April 20, 2010

FY 2011 BUDGET MARKUP PROCESS

1. Chairman's Remarks on Mark-Up Package 2
2. Budget Guidance for Fiscal Year 2011 and Fiscal Year 2012 16
3. Approval of the FY 2011-2015 Capital Improvement Program (with future fiscal years to 2020) 22

Chairman's Remarks on Mark-Up Package

STONE SOUP

As we worked through our budget process for adoption of the Fiscal Year 2011 Budget, I was reminded of an old story called "**Stone Soup**".

According to one variation of the story tired, hungry soldiers came upon a little village. When they inquired about food, the villagers were reluctant to share their food stores, worried that their limited supply would become depleted.

And so, the soldiers set down their gear in the village square and produced a large pot. They filled the pot with water and a large stone, then set it over a fire. A few curious villagers walked over and asked what the soldiers were making. The captain explained that they were making something called stone soup, which tasted wonderful, but probably needed just a few more ingredients. He offered to share the soup with the villagers once it was finished.

One of the villagers returned and offered to supplement the soup with a few potatoes, which he diced and put into the simmering water. Another villager produced a bunch of carrots and another offered to share a few onions from her garden. These small but tasty contributions continued throughout the day.

Eventually the soup pot was full of a hearty, delicious soup. That evening, the entire village joined the soldiers in a satisfying feast of Stone Soup.

Last year this time, our country was reeling from the effects of the worst economic breakdown in most of our lifetimes. On this date last year, with property values plunging and homeowners challenged with foreclosures and job losses, we adopted a budget which closed a projected shortfall of $650 million. That $3.3 billion General Fund budget included $90.8 million of reductions and represented a decrease of $91.9 million from the previous year Revised Budget.

We started our budget process for Fiscal Year 2011 well before any dust could settle on the adoption of Fiscal Year 2010. While the number is coming down we are still challenged with foreclosures, more than 700 in March 2010. Residential property values have continued to decline, this year by approximately 6% and commercial property values dropped over 18%.

In addition, as we began the process we anticipated reductions from the State as they attempted to close their $4.2 billion budget shortfall. We continue to be challenged with increasing demands on County services from families and individuals turning to us for help with food stamps, utility assistance, rent and housing assistance and finding employment. These dynamics all combine to challenge us once again to close a projected shortfall – this time of $257.2 million.

As in the story of Stone Soup, the process of closing that shortfall has been one of impressive community engagement, creativity and collaboration among County staff and our non-profit partners.

What began as a seemingly empty pot, is **a balanced budget that, despite $91.3 million in reductions over last year, maintains critical services, is sensitive to the taxpayer, and protects the quality of life we value in Fairfax County.**

Coupled with a positive formula change (of $61 million) in the Local

Composite Index (LCI) - State Funding to localities - our $1.6 billion Transfer to the Schools fully funds the Schools Board's requested budget and leaves them with a $45 million balance for future Virginia Retirement System (VRS) requirements.

The $3.3 billion Budget we are about to adopt is full of reorganizational changes and efficiencies that help reduce the cost for providing services, and in many, perhaps most cases, improves the delivery of those services and programs. Some of the major areas for reorganization are:

- ✓ Community and Recreation Services and Department of Systems Management for Human Services
- ✓ Senior Services
- ✓ Department of Family Services Internal Reorganization
- ✓ Community Services Board (CSB) Internal Reorganization
- ✓ Systems of Care
- ✓ Code Enforcement
- ✓ Clerk to the Board and Planning Commission

This Mark-up process amends the County Executive's Advertised Budget and is the culmination of an unprecedented level of community engagement. Community Dialogues were held throughout the County during the fall and early winter. Throughout late February, March and early April more than 20 Town Meetings and Forums were hosted to receive feedback on the Advertised Budget. Brown Bag lunches and Employee Budget Briefings and Dialogues were organized by County Executive Tony Griffin and by our Unions and Employee organization.

And lastly hundreds of speakers attended three days – over 20 hours - of public hearings.

