



# **Budget, Organizational and Strategic Plan Updates**

## **Board Budget Committee**

July 24, 2018

# Agenda

- Coordination with Fairfax County Public Schools
- FY 2018 preliminary results/FY 2019 initial projections
- Reserves
- Space Reviews
- Operational and Organizational Updates
- Strategic Planning

# Coordination with Fairfax County Public Schools

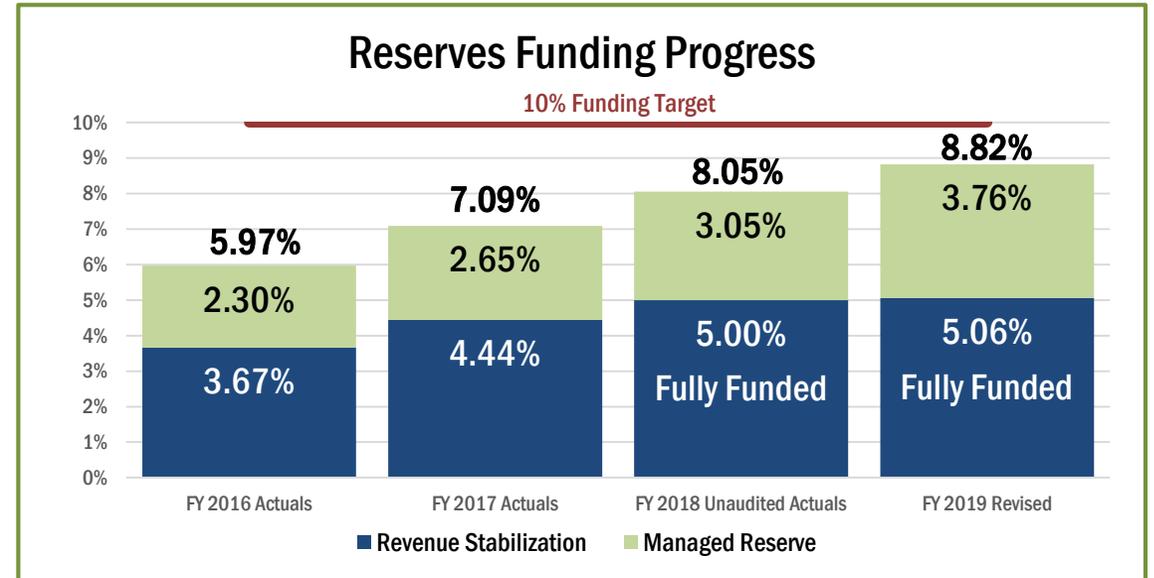
- Budget Discussions
- One Fairfax
- Technology
- Facilities

# FY 2018 preliminary results and FY 2019 initial projections

- Total projected funding available at Carryover is approximately \$58 million
  - FY 2018 General Fund Revenues exceeded budget by more than \$27 million
  - FY 2018 General Fund Expenditures were approximately \$78 million less than budgeted
    - After encumbrances and unencumbered carryover (including reserves) the expenditure balance is \$30.5 million
- Carryover will include funding adjustments consistent with Board policies for reserves, the infrastructure sinking fund as well as other recommendations of the County Executive
  - Funding of approximately \$10 million will be available for other Board action
- FY 2019 revenue projections are on track and will be monitored closely throughout the year

# Reserves

- As of the FY 2019 Revised Budget:
  - Revenue Stabilization Fund (RSF) is fully funded at 5%
  - Managed Reserve is funded at 3.8% of the 4% goal
  - 9% total for RSF and MR anticipated during FY 2019
  - Next step will be to begin funding the Economic Opportunity Reserve



- Staff is drafting policy for the Economic Opportunity Reserve
  - Initial discussion at an upcoming Budget Committee meeting
  - Board review and approval prior to first deposit, anticipated for the *FY 2019 Carryover Review*
  - Balance use as tool for economic development and to meet reserve commitment
    - Requires rapid replenishment

# Space reviews

- Existing leases being reviewed for opportunities
  - Identifying options for relocation/consolidation
  - Evaluating impact on clients – as done for Traford Lane
  - Working within constraints of existing leases
  - Not an attempt to adjust service delivery
- Owned space needs to be identified to replace leased space
  - Evaluating current owned space
  - Identifying opportunities for reducing departmental footprints
    - Initially focusing on Government Center Complex
    - Late 1980s design and standards (began occupying the complex in early 1990s)
    - Many program changes in intervening period
  - Carryover funding to be requested for required investments
- Identifying specific actions to the Board prior to moves

# Operational Opportunities Overview

- Consistent with the May 24th memo and other initiatives currently underway:
  - Leases/space allocation
  - Opportunities for departmental reorganizations and consolidations
  - Vacant positions/those in DROP
  - Contracting
  - Revenue opportunities
  - Administrative functions
  - Contributory funds
  - Capital planning and funding
  - Vehicles

# Organizational Changes

- Immediate - Responding to current opportunities
  - Reformatting leadership
  - Succession planning for senior positions
  - No impact on incumbents
- Ongoing - Identifying additional opportunities and working towards efficiencies
  - DROP, position vacancies and succession planning
  - Streamlining service delivery models
  - Alignment of functions
  - Goal of no impact on incumbents

# Immediate Organizational Changes

- In FY 2019 budget: Office of Strategy Management for Health and Human Services, realignment of administrative staff within Health and Human Services and in support of Contracting and Procurement
- Absorption of vacant Deputy County Executive function
- Realign reporting responsibilities:
  - Office of Human Rights and Equity Programs and One Fairfax initiative to the County Executive
  - Departments of Cable and Consumer Services, Facilities Management Information Technology and Vehicle Services, and the Fairfax County Public Libraries to the Chief Financial Officer

# Ongoing Organizational Reviews

- Support for the Planning Commission and the Board of Supervisors
- Economic Success Strategic Plan (ESSP) and planning and development
- County facility and infrastructure services
- Continuum of services for children
- Continuum of services for seniors
- Environmental and Energy Programs
- Potential consolidation of Boards, Authorities and Commissions

# Strategic Planning

- RFP for consultant services closed July 3
  - Selection Advisory Committee reviewing responses
  - On schedule to bring recommendations to Board for approval in September
- New Strategic Planning Committee of the Board anticipated to begin to meet in the Fall
- Strategic Plan process will be more clearly defined by the consultant and staff and will be discussed by the Board in Fall
- Updated calendar will be developed by the consultant and staff and will be discussed by Board in Fall