

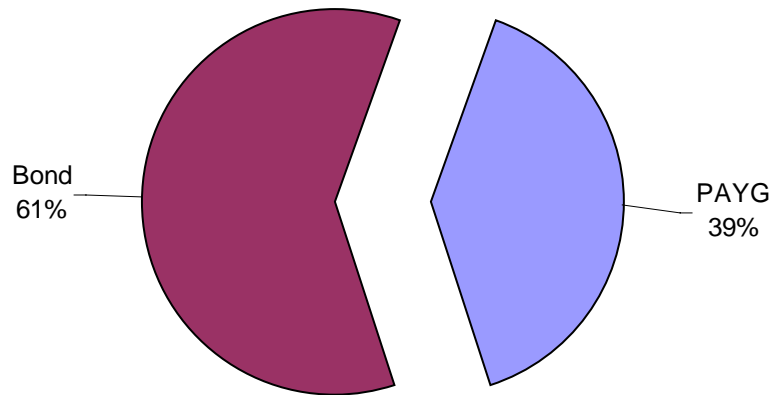
## FINANCIAL ANALYSIS

The capital projects identified in the FY 2003 - FY 2008 CIP are funded from a number of major sources:

- annual Pay-As-You-Go (PAYG) capital appropriations
- proceeds from general obligation bonds
- general obligation bonds for the Utilities Fund
- utilities hook-up fee revenue
- inter-jurisdictional payments
- water-sewer fee revenues
- project and developer fees/contributions
- reimbursements from the Commonwealth of Virginia
- Federal government grants.

The CIP funding strategy includes 39.4 percent of capital program funding from Pay-As-You-Go appropriations, which includes the major funding sources listed above, and financing 60.6 percent of the program with General Obligation Bonds.

### FY 2003 - FY 2008 Bond vs. PAYG



CIP Funding Distribution  
Bond vs. PAYG Funding By Government Entity

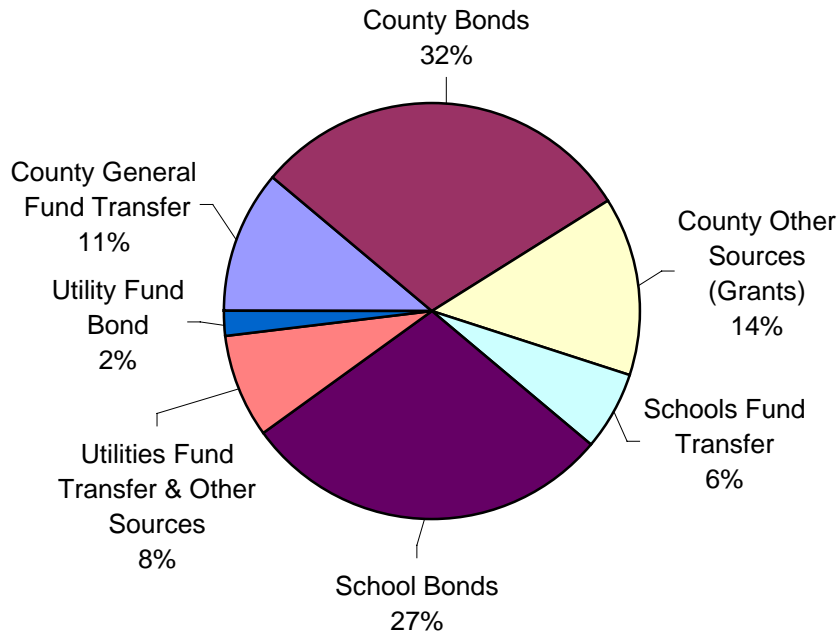
Government Entity	Bonds	% of Program	PAYG	% of Program	Total
General Fund Capital Projects	\$ 216,251	56.20%	\$ 168,566	43.80%	\$ 384,817
Utilities Fund Capital Projects	12,342	18.50%	54,375	81.50%	66,717
Schools Capital Projects	188,496	81.92%	41,592	18.08%	230,088
<b>Total</b>	<b>\$ 417,089</b>	<b>61.19%</b>	<b>\$ 264,533</b>	<b>38.81%</b>	<b>\$ 681,622</b>