Like the villagers' contributions in the story of Stone Soup, this generous level of public engagement enriched our process and has

resulted in a better product.

When we adopt our budget, we are investing in the priorities of our community. I am glad to have had the community at the table with us during these months.

Highlights of our FY 2011 Budget Mark-up include:

- The Budget we are about to adopt is based on a **Real Estate Tax Rate of $1.09**, an increase of 5 cents.

- It includes a **½ cent increase in the Stormwater Service District Levy**. Both of these rates result in a **net reduction** for the average homeowner's bill of **$26.93.**

- The Budget includes a **Vehicle Registration fee of $33.00 per vehicle for most vehicles**. Most other localities in Virginia utilize this fee to provide local services.

- The **Sewer Service** charge increases by **77 cents/1,000 gallons, from $4.50 to $5.27**. This fee increase addresses aging sewer infrastructure and compliance with State and Federal Clean Water and environmental mandates. Our rates continue to be among the lowest in the region.

- The Fiscal Year 2011 General Fund (Schools & General County Combined) Budget is a **2.7% reduction** from the previous year.

- The **Fairfax County Public Schools continue to be over 53% of the County's General Fund Budget.**

I will now move approval of the separate motions for the FY 2010 Third Quarter Review and the FY 2011 Mark-up.

FY 2010 Third Quarter Review

I move approval of the FY 2010 Third Quarter Review including approval of Supplemental Appropriation Resolution AS 10145 and Amendment to the Fiscal Planning Resolution AS 10901which includes the revenue, expenditure and transfer adjustments and grant awards and adjustments and associated reserve adjustments contained in the County and School's Third Quarter Review and Supplemental Appropriation Resolution AS 09162 which reflects final FY 2009 audit adjustments.

FY 2011 Budget Mark-Up

- I will now move approval of the FY 2011 Mark-up budget proposal. As the Board is aware, this budget:

    - Sets the real property tax rate at $**1.09 per $100 of assessed value**. As a result of this action, the real property tax rate for calendar year 2010 will increase by $0.05 over the real property tax rate for calendar year 2009 of $1.04 per $100 of assessed value.

    - Adopts Article 17.2, Chapter 4 of the Fairfax County Code to establish **Local Vehicle Registration License fees for FY 2011,**

    - Amends Fairfax County Code Section 4-22-2 to impose the **Courthouse Facilities Fee on Civil Cases**

    - Sets the **Stormwater Service District levy at $0.015 per $100 of assessed value**.

- Amends the Fairfax County Code, Chapter 67.1, Article 10, Section 2, Subsection (d) Service Charges to maintain the **sewer service charges** on a multi year basis as included in the ordinance amendment. The effect of this approval for FY 2011 is a sewer service charge rate of **$5.27 per 1,000 gallons**. This is an increase from the FY 2010 service charge of $4.50 per 1,000 gallons.

- Amends the Fairfax County Code, Chapter 67.1, Article 10, Section 2, Subsection (a) Availability Charges to maintain the **availability charges** on a multi year basis as included in the ordinance amendment. As a result of this motion, the availability fee for a single family residence **increases to $7,750** from $7,310 in FY 2010.

- Approves the County Executive's recommendations for the FY 2011 Advertised Budget Plan, as Advertised with FY 2011 revenue and administrative adjustments as identified in the FY 2011 Add-on memo dated April 8, 2010, and with adjustments outlined in the Board of Supervisors' "Adjustments to the FY 2011 Budget Proposal" package which follows.

Summary of FY 2011 Budget Proposal

1. Using a $21.7 million Reserve established through agency/ department savings throughout Fiscal Years 2009 and 2010 anticipating State Reductions the following adjustments are made which reduce the reserve to $11.6 million:

    - Reduced by known State Reductions of approximately **$3.1 million**

- Hold **$7 million** aside for additional State Reductions and Critical Funding issues for both the County and Schools.

2. Add additional Revenue from Courthouse Facilities Fee of **$96,000**

3. Reduce **Board of Supervisors'** Office Budgets by 2%, resulting in **$81,350**, which is used to add one position to the **Auditor to the Board's** office. The Auditor to the Board acts as an Inspector General's Office, and works through the Board's Audit Committee.

