported by user charges. For example, funds which support the Wastewater Management Program are classified as enterprise funds.

Equalization: An annual assessment of real estate to ensure that assessments accurately reflect current market values. Equalization revenue is the annual increase or decrease in collected revenue resulting from adjustments to the assessment of existing property in the County. This annual increase or decrease is due to value changes rather than to new construction.

Escrow: Money or property held in the custody of a third party that is returned only after the fulfillment of specific conditions.

Expenditure: The disbursement of appropriated funds to purchase goods and/or services. An expenditure is the actual outlay of monies for goods and services. There are three basic types of expenditures: operating, capital and debt. Operating expenditures are, in a broad sense, current day-to-day expenses such as salaries, supplies, and purchase of equipment or property below a certain dollar threshold or useful life. Usually, these are items which are consumed during the fiscal year in which they are purchased or acquired.

Fiduciary Funds: Fiduciary funds are used to account for assets held in a trustee or agency capacity for others and which, therefore, cannot be used to support the County's own programs. The County maintains two types of fiduciary funds: trust funds to account for the assets of its pension and retiree health plans, held by the County under the terms of formal trust agreements, and agency funds to account for assets received, held and disbursed by the County on behalf of various outside organizations.

Financial Forecast: A financial model that estimates all future revenues and disbursements based on assumptions of future financial and economic conditions.

Fines and Forfeitures: Consists of a variety of fees, fines and forfeitures collected by the County.

Fiscal Plan: The annual budget.

Fiscal Planning Resolution: A legally binding document prepared by the Department of Management and Budget identifying changes made by the Board of Supervisors to the Advertised Budget Plan during the adoption of the annual budget. Fiscal Planning Resolutions approved by the Board subsequent to the Adopted Budget Plan change only transfers between funds. These documents are used at the annual or quarterly reviews whenever changes in fund transfers occur.

Fiscal Restraint: The practice of restraining growth in expenditures and disbursements to stay within revenue forecasts.

Fiscal Year: In Fairfax County, the twelve months beginning July 1 and ending the following June 30. (The Commonwealth of Virginia's fiscal year begins on July 1. The federal government's fiscal year begins October 1).

Fixed Asset: Items the County owns that have a considerable cost and a useful life greater than one year, such as infrastructure, sewer lines, computers, furniture, equipment and vehicles.

Fleet: The vehicles owned and operated by the County.

FLSA: The Fair Labor Standards Act (FLSA) is a federal law which establishes minimum wage, overtime pay eligibility, recordkeeping, and child labor standards affecting full-time and part-time workers in the private sector and in federal, state, and local governments.

FMLA: This refers to the Family and Medical Leave Act, which is a federal law that guarantees certain employees up to 12 workweeks of unpaid leave each year with no threat of job loss for qualified medical and family reasons. FMLA also requires that employers covered by the law maintain the health benefits for eligible workers just as if they were working.

FOCUS (Fairfax County Unified System): This refers to the joint Enterprise Resource Planning (ERP) system which Fairfax County Government and Fairfax County Public Schools implemented in November 2011 to replace the legacy finance, procurement, and human resources systems with a single, unified system.

Forecasts: Projections tempered by policy estimates which strive to reconcile past and current trends with current and anticipated policy.

Forfeiture: The automatic loss of property, including cash, as a penalty for breaking the law, or as compensation for losses resulting from illegal activities. Once property has been forfeited, the County may claim it, resulting in confiscation of the property.

Fringe Benefits: The fringe benefit expenditures included in the budget are the County's share of employees' fringe benefits. Fringe Benefits are job-related benefits, such as pension, paid vacation and holidays, and insurance, which are included in an employee's compensation package. Fringe benefits provided by Fairfax County include FICA (Social Security), health insurance, dental insurance, life insurance, and retirement. The County's share of most fringe benefits is based on a set percentage of employee salaries. This percentage varies per category, e.g., Uniformed Fire and Rescue, Sheriff, and Public Safety Communications Employees; Uniformed Police Officers; and General County Employees.

Full-Time Equivalent (FTE): An FTE reflects whether authorized positions are full-time or part-time. A position authorized for 40 hours per week is reflected in the budget as one authorized position with a full-time equivalent of one (1/1.0 FTE). In comparison, a position authorized for 20 hours per week would be indicated as one authorized position with a FTE of 0.5 (1/0.5 FTE).

Fund: A set of interrelated accounts to record revenues and expenditures associated with a specific purpose. A fund is also a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities, or balances and changes therein. Funds are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Fund Balance: At the end of a fiscal year, if there are more resources than expenditures, the remainder is called "fund balance." This is sometimes referred to as "carried forward fund balance" because the resources can be "carried" into the next fiscal year. This is an important resource because some may be used in combination with revenues to fund new expenses. Fund balance may be restricted or unrestricted, reserved for a specific purpose or unreserved and used for future requirements. Restricted fund balance may be set aside for funding certain programs and activities. A fund balance represents the residual funding on an annual basis from revenues and transfers-in less expenditures and transfers-out. A fund balance also reflects the fund equity of all funds.

Fund Type: A group of funds that have similar activities, objectives, or funding sources as defined by the State Auditor of Public Accounts. Examples include Special Revenue Funds and Debt Service Funds.

GASB: This refers to the Governmental Accounting Standards Board which is currently the source of generally accepted accounting principles (GAAP) used by state and local governments in the United States. It is a private, non-governmental organization. The GASB has issued *Statements*, *Interpretations*, *Technical Bulletins*, and *Concept Statements* defining GAAP for state and local governments since 1984.

GASB 34: In June 1999, GASB Statement No. 34 (or GASB 34) set new GAAP requirements for reporting major capital assets, including infrastructure such as roads, bridges, water and sewer facilities, and dams. Fairfax County has implemented the Governmental Accounting Standards Board's (GASB) Statement Number 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, financial reporting model. This standard changed the entire reporting process for local governments, requiring new entity-wide financial statements, in addition to the current fund statements and other additional reports such as Management Discussion and Analysis.

