Statement of General Fund Balance

Governmental Funds			Proprietary Funds		
	Special Revenue Fund	**Capital Projects Fund/3**		**Internal Services Fund (Equipment Replacement Fund)**	**Sanitary Sewer Enterprise Fund**
Beginning Fund Balance 7/1/11/1	$18,471,327	$64,184,449	Beginning Net Assets 7/1/11	$21,884,131	$7,398,185
Plus FY 2012 Budgeted Revenues	$110,620,429	$92,170,569	Plus FY 2012 Budgeted Revenues/4	$4,718,426	$7,500,000
Less FY 2012 Budgeted Expenditures	$110,620,429	$92,170,569	Less FY 2012 Budgeted Expenses	$5,245,088	$7,500,000
Projected Fund Balance 6/30/12	$18,471,327	$64,184,449	Projected Net Assets 6/30/2012	$21,357,469	$7,398,185
Plus FY 2013 Budgeted Revenues/2	$111,765,663	$134,504,335	Plus FY 2013 Budgeted Revenues	$5,056,607	$7,500,000
Less FY 2013/3 Budgeted Expenditures	$111,765,663	$134,504,335	Less FY 2013 Budgeted Expenses	$4,189,469	$7,500,000
Projected Fund Balance3	$18,471,327	$66,328,337	Projected Net Assets 6/30/13	$22,224,607	$7,398,185

/1 City of Alexandria, Virginia, Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2011.

/2 City of Alexandria, Virginia, Operating Budget and Capital Improvement Program, Fiscal Year 2013.

/3 In all likelihood a large portion of Capital Projects, including Sanitary Sewers, will not be expended in FY 2012 and FY 2013, as many capital projects are multi-year in execution.

/4 FY 2013 Budgeted Revenues are based on current estimates, which are subject to change.

•The Special Revenue Fund accounts for resources restricted to expenditures for specified purposes (for example, State and federal grants). As of June 30, 2011, the Special Revenue Fund total fund balance was $18,471,327. Because monies budgeted within the Special Revenue Fund are generally legally restricted to specific activities or programs, these monies are not considered available for appropriation to meet general expenditure requirements. Unexpended Special Revenue Fund monies are generally due to intergovernmental grant timing differences (e.g., a grant awarded to the City for a program operated under the federal fiscal year of October 1 to September 30), and remaining Special Revenue funds at June 30 are reappropriated for use in the subsequent City fiscal year for the continuation of the designated programs. The total projected Special Revenue Fund fund balance, for GFOA reporting purposes, as of June 30, 2012 is $18,471,327.

•The Capital Projects Fund accounts for all financial resources used for the acquisition or construction of major capital facilities not being financed by proprietary funds. As of June 30, 2011, the Capital Projects Fund had a total fund balance of $64,184,449. This funding is dedicated to the completion of approved capital projects, and is therefore not available to meet general expenditure requirements. The total projected Capital Projects Fund fund balance as of June 30, 2012, would be $0 assuming all budgeted capital projects are initiated and completed. Given implementation issues and plans and their multi-year nature, many of these capital projects will not be completed by June 30, 2012.

•The Internal Services Fund accounts for the financing of goods or services provided by one department to other departments or agencies of the City on a cost-reimbursement basis. The City established the Equipment Replacement Fund for purposes of providing for the accumulation of money to replace capital equipment items used in City operations. This fund derives its revenues from periodic equipment rental charges assessed to the user departments in the governmental funds. These revenues are then used to finance charges and associated expenditures to replace capital equipment. As of June 30, 2011, the Equipment Replacement Internal Services Fund had Total Net Assets of $21,884,131. Equipment Replacement monies are accrued for the scheduled replacement of capital equipment, and thus are not available for appropriation to meet general expenditure requirements. The projected Equipment Replacement Fund Total Net Assets, for GFOA reporting purposes, as of June 30, 201 is $22,224,607.

•The Sanitary Sewers Enterprise Fund accounts for sanitary sewer revenues and expenditures apart from the General Fund. This fund, established in mid FY 2006, was created for the purpose of achieving revenue self-sufficiency for sanitary sewer maintenance and construction and to be supported by sewer line maintenance fee and sewer connection fee revenues. As of June 30, 2010, the Sanitary Sewers Enterprise Fund had Total Fund Balance of $7,398,185. It includes Transportation and Environmental Services (T&ES) operating expenditures for maintenance as well as cash capital and debt service expenditures associated with CIP reconstruction, rehabilitation and expansion projects. The total projected Sanitary Sewer Enterprise Fund balance as of June 30, 2012, would be $7,398,185 assuming all budgeted capital projects are initiated and completed. Given implementation issues and plans and their multi-year nature, many of these capital projects will not be completed by June 30, 2011.