4. Use Remaining Balance of $11.7 million for Restorations and adjustments to the Advertised Budget

    - In the area of Human Services and as recommended by the Human Services Council and the Community Services Board, a total of $1.4 million has been restored, including:
        - Mental Health Adult Day Treatment Sites,
        - Home Respite for individuals with Intellectual Disability Services
        - Emergency Services at Mount Vernon Center and Northwest Center for Community Mental Health,
        - Substance Abuse Counselor Positions in Prevention Services, at Cornerstone, and in Jail Services
        - Mental Health Forensic Staff Position at Adult Detention Center,
        - Partial restoration for Domestic and Sexual Violence Services & limited- term support for Commission for Women

    - For the Police Department, a total of $2.9 million has been restored, including:
        - School Resource Officers in Middle Schools
        - 50% of Police Citizen Aide Positions at District

Stations
    - Marine Unit
    - Traffic Safety Officers

- For the Fire & Rescue Department, a total of $2.5 million has been restored, including:
    - Basic Life Support units
    - Seventh Fire & Rescue Battalion
    - Hazardous Material Support Unit
    - Second set of gear for firefighters
    - Fireboat Patrols on the Potomac River and Pohick

- A total of $1.9 million has been restored for Parks and Library Services, including:
    - Approximate 3% restoration to Libraries to maintain Tuesday evening hours at all 8 regional libraries
    - Library Access Services
    - Parks Athletic Field Maintenance Program
    - Parks Grounds maintenance staff (including restoration of restrooms)
    - Nighttime court lighting and lighting for practice fields
    - Parks Truck Driver and Heavy Equipment (mobile crew) positions
    - Operation and management at Martin Luther King Jr. Pool

- This budget includes a net total of $2.7 million in Other Restorations and Adjustments, including:

    - **All CONNECTOR route reductions** (except for partial reduction of stand-by buses

        - Note: Bicycle Program coordinator position is not eliminated.
    - 5 Law Clerks supporting Circuit Court Judges
    - Support for Families4Kids to non-profit – to be funded from Human Services Transition Reserve
    - Mount Vernon District Satellite Intake Center
    - Fairfax Magistrates are transferred from General District Court to the Office of the Sheriff

5. This Budget also fully funds the Priority 1 requirements of the Board Adopted **Affordable Housing Blueprint** through the use of $4 million in operating revenues from the Wedgewood complex to fund the Bridging Affordability portion of the Blueprint and recommended funding in the CIP (Capital Improvement Plan) for the capital projects at Lincolnia, North Hill and Lewinsville).

6. As mentioned above, this Mark-up Adjustment maintains the Fairfax County Public School Transfer at the County Executive's recommended level which is a reduction of 1%, or $16.1 million. **Coupled with a positive formula change (of $61 million) in the Local Composite Index (LCI) - State Funding to localities - our $1.6 billion Transfer to the Schools fully funds the Schools Board's requested budget and leaves them with a $45 million balance for future Virginia Retirement System (VRS) requirements.**

As a result of the adjustments I have just discussed, and having provided public notice and conducted a public hearing as required by Virginia law, I move approval of the FY 2011 Budget as Advertised, with the changes to Revenue and Administrative Adjustments included in the FY 2011 Add-On Package dated April 8, 2010, the Real Property Tax Rate, Vehicle Registration License Fee, Courthouse Facilities Fee, Stormwater Service District Levy, Sewer Service Charge and

Availability Fee and Board Adjustments outlined in the "Adjustments to the FY 2011 Budget Proposal" package which follows. The tax and fee increases become effective on and after July 1, 2010. Copies of the amended sections of the Code are included at each Board member's seat. These actions result in a balanced budget for FY 2011.