GASB 45: Beginning in FY 2008, the County's financial statements are required to implement Governmental Accounting Standards Board (GASB) Statement No. 45 for other post-employment benefits (OPEBs) including health care, life insurance, and other non-pension benefits offered to retirees. This new standard addresses how local governments should account for and report their costs related to post-employment health care and other non-pension benefits, such as the County's retiree health benefit subsidy. Historically, the County's subsidy was funded on a pay-as-you-go basis. GASB 45 requires that the County accrue the cost of the retiree health subsidy and other post-employment benefits during the period of employees' active employment, while the benefits are being earned, and disclose the unfunded actuarial accrued liability in order to accurately account for the total future cost of post-employment benefits and the financial impact on the County. This funding methodology mirrors the funding approach used for pension/retirement benefits. The County has established Fund 73030, OPEB Trust Fund, to fund the cost of post-employment health care and other non-pension benefits. Fund 73030 will allow the County to capture long-term investment returns and make progress towards reducing the unfunded liability. The schools have also established and OPEB trust fund to capture their costs, Fund S71100, School OPEB Trust Fund.

General Debt: Principal and interest payments on outstanding debt repaid from the General Fund.

General Fund: The primary tax and operating fund for County Governmental Activities used to account for all County revenues and expenditures which are not accounted for in other funds, and which are used to support the general operating functions of County agencies. Revenues are derived primarily from general property taxes, local sales tax, utility taxes, license and permit fees, and state shared taxes. General Fund expenditures include the costs of the general County government and transfers to other funds, principally to fund the operations of the Fairfax County Public School system, the Fairfax-Falls Church Community Services Board, Metro, the Fairfax CONNECTOR, and County and School system debt service requirements.

General Fund Direct Expenditures: These are General Fund expenditures for County agencies and they are organized by Program Area categories.

General Fund Disbursements: Direct expenditures for County services such as Police or Welfare expenses and transfers from the General Fund to Other County funds such as School Operations or Metro Operations. General Fund Disbursements consist of two parts: (1) General Fund transferred support to other funds and (2) General Fund direct expenditures or agency expenditures. Some agencies, e.g., Housing, may have funds that reside both in the General Fund and other funds.

General Ledger: A general ledger account contains financial activity that is needed to prepare financial statements and perform fiduciary oversight, and includes accounts for assets, liabilities, equity, revenues and expenditures.

General Obligation (GO) Bond: Bonds for which the full faith and credit of the issuing government are pledged. County general obligation debt can only be approved by voter referendum. The State Constitution mandates that taxes on real property be sufficient to pay the principal and interest of such bonds.

Goal: A general statement of purpose. A goal provides a framework within which the program unit operates; it reflects realistic constraints upon the unit providing the service. A goal statement speaks generally toward end results rather than specific actions, e.g., "To provide maternity, infant and child health care and/or case management to at risk women, infants, and children in order to achieve optimum health and well-being." Also see Objective.

Governmental Funds: Governmental funds are typically used to account for most of a government's activities, including those that are tax-supported. The County maintains the following types of governmental funds: a general fund to account for all activities not required to be accounted for in another fund, special revenue funds, a debt service fund, and capital projects funds.

Grant: A contribution by one governmental unit to another unit. The contribution is usually made to aid in the support of a specified function.

HB 2313: HB 2313 is a Commonwealth of Virginia transportation funding bill signed into law in May 2013. HB 2313 requires that each locality's total long-term benefit from these transportation funds be approximately equal to the proportion of the fees and taxes received attributable to that locality. HB 2313 also established a new transportation revenue source for Northern Virginia.

Homeless: The U.S. Department of Housing and Urban Development defines literally homeless as an individual or family who lacks a fixed, regular, and adequate nighttime residence.

Incentive Reinvestment Initiative: This initiative, which the Board of Supervisors approved in December 2013, allows agencies to identify savings and efficiencies in the current budget year and retain a portion to reinvest for employee development in the upcoming budget year.

Incumbent: The person who currently occupies and works in a particular position within the County government.

Indirect Costs: These are non-capital costs that are not easily traceable to a specific project, activity, or product. Examples of such costs include general administrative costs, advertising costs, or routine office expenses.

Inflation: A rise in price levels caused by an increase in available money and credit beyond the proportion of available goods. This is also known as too many dollars chasing too few goods.

Infrastructure: Public domain, fixed physical assets including roads, curbs, gutters, sidewalks, drainage systems, lighting systems and other similar items that have value only to the users.

Inova: Inova Health System is a not-for-profit health care system based in Northern Virginia that consists of hospitals and other health services including emergency and urgent care centers, home care, nursing homes, mental health and blood donor services, as well as wellness classes.

Input: The value of resources used to produce an output. Input can be staff, budget dollars, work hours, etc.

Interest: The amount paid by a borrower as compensation for the use of borrowed money. This amount is generally an annual percentage of the principal amount.

Interest Income: Revenue associated with the County cash management activities of investing fund balances.

Internal Service Funds: Funds established to finance and account for services furnished by a designated County agency to other County agencies, which charges those agencies for the goods and services provided. An example of an Internal Service Fund is Fund 60010, Department of Vehicle Services.

Interfund Billing: Departmental or fund charge made by one agency/fund to another for services or goods performed or received, such as Department of Vehicle Services (DVS) fuel and vehicle replacement charges, computer replacement charges, radio charges, etc.

Issuing Bonds: To "issue" bonds means to sell, deliver, and receive payment for bonds. The County may issues bonds throughout the year upon determining the amount of cash necessary to implement projects during that year.

Key County Indicators: Key County Indicators are high-level, countywide measures, organized by vision element, that help assess if Fairfax County government is meeting the needs of citizens and positively impacting the community as a whole.

Lease Purchase: This method of financing allows the County to construct or acquire property and pay for it over a period of time by installment payments rather than an outright purchase. The time payments include an interest charge which is typically reduced because the lessor does not have to pay income tax on the interest revenue.

Level of Need: The minimum, measurable quantity of assistance that is required to meet identified client needs; for example, the number of people in need of vocational training programs or, the number of monthly provider contacts needed by households currently being served.

Liability: An obligation incurred in past or current transactions requiring present or future settlement.

Line Item: A specific expenditure category within an agency budget, e.g., rent, travel, motor pool services, postage, printing, office supplies, etc.

Lines of Business (LOBs): Reference to the County's review of its discrete agency lines of business. LOBs are essentially an inventory of County programs and services offered by each individual agency. In 2016, Fairfax County is undertaking a comprehensive, multi-year approach to its review of 390 discrete Lines of Business. The County has previously undertaken Lines of Business reviews in 2008, 2001, 1996 and 1993.