The future debt service costs associated with bond financing allow the cost of a capital project to be spread among current and future users and beneficiaries of the project. Typically, the County finances parks and recreation, community conservation, and street and highway projects with bond proceeds. Government facilities, unless of a sizeable dollar cost, are usually financed with Pay-As-You-Go capital appropriations. Utilities Fund projects are funded with a mixture of user fees such as hook-up fees, inter-jurisdictional payments, and bond proceeds.

The County's current practice is to schedule bond referenda for the even calendar years which, given the November election month, correspond to the odd fiscal years. The next bond referendum was authorized by the County Board in July, and will be presented to the voters in the November 2002 election (FY 2003).

### CIP Funding Source Summary

Funding Source	Amount	%
County General Fund Transfer	\$ 75,429	11%
County Bonds	216,251	32%
County Other Sources (Grants)	93,137	14%
Schools Fund Transfer	41,592	6%
School Bonds	188,496	27%
Utility Fund Transfer & Other Sources	54,375	8%
Utility Bond Fund	12,342	2%
<b>Total</b>	<b>\$ 681,622</b>	



## FY 2003 GENERAL CAPITAL PROJECTS FUND REVENUE

The General Capital Projects Fund accounts for the capital projects for general government functions which are financed under the County's Pay-As-You-Go Capital Program. The program areas include local parks and recreation, transportation and pedestrian initiatives, community conservation, government facilities, and regional partnerships. General Fund support of \$13,627,001 was approved as part of the April 20, 2002 County Board adoption of the FY 2003 Budget.

	<b>FY 2001 Actual</b>	<b>FY 2002 Re-estimate</b>	<b>FY 2003 Adopted</b>	<b>% Change '02 to '03</b>
<b>Project Receipts</b>	\$1,327,989	\$-	\$-	-
<b>Street Lights</b>	933,700	-	-	-
<b>Misc. Revenue</b>	201,950	-	-	-
<b>Cable TV</b>	944,646	-	-	-
<b>VA Trans Dept Grants</b>	528,723	-	-	-
<b>Misc. State Grants</b>	115,933	-	-	-
<b>Proceeds from Lease Purchase</b>	3,138,901	-	-	-
<b>Transfer In</b>	11,154,381	18,626,000	13,627,001	-27%
<b>TOTAL</b>	\$18,346,223	\$18,626,000	\$13,627,001	-27%

## FY 2003 UTILITIES CAPITAL PROJECTS FUND REVENUE

The Utilities Capital Projects Fund accounts for capital projects for the sanitary sewer system, water distribution system, and wastewater treatment plant. The projects are funded through interest earnings from fund balance, hook-up charges paid by developers for connection into the County water distribution and sanitary sewer systems, and transfers from the Utilities Operating Fund. Sewage treatment charges are revenues received from neighboring jurisdictions (Falls Church, Alexandria, and Fairfax County) for reimbursement of a portion of the upgrade costs at the Water Pollution Control Plant.

	<b>FY 2001 Actual</b>	<b>FY 2002 Re-estimate</b>	<b>FY 2003 Adopted</b>	<b>% Change '02 to '03</b>
<b>Interest</b>	\$1,845,784	\$548,000	\$480,000	-12%
<b>Project Receipts</b>	98,507	-	-	-
<b>Water Sewer Hook-Up</b>	4,162,396	2,000,000	2,000,000	-
<b>Sewage Treatment Charges</b>	1,885,030	-	-	-
<b>Miscellaneous</b>	800	-	-	-
<b>Misc State Revenues</b>	7,413,946	-	-	-
<b>Transfer In</b>	4,030,000	4,714,000	5,242,413	11%
<b>TOTAL</b>	\$19,436,463	\$7,262,000	\$7,722,413	6%