Board of Supervisor's Adjustments to the FY 2011 Budget Proposal

FY 2011 Mark-up

	Funding	Psns	Cumulative Balance Available
FY 2011 Add-On			
Reserve for State Reductions			**$21,661,424**
Adjustments to the Reserve			**$11,595,701**
Revenue adjustment for the County as a result of the General Assembly approval of the State budget.	($1,089,963)		
Expenditure adjustment for the County as a result of the General Assembly approval of the State budget and lengthening the period state prisoners remain in local jails.	($1,975,760)		
Establishment of Reserve for additional potential reductions in State Revenue and adjustments to County expenditures as a result of State action in FY 2011. If this funding is not required as a result of State action it may be provided to FCPS to add to their VRS reserve. Similarly if any additional State revenue materializes for FCPS in FY 2011 the Board of Supervisors requests that the School Board add it to the VRS reserve.	($7,000,000)		
Revenue Adjustments			**$11,691,701**
Additional revenue available as a result of increase in the Courthouse Facilities Fee on Civil Cases.	$96,000		
FY 2011 Board Changes			
Additional Reductions	**$0**	**1**	**$11,691,701**

	Funding	Psns
Reduce Personnel Services funding for Board of Supervisor's offices by 2% resulting in $81,350 in savings to be used to add 1/1.0 SYE position and funding to the Office of the Financial and Program Auditor.	$0	1

Restorations and Other Adjustments	**$11,411,476**	**107**	**$280,225**
Human Service Restorations	**$1,390,948**	**9**	

	Funding	Psns
Restore the proposed elimination of County funding for the Mental Health Adult Day Treatment Site at Northwest/Reston Community Mental Health Center (138)	$497,244	2

Board of Supervisor's Adjustments to the FY 2011 Budget Proposal

			Funding	Psns	Cumulative Balance Available
Restore the proposed elimination of Purchase of Contracted Intellectual Disability Services In-Home Respite Services (140)	$275,008	0			
Restore the proposed elimination of Emergency Services at Mount Vernon Center for Community Mental Health (145)	$172,619	2			
Restore the proposed elimination of Emergency Services at the Northwest Center for Community Mental Health (148)	$88,385	1			
Restore the proposed reduction of one Supervisory Substance Abuse Counselor Position in Prevention Services (149)	$84,235	1			
Restore the proposed reduction of one Mental Health Forensic Staff Position at the Adult Detention Center (152)	$80,497	1			
Restore the proposed reduction of one Substance Abuse Counselor Position in the Cornerstone Program (155)	$73,075	1			
Restore the proposed reduction of one Substance Abuse Counselor Position in Alcohol Drug Services Jail Services (156)	$73,075	1			
Partially restore funding for support for Domestic and Sexual Violence Services. In addition, this limited-term support will provide staff assistance for the Commission for Women (67, 72)	$46,810	0			
Police Restorations			**$2,875,197**	**38**	
	Funding	**Psns**			
Restore the proposed elimination of School Resource Officers in Middle Schools (91)	$2,104,480	26			
Restore 50 percent of the reduction in Police Citizen Aide Positions at District Stations (93)	$386,240	8			
Restore the proposed elimination of the Marine Unit (98)	$222,287	2			

Board of Supervisor's Adjustments to the FY 2011 Budget Proposal

			Funding	Psns	Cumulative Balance Available
Restore the proposed reduction of Traffic Safety Officers (99)	$162,190	2			
Fire and Rescue Restorations			**$2,509,265**	**28**	
	Funding	**Psns**			
Restore the proposed reduction in hours of operation of Basic Life Support units (118)	$953,735	16			
Restore the proposed elimination of the Seventh Fire and Rescue Battalion (119)	$692,705	6			
Restore the proposed elimination of dedicated staffing for the Hazardous Materials Support Unit (121)	$452,825	6			
Restore proposed elimination of issuance of second set of gear to firefighters (120)	$400,000	0			
Restore the proposed elimination of weekend Fireboat Patrols on the Potomac River and Pohick (127)	$10,000	0			
Parks & Library Restorations			**$1,946,951**	**27**	
	Funding	**Psns**			
Partially restore the proposed reduction in Library hours by maintaining Tuesday evening hours (6-9) at all 8 regional libraries (58), an approximate 3% restoration	$676,743	10			
Partially restore funding for Library Access Services (58)	$50,000	1			
Restore proposed reductions to Athletic Field Maintenance Program (165)	$525,252	2			
Restore the proposed reduction of grounds maintenance staff including not closing Park restrooms (29)	$451,715	12			
Restore the proposed elimination of nighttime court lighting and add funding for practice times (45)	$100,000	0			
Restore elimination of Truck Driver and Heavy Equipment Operator (Mobile Crew) Positions (37)	$91,848	2			