Local Composite Index (LCI): The Commonwealth of Virginia's Local Composite Index (CI) determines a school division's ability to pay education costs fundamental to the Commonwealth's Standards of Quality (SOQ). The Composite Index is calculated using three indicators of a locality's ability-to-pay:

- True value of real property (weighted 50 percent)
- Adjusted gross income (weighted 40 percent)
- Taxable retail sales (weighted 10 percent)

Each locality's index is adjusted to maintain an overall statewide local share of 45 percent and an overall state share of 55 percent.

Local Match: County cash or in-kind resources that are required to be expended simultaneously with federal, state, other locality, or private sector funding, and usually according to a minimum percentage or ratio.

Long-Term Debt: Debt with a maturity of more than one year after the date of issuance.

Managed Reserve: A reserve, held in the General Fund, which has a target balance equal to 4.0 percent of General Fund disbursements. Established by the Board of Supervisors on January 25, 1982, the purpose of the reserve is to provide temporary financing for emergency needs and to permit orderly adjustment to changes resulting from the sudden, catastrophic termination of anticipated revenue sources.

Management by Objectives: A method of management of County programs which measures attainment or progress toward pre-defined objectives. This method evolved into the County's performance measurement system.

Management Initiatives: Changes to internal business practices undertaken by County managers on their own initiative to improve efficiency, productivity, and customer satisfaction.

Mandate: A requirement from a higher level of government (federal or state), that a lower level government perform a task in a particular way or in conformance with a particular standard.

Market Pay: A compensation level that is competitive and consistent with the regional market. The County analyzes the comparability of employee salaries to the market in a number of different ways. A "Market Index" has been developed that factors in the Consumer Price Index, federal wage adjustments, and the Employment Cost Index (which includes state, local and private sector salaries). The index is designed to gauge the competitiveness of County pay scales in general.

Measurement: A variety of methods used to assess the results achieved and improvements still required in a process or system. Measurement gives the basis for continuous improvement by helping evaluate what is working and what is not working.

Merit System: Refers to the system of personnel administration applicable to the competitive service. It is governed by the Merit System Ordinance, any applicable provisions of other County ordinances, Personnel Regulations, and all applicable and lawful personnel management directives of the Board of Supervisors, the County Executive, and Department of Human Resources Director.

Mission Statement: A mission statement is a broad, philosophical statement of the purpose of an agency, specifying the fundamental reasons for its existence. A mission statement describes what an organization is in business to do. Therefore, it also serves as a guiding road map.

Modified Accrual Basis: The basis of accounting under which revenue is recognized when it is measurable and available. Revenue from the use of money and property and from intergovernmental reimbursement grants is recorded as earned. Other revenues are considered available to be used to pay liabilities of the current period if they are collectible within the current period or within 45 days thereafter. Expenditures are generally recorded when the related fund liability is incurred, with the exception of principal and interest on general long-term debt and certain other general long-term obligations

Municipal Bond: Bond issued by a state, local or another government authority, especially in the U.S. The interest is exempt from U.S. Federal taxation and usually from state taxation within the state of issue, as is the case in Virginia.

Net Debt as a Percent of Estimated Market Value: Total debt (less debt that is self-supported by revenue-producing projects), divided by the total market value of all taxable property within the County expressed as a percentage. Since property taxes are a primary source of revenue for the repayment of debt, this measure identifies the debt burden compared with the worth of the revenue-generating property base.

Net Total Expenditures: See Total Budget.

Non-Appropriated Funds: These funds do not require annual appropriation by the Board of Supervisors and represent activities that are supported by non-governmental revenue sources such as direct fees for service or revolving loan programs. The legal spending authority is based on revenue availability and may be derived from an action by the Board in response to state, or federal mandate. The appropriation control for these funds resides with the respective boards associated specifically with the funded programs, e.g., Fairfax County Redevelopment and Housing Authority (Funds 81000 through 81530), Alcohol Safety Action Program Policy Board (Fund 83000), and the Park Authority Board (Funds 80000 and 80300). These boards are separate legal entities.

Non-Pay Employee Benefits: Expenditures for employee benefits that are funded through direct employee support, such as the Employee Assistance Program and unemployment compensation.

Nonresidential: Property designed for use by educational, government or other institutional use or for use by retail, wholesale, office, hotel, service, or other commercial use.

Objective: A statement of anticipated level of achievement; usually time limited and quantifiable. Within the objective, specific statements with regard to targets and/or standards often are included, e.g., "To respond to 90 percent of ambulance calls within a 5-minute response time."

Obligations: Amounts which a government may be legally required to pay out of its resources. They include actual liabilities and encumbrances not yet paid.

Operating Budget: A budget for general revenues and expenditures such as salaries, utilities and supplies.

Operating Equipment: Equipment that has a life expectancy of more than one year and a value of less than $5,000 dollars. Equipment with a value greater than $5,000 dollars is capital equipment.

Operating Expenses: Expenditures for regular, non-capital and non-personnel expenses. The commitment items in this group cover a large range of expenditure types, including office supplies and utility payments.

Ordinance: A formal legislative enactment by the County that carries the full force and effect of the law within the boundaries of Fairfax County unless in conflict with any higher form of law, such as the Commonwealth of Virginia or the federal government.

Other Post-Employment Benefits (OPEB): Post-employment benefits other than pension benefits. OPEB includes post-employment healthcare benefits, regardless of the type of plan that provides them, and all post-employment benefits provided separately from a pension plan, excluding benefits defined as termination offers and benefits. Post-employment refers to the period following termination of employment, including the time between termination and retirement.

Outcome: Qualitative consequences associated with a program service, e.g., reduction in fire deaths or percent of juveniles not reconvicted within 12 months. Also refers to quality performance measures of effectiveness and of achieving goals.

Out-of-Cycle: A term that characterizes budget adjustments outside of the annual and quarterly budget processes.

Output: Quantity or number of units produced. Outputs are activity-oriented, measurable, and usually under managerial control. Also refers to process performance measures of efficiency and productivity, that is, per capita expenditures, transactions per day, etc.

Pay-As-You-Go Financing: The portion of capital outlay which is financed from current revenue, rather than by borrowing.