Board of Supervisor's Adjustments to the FY 2011 Budget Proposal

			Funding	Psns	Cumulative Balance Available
Restore the proposed elimination of the operation and management of the Martin Luther King Jr. Swimming Pool (48)	$51,393	0			
Other Restorations and Adjustments			**$2,689,115**	**5**	
	Funding	**Psns**			
Restore all the proposed CONNECTOR route reductions. The 75 percent reduction in stand-by buses is not restored. It should be noted that the Bicycle Program coordinator position is not eliminated.	$3,059,849	0			
Restore proposed elimination of 5 law clerks supporting Circuit Court judges (86)	$253,270	5			
Support transition of Fairfax Families4Kids to non-profit (partial 64 - to be funded out of Human Services transition reserve)	$0	0			
Restore proposed elimination of Daytime Lock-up Service at the Mount Vernon District Satellite Intake Center (108). Sheriff is directed to use the reserve funding identified for higher prisoner costs based on state classification change to fund this service.	$0	0			
Transfer funding for Fairfax County magistrates from General District Court to the Office of the Sheriff	$0	0			
Increase in anticipated clerk fee revenue.	($624,004)	0			
Managed Reserve Adjustments			$280,225		
Available Balance					**$0**

BOARD MOTIONS

Budget Guidance for Fiscal Year 2011 and Fiscal Year 2012

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 20, 2010, I move Board approval of the following Budget Guidance for FY 2011 and FY 2012:

FY 2012 Budget Development

Forecast

- **The Board directs the County Executive to provide a financial forecast for FY 2012 by Fall 2010** to assist Board of Supervisors' decision making as it relates to guidance to the County and the Schools on the strategic priorities and the budgetary support for programs and services in FY 2012. This forecast shall include revenue projections with a focus on the real estate market and disbursement requirements for FY 2012 and the next several years.

FY 2012 Budget Development

- **The Board of Supervisors directs the County Executive to return by Fall 2010 with a plan for identifying further savings opportunities to address budget shortfalls.** In addition, the plan should include opportunities for the Board of Supervisors to look at specific programs and departments for efficiencies and improvements. Specific areas for review could include Housing and Community Development, Wastewater Management system, Vehicle Standards and Replacement policies and a review of existing County outsourcing. The Board acknowledges agency reorganization and collaboration in identifying creative solutions for service delivery and requests that the County Executive's plan include an update on further initiatives planned.

- **The Board of Supervisors directs the County Executive to prepare an FY 2012 budget proposal that considers the affordability of taxes** for our residents and businesses and attempts to keep the taxes steady with FY 2011.

Public Input Process

- The development of the FY 2010 and FY 2011 budgets was greatly enhanced by the implementation of an extensive public dialogue process which included unprecedented citizen involvement. The Board recognizes the valuable input and recommendations that were provided by residents as part of the community dialogue meetings in the Fall and the budget presentations and meetings held in the Spring 2010. These meetings provided important feedback and suggestions to the Board which were useful during the budget deliberations. In addition, the public input process on the budget helps to

educate residents and advocates on key budget issues. Finally, the community dialogue process allowed for important information exchange and sharing among our residents. **The Board directs staff to return with a plan by Summer 2010 to provide opportunities for enhanced public participation through continued dialogue and with the stepped up use of technology and television**. In addition, the Board directs the continued use of employee chats, surveys and anonymous online and telephone hotline forums for employee comments and improvement suggestions.