Paydown Construction: Capital construction funded with current year General Fund revenues as opposed to construction financed through the issuance of bonds. This is a method of paying for capital projects that relies on current tax and grant revenues rather than by debt. This is also referred to as "pay-as-you-go" construction.

Pension Fund: This is a fund that accounts for the accumulation of resources to be used for retirement benefit payments to retired County employees eligible for such benefits.

Per Capita: A measurement of the proportion of some statistic to an individual resident determined by dividing the statistic by the current population.

Per Capita Debt: The amount of an issuing municipality's outstanding debt divided by the population residing in the municipality. This is used as an indication of the issuer's credit position since it can be used to compare the proportion of debt borne per resident with that borne by the residents of other municipalities.

Performance Budget: A budget wherein expenditures are based primarily upon measurable performance activities and work programs.

Performance Indicators: As used in Fairfax County's Performance Measurement System, these indicators represent the four types of measures that comprise the Family of Measures and consist of output, efficiency, service quality and outcome.

Performance Measurement: The regular collection of specific information regarding the results of service in Fairfax County, and which determines how effective and/or efficient a program is in achieving its objectives. The County's performance measurement methodology links agency mission and cost center goals (broad) to quantified objectives (specific) of what will be accomplished during the fiscal year. These objectives are then linked to a series of indicators, known as a "Family of Measures," that present a balanced picture of performance, efficiency and effectiveness with these four indicator types: output, efficiency, service quality and outcome.

Performance Measurement System: The County's methodology for monitoring performance measures and outcomes.

Permit Revenue: Fees imposed on construction-related activities and for non-construction permits such as sign permits, wetland permits, etc.

Personal Property: Property other than real estate identified for purposes of taxation, including personally owned items as well as corporate and business equipment and property. Examples include automobiles, motorcycles, boats, trailers, airplanes, business furnishings, and manufacturing equipment. Goods held for sale by manufacturers, wholesalers or retailers are not included.

Personal Property Tax Relief Act of 1998: Legislation approved by the Virginia General Assembly that reduces the Personal Property Tax on the first $20,000 of the value for vehicles owned by individuals. From FY 2000 to FY 2002, the PPTRA reduced the Personal Property Taxes paid by individuals by 27.5 percent, 47.5 percent, and 70 percent respectively, with an offsetting reimbursement paid to the County by the Commonwealth. Due to the Commonwealth's lower than anticipated General Fund revenue growth, the reimbursement remained at 70 percent from FY 2003 through FY 2006. The 2004 General Assembly approved legislation that capped statewide Personal Property Tax reimbursements at $950 million in FY 2007 and beyond. Fairfax County's allocation has been set at $211.3 million. Each year, County staff must determine the reimbursement percentage based on the County's fixed reimbursement from the state and an estimate of the number and value of vehicles that will be eligible for tax relief. As the number and value of vehicles in the County vary, the percentage of tax relief will vary.

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.

Persons with Special Needs: Includes individuals and families who are homeless, persons with disabilities and low-income seniors.

Planning Districts: The 14 areas into which Fairfax County is divided for planning purposes. The planning districts' boundaries tend to remain stable over time.

Planning System: Refers to the relationship between the Annual Budget, the Comprehensive Plan, and the 5-year Capital Improvement Plan.

Position: A group of duties and responsibilities, as prescribed by an office or agency, to be performed by a person on a full-time or part-time basis.

The status of a position is not to be confused with the status of the employee. For the purpose of the County's budget, the following definitions are used solely in describing the status and funding of positions:

- An established position is a position that has been classified and assigned a pay grade.

- An authorized position has been approved for establishment by the Board of Supervisors. The authorized position is always shown as a single, not a partial position. Full-Time Equivalent (FTE) reflects whether positions are authorized for full-time (40 hours per week) or part-time. A full-time position would appear in the budget as one authorized position and one full-time equivalent (1/1.0 FTE). A half-time position would be indicated as one authorized position and 0.5 full-time equivalents (1/0.5 FTE).

The following defines the types of positions in Fairfax County. They can be either full or part-time status.

- A regular position is a career position, which falls within all provisions of the Merit System Ordinance.

- A grant position is a position with full benefits and full civil service grievances, although the employment term is limited by the grant specifications. The position is funded by a specific grant.

At the end of the grant position, the person is the first eligible for hire for another similar position in the County. Incumbents in grant positions fall within the provisions of the Merit System Ordinance.

- A benefits eligible, non-merit position is an employee working between 1,040 and 1,560 hours annually, and eligible for health, dental and flexible spending benefits.
- A temporary, non-merit position is an employee working fewer than 900 hours annually and not eligible for benefits.
- An exempt position does not fall within the provisions of the Merit System Ordinance. It includes elected and appointed positions.

Cooperative funding of some positions occurs between the federal and state governments and Fairfax County. Numerous funding and reimbursement mechanisms exist. The County's share of a position's authorized funding level is that portion of a position's salary and/or fringe benefits paid by the County which is over and above the amount paid by the state or federal government either based on the County's pay classification schedule or based on a formal funding agreement. The share of state or federal funding varies depending upon the eligibility of each individual agency and type of position.

- A state position is a position established and authorized by the state. These positions may be partially or fully funded by the state.
- 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: A budget offset that reduces gross salary projections to recognize anticipated and normal position vacancies, delays in filling vacancies, and historical position turnover information.

Poverty Thresholds: Poverty thresholds are based on the Social Security Administration's definition of the minimum income that allows for a nutritionally adequate diet and adequate housing. It allows for differences in the size and composition of families. The poverty income cutoffs are revised annually to allow for changes in the cost of living as reflected in the Consumer Price Index.

Present Value: The discounted value of a future amount of cash, assuming a given rate of interest, to take into account the time value of money. Stated differently, a dollar is worth a dollar today, but is worth less tomorrow.

Prime Interest Rate: The rate of interest charged by banks to their preferred customers.

Principal: The face amount of a security payable on the maturity date.