Fairfax County Public Schools (FCPS)

- The Board of Supervisors acknowledges the continued spirit of cooperation and collaboration demonstrated by the FCPS School Board and staff in working through the significant budget challenges during the last several years. The transfer for School operations approved by the Board of Supervisors for FY 2011 represents a reduction of 1% or approximately $16 million from the FY 2010 level. With this transfer level, the County support of the FCPS schools system continues to be the Board's highest priority and represents more than 53% of the entire budget.

- **The approved transfer level, in combination with the impact of full state funding of the Local Composite Index (LCI) formula adjustment, fully funds the School Board operating request and enables the restoration of such programs as band and music and language immersion. The approved transfer also provides funding to establish a reserve of $45 million to offset future year requirements to support the Virginia Retirement System.** The Board of Supervisors requests that the School Board identify additional funding to supplement the fund as available. In particular, the Board requests that the School Board designate state revenue received during FY 2011 that is in addition to those state revenues anticipated in the FY 2011 budget to the reserve. The County also may apply any of the remaining flexibility it has from the $7 million reserve for additional FY 2011 State reductions to this VRS Reserve. The establishment of the VRS Reserve is important to maintain the integrity of the system over the long term. In addition, the Board of Supervisors and the Fairfax County School Board will continue to identify opportunities for savings during FY 2011 and will work together to address future budget issues.

- It should be noted that in addition to the FY 2011 transfer to schools for both operating and debt service, the FY 2011 budget includes important programs and services in support of schools such as Middle School Resource Officers and Athletic Field Maintenance. **The Board of Supervisors urges the School Board to reconsider the implementation of a fee for sports participation and proposed fees for AP/IB testing to prevent impediments to youth**

involvement and access. In addition, the County has and will continue to assume primary funding responsibility for the replacement of the County and Schools' corporate legacy systems which include those systems used for purchasing, human resources, finance and budget. This multi-million dollar project will result in significant efficiency and effectiveness improvements. County funding of this project means that School funding does not need to be diverted to this project.

- **The Board of Supervisors is concerned about the lack of definition associated with changes in programs, such as EXCEL, Title I and FOCUS, at our most challenged schools and is scheduling a meeting between the School Board and the County Board of Supervisors to discuss plans for changes to the programs.** The programs that are currently in place have resulted in significant successes and any adjustments need to produce significant, continued, and positive results.

- As a budget reduction strategy for both the Board of Supervisors and the Fairfax County School Board, at the end of the FY 2010 Budget Process, the Smart Savings Committee was formed. The purpose of this committee is to continue dialogue and engagement in looking for ways to make both operations more efficient and cost effective. Through this process the Committee has identified additional means by which savings can be achieved: school-aged child care, vending, attorneys, refuse/recycling, etc. As we continue to face difficult budget decisions, we will continue to identify opportunities to streamline operations, for systemic changes that may be necessary to achieve meaningful, large-scale budget efficiencies.

  School construction is one such place where both the School Board and the Board of Supervisors may be able to find such efficiencies. **The Board of Supervisors would like to seriously explore opportunities to build community schools, where appropriate**, to maximize both capital construction efficiencies and service delivery efficiencies in those areas where the County finds itself not only erecting, or renovating a school site, but also having non-profit or public service delivery by the Department of Neighborhood and Community Services, Health Department, Park Authority, Department of Housing and Community Development, or other relevant agencies requiring separate locations. Additionally, we encourage the County human services system, in collaboration with FCPS, to develop and test a pilot community based service model with schools as the hub of the community and focal point for early identification of children and families in need of services and linkage to appropriate services.

  Another such way efficiencies may be found is in transportation services. As Fairfax County becomes more of an urban center and we continue to stress to our residents that transit options are a more efficient means of getting to and

from, both individually and collectively, **the County and FCPS may be able to work towards reducing bus routes for our older high school population base by better utilizing our current bus transit system**. In fact, Fairfax County families with high school-aged children have already tried this approach as referenced in a Sunday, October 11, 2009, Washington Post Op-ed column.