Proffer System: In July 1975, "proffers" were introduced to the process for rezoning property within Fairfax County. The act of proffering involves making an offer of something prior to any formal negotiations. The concept of supplementing regulations of the Zoning Ordinance by conditions proffered by an applicant seeking an amendment to the zoning map is cited in the Code of Virginia (now Sect. 15.2-2303, see Appendix A). Implicit in the term proffer, as defined by the State Code, is the understanding that proffers are voluntarily submitted by the property owner. The proffer system continues today with support from the various participants in the rezoning process, including, the development community, citizens, staff and County officials. The conditions in a proffer statement typically address issues such as noise mitigation measures to be employed, buffering, landscaping, urban design features, architectural elements, and other similar design elements, tree preservation, commitments to address transportation impacts, etc.

Program Area: A grouping of County agencies with related countywide goals. Under each program area, individual agencies participate in activities to support that program area's goals. The Public Safety Program Area, for example, includes the Police Department and the Fire and Rescue Department, among others. The Auditor of Public Accounts for the Commonwealth of Virginia provides direction on which agencies are included in each program area.

Program Budget: A statement and plan which identifies and classifies total expenditures and revenues by activity or program. Budgets are aggregated into program areas. This is in contrast to a line-item budget, which identifies expenditures only by objects for which money is spent, e.g., personnel services, operating expenses, recovered costs or capital equipment.

Projections: Projections are based upon trend analyses utilizing statistical techniques.

Property Tax: A tax levied on the assessed value of real and personal property. This tax is also known as an ad valorem tax.

Property Tax Rate: The rate of taxes levied against real or personal property, expressed as dollars per $100 of equalized assessed valuation of the property taxed.

Proposed Budget: The Code of Virginia (Sections 15.2-516 and 2503) requires that the County Executive submit a proposed budget to the Board of County Supervisors no later than April 1 for the upcoming fiscal year. Sections 15.2-2506, 58.1-3007, and 58.1-3321 of the Code of Virginia govern the public notice requirements that guide the County's budget review and public comment period. After receipt of the proposed budget, the first action by the Board of Supervisors (BOS) is to authorize the advertisement of the proposed tax and levy rates. Once the proposed rate is advertised, the BOS can adopt lower tax and levy rates, but cannot, without additional advertisement, adopt higher rates. The Code also requires the BOS to hold public hearings on the proposed budget and the proposed tax and levy rates to collect public comment.

Proprietary Funds: Proprietary funds are enterprise and internal service funds used to account for business-type activities that are similar to the private sector and in which fees are charged for goods or services. They are related to assets, liabilities, equities, revenues, expenses and transfers. The County maintains both types of proprietary funds: enterprise funds to account for the Integrated Sewer System and internal service funds to account for certain centralized services that are provided internally to other departments such as Vehicle Services and Document Services.

Public-Private Education Facilities and Infrastructure Act (PPEA): During its 2002 session, the Virginia General Assembly enacted the Public-Private Education Facilities and Infrastructure Act of 2002 (PPEA). This law provides that once a "responsible public entity" such as Fairfax County adopts appropriate procedures to implement the PPEA, it may solicit proposals to acquire a "qualifying project" from private entities (i.e., issue an Invitation for Bid or Request for Proposal) or may consider proposals that are submitted by a private entity without a prior solicitation ("unsolicited proposal").

Public Hearing: A public hearing is a specifically designated time, place, and opportunity for citizens, community groups, businesses, and other stakeholders to address the Board of Supervisors on a particular issue. It allows interested parties to express their opinions and the Board of Supervisors and/or staff to hear their concerns and advice. Section 15.2-2507 of the Code of Virginia requires that a public hearing be held prior to the adoption of amendments to the current year budget when the adjustments exceed one percent of total expenditures. In addition, any amendment of one percent of expenditures or more requires that the Board advertise a synopsis of the proposed changes, such as done as part of *Third Quarter* or *Carryover*.

Rating Agencies: The organizations which provide publicly available ratings of the credit quality of securities issuers. The term is most often used to refer to the nationally recognized agencies, Moody's Investors Service, Inc., Standard & Poor's Corporation, and Fitch Investors.

Reallocation: With adequate justification and DMB approval, agencies can perform a budget transfer of funds from one category to another, e.g., from Personnel Services to Operating Expenses, as long as there is no change to the agency's bottom-line budget and the budget transfer must occur within the same agency and fund.

Real Property: Real estate, including land and improvements (buildings, fences, pavements, etc.) classified for purposes of assessment.

Reclassification: An administrative review process by which a County position is re-evaluated to determine if the position has been appropriately classified under the County's personnel classification system.

Recovered Costs: Reimbursements to an agency for specific services provided to another agency. Recovered Costs, or Work Performed for Others, are reflected as a negative figure in the providing agency's budget, thus offsetting expenditures. An example is the reimbursement received by the Department of Information Technology from other agencies for telecommunication services.

Rec-PAC: Rec-PAC (Pretty Awesome Children), operated by Fairfax County Park Authority, is a six-week structured recreation program offered during the summer with emphasis on leisure skills designed for elementary school children.

Reduction in Force (RIF): A permanent elimination of an excess number of filled merit positions.

Referendum: A referendum is a means by which a legislative body requests the electorate to approve or reject proposals such as Constitutional amendments, long-term borrowing; and other special laws.

Refunding: Retiring an outstanding bond issue at maturity (sometimes done before maturity date if rate is favorable) by using money from the sale of a new bond offering. In other words, issuing bonds to pay off the old bonds. In an Advance Refunding, a new bond issuance is used to pay off another outstanding bond. The new bond will often be issued at a lower rate than the older outstanding bond. Typically, the proceeds from the new bond are invested and when the older bonds become callable, they are paid off with the invested proceeds. In a Crossover Refunding, the revenue stream pledged to secure the securities being refunded is being used to pay off debt on the refunded securities until they mature.

Rent Affordability: The generally accepted definition of rent affordability is for a household to pay no more than 30 percent of its annual income on housing. Families who pay more than 30 percent of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care. (U.S. Department of Housing and Urban Development)

Reserves: A portion of the fund balance or retained earnings legally segregated for specific purposes. Reserves are lump sum dollars set aside in a budget for unanticipated needs or for specific future needs. Reserves are not distributed or allocated to operating expenditures or capital expenditures because the specific requirements for the reserves are not known at the time of budget adoption or because bond documents require their establishment. The County is required to amend its budget in order to allocate reserve funds to an operating or capital project account. In many cases, a reserve can only be used for a specific purpose.

Resolution: A special or temporary order of a legislative body requiring less legal formality than an ordinance or statute.

Revenue: Monies received from all sources (with exception of fund balances) that will be used to fund expenditures in a fiscal year. In the broadest sense, revenue is an increase in financial resources. Revenues are funds received by the County from its activities or external sources such as real estate taxes, property taxes, local sales tax, fees for services, fines, grants, payments from other governments, etc.

Revenue Bond: A municipal bond secured by the revenues of the project for which it is issued. Revenue Bonds are those bonds whose principal and interest are payable exclusively from earnings of an enterprise fund. Sewer and utility bonds are typically issued as revenue bonds. The County also issues Lease Revenue bonds, a form of revenue bond in which the payments are secured by a lease on the property built or improved with the proceeds of the bond sale.

Revenue Forecast: A projection of future County revenue collections.

Revenue Stabilization Fund: In FY 2000, the Board of Supervisors approved the creation of this fund to provide a mechanism for maintaining a balanced budget without resorting to tax increases and/or expenditure reductions that aggravate the stresses imposed by the cyclical nature of the economy. The target balance of this fund is 5 percent of General Fund Disbursements.

SAFER Grants: Staffing for Adequate Fire and Emergency Response (SAFER) Grants were created to provide funding directly to fire departments and volunteer firefighter interest organizations to help them increase or maintain the number of trained, "front line" firefighters available in their communities. The goal of SAFER is to enhance the local fire departments' abilities to comply with staffing, response and operational standards established by the National Fire Protection Association (NFPA).

Sales Tax: Tax imposed on the taxable sales of all final goods.

School Board Budget: Includes the School Operating Fund, the School Food and Nutrition Services Fund, School Grants and Self Supporting Programs, School Adult and Community Education, Public School OPEB Trust Fund, the School Insurance Fund, the School Construction Fund, the School Central Procurement Fund, the School Health and Flexible Benefits Trust Fund and the Educational Employees' Supplementary Retirement Fund, identifying both expenditure levels and sources of revenue. The Board of Supervisors may increase or decrease the School Board budget but normally does so only at the fund level (i.e., by increasing or decreasing the General Fund Transfer to the School Operating Fund without specifying how the change is to be applied). By state law, the Supervisors may not make specific program or line item changes, but may make changes in certain major classifications (e.g., instruction, overhead, maintenance, etc.).

School Board Transfer: A transfer out of funds from the General Fund to the School Operating Fund. State law requires that this transfer be approved by the Board of Supervisors by May 15, for the next fiscal year.

School Operating Fund: This fund provides for the day-to-day operations and maintenance of the schools and is funded primarily by county and state funds. In the Transparency Application, this fund is separated into: Operating Fund – Operations; and Operating Fund – Central and Grants. The School Operating Fund is FCPS' primary (or general) fund. Those activities that are partially supported by grants and activities managed by departments on behalf of schools are shown separately from general operating activities.

Self-Sufficiency: The ability to consistently meet basic needs – such as food, housing, utilities, healthcare, transportation, taxes, dependent care, and clothing – without assistance or subsidies from private or public organizations (excluding Social Security retirement, Social Security Disability Insurance, and Medicare).

Sequestration: Budget sequestration is a procedure in United States law that limits the size of the federal budget. Sequestration involves setting a hard cap on the amount of government spending within broadly-defined categories; if Congress enacts annual appropriations legislation that exceeds these caps, an across-the-board spending cut is automatically imposed on these categories, affecting all departments and programs by an equal percentage. The amount exceeding the budget limit is held back by the Treasury and not transferred to the agencies specified in the appropriation bills.

Service Capacity: The measurable quantity of assistance that can be provided without sacrificing quality of assistance provided; for example, the number of spots available in vocational training programs, or, the number of provider contacts with households than can be provided in one month.

Service Level: The measurable quantity of assistance that is being provided for an individual or family; for example, the number of individuals currently enrolled in vocational training programs, or the frequency of professional contact with a household.

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.

Short-Term Debt: Debt with a maturity of less than one year after the date of issuance.

Special Revenue Funds: Funds defined by the State Auditor of Public Accounts to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. These funds account for the revenues and expenditures related to Fairfax County's state and federal grants, the operation of the Fairfax County Public Schools, and specific taxing districts that are principally financed by special assessment tax levies in those districts.

Strategic Plan: A document outlining long-term goals, critical issues and action plans to increase the organization's effectiveness in attaining its mission, priorities, goals and objectives. Strategic planning starts with examining the present, envisioning the future, choosing how to get there, and making it happen.

Strategic Planning Process: The strategic planning process provides the County the opportunity to identify individual agency missions and goals in support of the public need, action steps to achieve those goals and measures of progress and success in meeting strategic goals. Strategic planning helps ensure that limited resources are appropriately allocated to achieve the objectives of the community as determined by the Board of Supervisors.

Successful Children and Youth Policy Team (SCYPT): First convened in May 2013, the Successful Children and Youth Policy Team (SCYPT) is comprised of leaders from multiple sectors within Fairfax County. The team's role is to set community-wide goals and priorities for public policy as it relates to children, youth and families. According to the team's charter, "in order to become confident individuals, effective contributors, successful learners and responsible citizens, all of Fairfax County's children need to be safe, nurtured, healthy, achieving, active, included, respected and responsible. This can only be realized if the county, schools, community and families pull together to plan and deliver top-quality services, which overcome traditional boundaries." Membership on the team is divided among representatives from Fairfax County Government, Fairfax County Public Schools and the community. Two members from both the Board of Supervisors and the School Board participate. Community members are identified to provide the perspective of various sectors impacting youth well-being, including health care, nonprofit, faith and philanthropy.

Supplemental Appropriation Resolution: Any appropriation resolution approved by the Board of Supervisors after the adoption of the budget for a given fiscal year. The legal document reflecting approved changes to the appropriation authority for an agency or fund.

Supplemental Nutrition Assistance Program (SNAP): The Supplemental Nutrition Assistance Program (SNAP, formerly known as the Food Stamp Program) is the nation's most important anti-hunger program. SNAP offers nutrition assistance to millions of eligible, low-income individuals and families and provides economic benefits to communities. SNAP is the largest program in the domestic hunger safety net. The federal Food and Nutrition Service works with State agencies, nutrition educators, and neighborhood and faith-based organizations to ensure that those eligible for nutrition assistance can make informed decisions about applying for the program and can access benefits.