The Board of Supervisors and FCPS should work together to determine if this can bring greater budget efficiencies and improved quality of life through better access to services. A collaborative and thorough analysis should be done by appropriate agencies and departments within our organizations and a subsequent report of findings should be issued to both Boards in time to include in the FY 2012 Budget process if appropriate. In addition, an analysis should be completed which looks at ways to encourage students walking or biking to school.

- **The Board of Supervisors and the School Board should work together to take advantage of historically low construction costs and interest rates by exploring ways to accelerate projects on the school CIP**. If projects are not fully developed, techniques such as design-build should be considered.

Available Balances

The Board of Supervisors directs that balances made available at the Carryover and Third Quarter Reviews that are not required to support critical requirements be held in reserve to address FY 2012 budget challenges and requests that the School Board also reserve available balances for FY 2012 requirements.

Recognizing that with the slow economic recovery and the budgetary reductions taken by agencies that have reduced their flexibility it is more important than ever that the County maintain adequate reserve funding for unforeseen requirements.

County Staff

The Board of Supervisors acknowledges and commends the excellent work of County employees. We recognize and appreciate that our workforce is doing more with less. County services are effective, efficient and valued because of our employees and their hard work. Unfortunately based on the current economic situation, the FY 2011 budget does not include pay increases for County staff and the projected increases in health insurance premiums will continue to dilute their purchasing power as salaries are held flat. **As such the Board directs that staff should attempt to minimize premium increases, which will be set in the Fall of 2010, while maintaining appropriate reserves in compliance with County policy.**

The Board of Supervisors appreciates the hard work of our many employee groups in working toward solutions to our budget difficulties. These groups made a number of recommendations for both savings and no cost/low cost employee incentives. **The Board directs staff to review the proposed incentives and return to the Board's Personnel Committee with recommendations by Summer 2010**. Specific areas for review include:

- Expanded opportunities for teleworking and the addition of the requirement for supervisor explanation in situations where the request to telework has been denied.

- Continued review of the County's retirement policies and programs, including review of the Social Security offset for service-connected disability retirements.

- Changes to County policies regarding health insurance particularly in light of recent federal legislation, including an analysis of the feasibility of providing additional entry points for retirees to elect to participate in the County health and dental insurance programs after leaving County employment and a review of health savings accounts (e.g. a Voluntary Employees Beneficiary Association).

- Review of sick leave programs to include feasibility and need for establishment of sick leave bank for employees.

- Options for reinstatement of online classifieds partnering with employee groups to staff the program using the County's IT platform

DROP

The Board of Supervisors directs County staff to return to the Board's Personnel Committee with analysis and ordinance changes to eliminate the sunset provision of the Deferred Retirement Option Program (DROP).

Human Services Transition Reserve

The Board of Supervisors supports the Human Services Council recommendation to establish a reserve in the amount of $500,000 as part of the *FY 2010 Carryover Review* to fund transition and implementation costs associated with the reorganization initiatives included in the FY 2011 budget. An example of these costs is the transition of the Fairfax Families4Kids program. Staff should be commended for the hard work throughout the Human Services system and the County in general for

identifying and recommending strategic organizational changes which result in improved services and efficiencies.

Air Quality Monitoring

The Board of Supervisors refers the issue of the provision of air quality monitoring by the state to the Board's Legislative Committee.

A Copy Teste:

_____
Nancy Vehrs,
Clerk to the Board of Supervisors

BOARD MOTIONS

Approval of the FY 2011-2015 Capital Improvement Program (with future fiscal years to 2020)

- I move Board approval of the FY 2011 - FY 2015 Capital Improvement Program (with future fiscal years to 2020) with the following amendments:

    - Include long term financing for the capital projects at Lincolnia, North Hill and Lewinsville as discussed in the context of the Blueprint for Affordable Housing. The Board will review and approve the final project scope and financing plan for each of these projects.

    - Make all necessary adjustments to reflect actions taken during the Board's decision on the FY 2011 Adopted Budget Plan that impact the CIP.