Supportive Services: Assistance, provided to individuals and families in housing of any type that is designed to and provided with the intent of increasing their ability to live independently, improving their life skills, maintaining residential stability, and ultimately moving toward self-sufficiency.

System of Care: System of Care is an integrated continuum of services and supports for children, youth and families provided by Fairfax County human services departments, public schools, County-funded providers and community-based advocacy and service organizations. It includes behavioral health services for youth and services covered under the Children's Services Act (CSA).

TANF: Virginia's Temporary Assistance for Needy Families (TANF) program — formerly AFDC (Aid to Families with Dependent Children AFDC) — is a federal/state public assistance program authorized by the Code of Virginia and Title IV-A of the Social Security Act. TANF is funded through a federal block grant and through state funds authorized by the Virginia General Assembly. The purpose of TANF is to provide temporary cash assistance to families in need and to end the dependence of needy parents on government benefits by promoting job preparation and work. With few exceptions, assistance under TANF is restricted to a lifetime limit of 60 cumulative months.

Taxable Value: The assessed value less homestead and other exemptions, if applicable.

Tax Base: The aggregate value of taxed items. The base of the County's real property tax is the market value of all real estate in the County. The base of the personal property is the market value of all automobiles, trailers, boats, airplanes, business equipment, etc., which are taxed as personal property by the County. The tax base of a sales tax is the total volume of taxable sales.

Tax Levy: Charges imposed by a government to finance activities for the common benefit. Fairfax County's tax levies are based on an approved tax rate per $100 of assessed value.

Tax Rate: The level of taxation stated in terms of either a dollar amount or a percentage of the value of the tax base. The Board of Supervisors fixes property tax rates for the period beginning January 1 of the current calendar year when the budget for the coming fiscal year is approved. The property tax rate is applied to the value of property assessed as of January 1 each year.

Technology Infrastructure: The hardware and software that support information requirements, including computer workstations and associated software, network and communications equipment, and mainframe devices.

Third Quarter Review: The current year budget is reevaluated approximately seven months after the adoption of the budget based on current projections and spending to date. The primary areas reviewed and analyzed are (1) current year budget versus year-to-date expenditures plus expenditure projections for the remainder of the year, (2) emergency requirements for additional, previously unapproved items, and (3) possible savings. Recommended funding adjustments are provided for Board of Supervisors' approval.

Total Budget: The receipts and disbursements of all funds, e.g., the General Fund and all other funds. <u>Net total expenditures</u> (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 internal service agencies. <u>General Fund total disbursements</u> (direct General Fund expenditures plus transfers to other funds, such as the School Operating Fund) are a more accurate measure of the cost of government to the local taxpayers.

Total Project Estimate: A capital project Total Project Estimate (TPE) is composed of funds already expended, currently appropriated, proposed or adopted in the budget year, and proposed for future years. In short, it is the total amount proposed to be expended over the life of the project.

Transfer: A movement of funding from one fund to another. The largest such transaction is the annual transfer of funds from the General Fund to the School Operating Fund. Further complicating the structure of the budget and the process of adopting a budget are numerous movements of dollars among the funds and they are, therefore, internal to the County structure. The amount transferred out of one fund is recorded ("Transfers Out") and the amount transferred into another fund is also recorded ("Transfers In"). The County records this movement of funds as a "transfer" in the budget and in the accounting system in order to more accurately represent financial activity. Transfers provide money to programs that may not have adequate revenue from grants or fees generated by the program.

Translational Medicine: Translational medicine is a rapidly growing discipline in biomedical research and aims to expedite the discovery of new diagnostic tools and treatments by using a multi-disciplinary, highly collaborative, "bench-to-bedside" approach.

Transport Fees: The cost to provide ambulance transportation to patients from home to hospital.

Trust Funds: A categorization of accounts defined by the State Auditor of Public Accounts consisting of funds established to account for money and property held by the County government in the capacity of a trustee or custodian for individuals or other specified purposes. Examples are the various retirement funds, which contain contributions from the County government and individual employees.

Unappropriated: Not obligated for a specific purpose.

Urban Area Security Initiative (UASI): The UASI program is intended to provide financial assistance to address the unique multi-discipline planning, organization, equipment, training, and exercise needs of high-threat, high-density urban areas, and to assist these areas in building and sustaining capabilities to prevent, protect against, mitigate, respond to, and recover from threats or acts of terrorism using the Whole Community approach. Activities implemented with UASI funds must support terrorism preparedness by building or enhancing capabilities that relate to the prevention of, protection from, mitigation of, response to or recovery from terrorism in order to be considered eligible. Fairfax County's Office of Emergency Management (OEM) utilizes UASI funds for multiple purposes, such as sustaining operational readiness, training County personnel and preparing its residents.

Undesignated: Without a specific purpose.

Unencumbered: This term refers to unspent funds. An unencumbered balance of funds in an account is not restricted or reserved with respect to their availability for future use.

Unfunded Positions: Positions that departments have elected to hold vacant in order to achieve personnel expenditure savings beyond the normal expected turnover savings. These positions are in the departments' FTE counts, and remain eligible for departments to request restored funding at some future date.

Useful Life: The period of time that a fixed asset is able to be used. This can refer to a budgeted period of time for an equipment class or the actual amount of time for a particular item.

User Fees: Charges for expenses incurred when services are provided to an individual or groups and not the community at large. The key to effective utilization of user fees is being able to identify specific beneficiaries of services and then determine the full cost of the service they are consuming or using.

Vacancy Rate: Residential Vacancy Rate is the percentage of total housing units that are unoccupied. Nonresidential Vacancy Rate is the percentage of the total available square footage not leased.

VIEW: The Virginia Initiative for Employment not Welfare (VIEW) supports the efforts of families receiving Temporary Assistance for Needy Families (TANF) to achieve independence through employment. VIEW focuses on the participants' strengths and provides services to help them overcome job-related challenges, as well as personal, medical and family challenges that affect employment. The Fairfax County Department of Family Services (DFS) administers benefits under the federal Temporary Assistance for Needy Families (TANF) program, which provides temporary cash assistance to low-income families with children. Parents who receive this assistance, and are able to work, are required to participate in the VIEW program.

The VIEW program offers parents the assistance and resources needed to find and keep a job. An important aspect of the program is the strong support participants receive from their VIEW case manager, who focuses on each family's individual situation and works with them to support their goals of employment and independence.

Vision Elements: The vision elements were developed in FY 2005 by the County Executive and the Senior Management team to address the priorities of the Board of Supervisors and emphasize the County's commitment to protecting and enriching the quality of life for the people, neighborhoods, and diverse communities of Fairfax County. There are seven vision elements including: Maintaining Safe and Caring Communities, Building Livable Spaces, Connecting People and Places, Maintaining Healthy Economies, Practicing Environmental Stewardship, Creating a Culture of Engagement and Exercising Corporate Stewardship.

Waiting List: A roster of those waiting for a service or product to be provided, established when the demand for a specific program exceeds the program's service capacity.

Workforce Housing: Fairfax County defines "workforce housing" as rental or for-sale housing units that are affordable to households with maximum income limits up to and including 120 percent of the Area Median Income (AMI) for the Washington Metropolitan Statistical Area, as determined periodically by the U.S. Department of Housing and Urban Development. (Fairfax County Comprehensive Plan-Policy Plan).

Workforce Planning: A systematic process designed to anticipate and integrate the human resources aspect to an organization's strategic plan by identifying, acquiring, developing, and retaining employees to meet organizational needs.

Work Performed for Others / WPFO: Expenditure credits for services provided on behalf of a different County agency.

Wrap-Around: Intensive, individualized comprehensive services that are coordinated across multiple disciplines and/or agencies to create the greatest impact with the least number of barriers and ultimately meet the client needs.

ACRONYMS

(Where items are underlined, see fuller definitions in the preceding *Glossary* section)

ADA: Americans with Disabilities Act

ADC: Adult Detention Center

ADHC: Adult Day Health Care

AED: Automatic External Defibrillator

AEOC: Alternate Emergency Operations Center

AFIS: A multi-jurisdictional Automated Fingerprint Identification System

ALS: Advanced Life Support

AMI: Area Median Income

ARRA: American Reinvestment and Recovery Act

ASAP: Alcohol Safety Action Program (Fund 83000)

ASSB: Advisory Social Services Board

BPOL: See Business, Professional and Occupational License

BPR: See Business Process Redesign

CAD: Computer Aided Dispatch

CAFR: See Comprehensive Annual Financial Report

CCAR: Child Care Assistance and Referral program

CCFAC: Consolidated Community Funding Advisory Committee

CCFP: See Consolidated Community Funding Pool

CDBG: Community Development Block Grant

CERF: Computer Equipment Replacement Fund

CERT: Community Emergency Response Team

CHINS: Child In Need of Supervision or Services

CIP: See Capital Improvement Program

COG: Metropolitan Washington Council of Governments

CPAN: Courts Public Access Network

CPI: See Consumer Price Index

CRA: Clinic Room Aide

CRIS: Community Resident Information Services (kiosks used by Fairfax County)

CSA: See Children's Services Act

CSB: Fairfax-Falls Church Community Services Board

CSU: Court Service Unit (Juvenile and Domestic Relations District Court)

CTB: Commonwealth Transportation Board

DROP: See Deferred Retirement Option Plan

DPWES: Department of Public Works and Environmental Services

EAC: See Employees Advisory Council

EAP: Employee Assistance Program

EMPG: Emergency Management Performance Grant

EMS: Emergency Medical Service

ENSNI: Estimate, No Scope, No Inflation

EOC: Emergency Operations Center

ESOL: English as a Second Language

FCEDA: Fairfax County Economic Development Authority

FCPA: Fairfax County Park Authority

FCPL: Fairfax County Public Library

FCPS: Fairfax County Public Schools

FCRHA: Fairfax County Redevelopment and Housing Authority

FOCUS: Fairfax County Unified System

FTE: Full-Time Equivalent

FY: Fiscal Year

GAAP: Generally Accepted Accounting Principles

GASB: Governmental Accounting Standards Board (See GASB in Glossary)

GFOA: Government Finance Officers Association

GIS: Geographic Information Systems

HIPAA: Health Insurance Portability and Accountability Act

HMO: See Health Maintenance Organization

ICMA: International City/County Management Association

iNet: Institutional Network

LAN: Local Area Network

LCI: See Local Composite Index

LOBs: See Lines of Business

MPSTOC: McConnell Public Safety and Transportation Operations Center

MWCOG: Metropolitan Washington Council of Governments

MRA: Market Rate Adjustment

NACo: National Association of Counties

NOVARIS: Northern Virginia Regional Identification System

NVCC: Northern Virginia Community College

NVCT: Northern Virginia Conservation Trust

NVFS: Northern Virginia Family Services

NVRC: Northern Virginia Regional Commission

NVRPA: Northern Virginia Regional Park Authority

NVSWCD: Northern Virginia Soil and Water Conservation District

NVTC: Northern Virginia Transportation Commission

OPEB: See Other Post-Employment Benefits

PPEA: See Public-Private Education Facilities and Infrastructure Act

PPTRA: See Personal Property Tax Relief Act

PSCC: Public Safety Communications Center

PSCN: Public Safety Communications Network

PSOHC: Public Safety Occupational Health Center

P/T: Part-Time

Rec-PAC: See Rec-PAC (in Glossary)

SAC: Selection Advisory Committee

SACC: School-Age Child Care

SAFER: See SAFER

SAR: See Supplemental Appropriation Resolution

SBE: Small Business Enterprise

SCBA: Self-Contained Breathing Apparatus

SCC: State Corporation Commission

SCYPT: See Successful Children and Youth Policy Team

SNAP: See Supplemental Nutrition Assistance Program

SWRRC: Solid Waste Reduction and Recycling Centers

TANF: See TANF

UASI: See Urban Areas Security Initiative

VACo: Virginia Association of Counties

VIEW: See VIEW

VRE: Virginia Railway Express

WAHP: Washington Area Housing Partnership

WAHTF: Washington Area Housing Trust Fund

WAN: Wide Area Network

WMATA: Washington Metropolitan Area Transit Authority

WPFO: Work Performed For Others

YTD: Year To Date

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