Hunter Mill District – Citizen Budget Committee
2015 Report

The Committee continues to appreciate the challenge of managing a complex enterprise such as Fairfax County. Balancing the need to maintain a quality environment where all residents can work, learn, and play together with the circumstance of constrained fiscal resources over the last several budget cycles has been challenging. We applaud the Board of Supervisors for managing this effort with restraint and an eye to the future. In particular, the budget practice of looking at two years concurrently has introduced fiscal discipline and a forward focus that reinforce the practice of living within our means. Given the great recession and its effects are not yet relics for the history books, the cautious optimism evident for the expected near-term recovery must still be tempered with the principle of sustainability.

While this Committee has previously focused our report on County revenues and expenditures, this year we looked at the management priorities as envisioned by the Board of Supervisors, and their effects on the 2015 budget. The Board's vision to embrace these priorities seeks to **engage residents and businesses** in the process of addressing these challenging times, **protect investment** in our **most critical priorities**, and **maintain strong responsible fiscal stewardship.** The Committee discussion summaries that follow reflect these priorities.

A Quality Educational System

Last year this Committee applauded the enhanced collaboration between the Board of Supervisors and the Fairfax County School Board. Again we fully support this effort and recommend enhancing these joint planning and budgeting activities. For example given the impending dramatic changes to bus transportation expected with the opening of the Silver Line, it may be possible to leverage the FCPS and County bus support services. Equipping FastTran buses with seat belts so they qualify as school buses under the Virginia Department of Education guidelines may also prove to be an effective cost saving. The Committee recommends a joint study review these transit opportunities.

The Committee strongly supports continuing the work of the joint School Board / County Infrastructure Financing Committee and encourages them to focus on plans to continue progress implementing their recommendations to further improve current capital planning processes. Areas to emphasize should include allocating appropriate and timely capital in the budget for developing area schools, reducing school capital project costs, and evaluating the feasibility of merging of the FCPS and County facility management divisions into a single entity to reduce the cost.

The Committee is concerned FCPS will have to pay an additional $37 million into the Virginia Retirement System in 2015, an amount expected to increase substantially in future budget years. Beginning in 2015, both FCPS and the County should identify funding sources within their control to offset these rising costs.

Even though Committee members continue to focus significant energy and thoughts on how to improve the County's school system, and how it's paid for, we recognize our very limited ability to address any of these topics. Given FCPS continues to receive more than half of the County's available revenue, we strongly encourage the recent trends toward collaboration and transparency continue and be expanded. This move will allow development of the trust and respect necessary to foster an improvement in the collaborative management of scarce resources.

Though not a unanimous view, the Committee supports a FCPS transfer at the level of funding proposed in the County Executive's budget proposal. At $1.93 billion for school operations and debt service, this represents a 2 percent increase of $34.33 million over the 2014 level. This proposed transfer maintains approximately the 52 percent rate from recent years. The Committee notes the County's FY 2016 revenue projection is also expected to exceed the 2015 estimate, indicating additional funds that may be available to FCPS in 2016 at the same transfer level. We encourage both the Board of Supervisors and FCPS begin to work collaboratively to enhance joint budget planning, and through this collaboration begin to look at strategic planning, particularly focusing on a long-term view. We also note the minority view recommends the FCPS receive 52 percent of the additional $148 million the County estimates will be available in 2015 at the present tax rate. That view also supports adding at least 50 percent of any tax rate increase directly to the FCPS transfer. Various potential offsets are suggested later in the report.

Safe Streets and Neighborhoods

Public Safety Agencies - Public safety is generally considered the primary responsibility of local government, occupying the same place in the local sphere as national defense does in the nation. This results in various scenarios when it comes to budgeting for public safety agencies. These range from simply approving budget requests to making selective cuts on the basis that the total budgeted amount is so high that these agencies will be able to absorb the cuts in other activities. The citizens are usually silently supportive of public safety budgets, and the scope of activities is such that few general citizen comments are made. This situation makes it more important that public safety agencies are transparent in describing their needs and using their resources. Just as schools are usually charged to reduce overhead in favor of the teacher in the classroom, the public safety agencies should be similarly asked to reduce all unessential overhead in favor of the police on patrol and the fire fighter on the truck.

The scope and complexity of the public safety budgets demands more knowledge, experience and time than most citizen budget advisory committee members have to make in-depth reviews and specific recommendations. However, some overall themes and highlights can be provided.

The County Executive's advertised General Fund budget for public safety agencies is 12 percent of expenditures, second only to that for schools. Comparable information is not presented for 2015-16, but an overall public safety staffing plan for the five-year FY 2016-20 period has been developed and should be carefully reviewed before final decisions are made on the 2015 budget. Its chief importance is in the attention that it gives to the trends or factors upon which its recommendations are based. To the extent they reflect the effect of these trends on their budget requests, we would consider the requests to be supportable. The trends or factors identified in the report are:

- Urbanization
- Population/demographics
- Technology
- Mandates/standards
- Natural and man-made threats.

While the specific appropriate budget levels necessary to support personnel and operating costs can be debated, the need for additional resources provided by just a few examples cannot be denied:

- More extensive resources are required to carry out policing and fight fires in dense, high rise, traffic-congested areas and to plan for emergency situations due to any source.
- Although technology improvements result in more efficiencies and increased capabilities, these will only occur if the staff have the technical expertise and training to design and implement the new systems. They must also allow interoperability.
- Population growth, a more elderly population and the numbers of those with limited English language skills affect the need for additional staff with special skills in policing, emergency medical service, emergency management planning, and sheriff deputies in the Adult Detention Center and courthouse.
- The police and commonwealth's attorneys have been especially impacted by laws and decisions that require them to spend more time in court and respond to new standards in discovery. Increased requirements are also needed to handle charges that result from driving while intoxicated.

Few would debate the additional emergency planning and operational needs and resources required, in the post 9-11 era, especially in the National Capitol Area. And don't forget nature's contributions such as the earthquake, derecho, and snowmageddon. The take-away from this is that Fairfax County can no longer approach its public service budget the same way that it did in the years when its symbol was more appropriately the old Fairfax County courthouse than Tysons or Reston.

Office of the Commonwealth's Attorney - This office has been significantly under-staffed for a number of years, resulting in both staff overwork and turnover. The situation has been aggravated by new requirements such as those applied to all DWI cases, the need to respond to all motions in writing, the split of trials into separate guilt and sentence phases, and need to staff increased traffic dockets, among others. The acknowledged understaffing has been verified by the benchmarking data provided in the budget documents. It was somewhat hidden from view in previous years by the office's brief budget presentation which did not really indicate the number of unfilled staff positions in the office. As noted in the budget document, two attorneys are grant-funded to handle only domestic violence cases. When the grant ends in about a year, the positions will need to be general-funded to enable the same level of support for domestic violence cases.

Grant Funding - Offices in the public safety area also receive staffing and operating funds through grants (fund 50000). The likely fluctuation of funding levels in future fiscal years must

be considered when making decisions on current budget levels. In fact, the effect of the grants the County receives for international search and rescue on current budget needs, such as overtime costs for the staff filling in behind the search and rescue team members, should be recognized.

The Committee recognizes that one of the reasons Fairfax County is one of the safest communities in the Washington Metropolitan area is not just the resources that are provided to the public safety agencies, but to those that are responsible for devising and implementing programs and strategies to stop crime before it happens. With respect to the budget, we appreciate the focus on strategic, five-year planning, and encourage the Board to similarly consider looking at the *total budget* more strategically, and less reactively. The concept of long-term planning introduced with two-year estimates is an appropriate, incremental step. Better accountability and evidence-driven results derived from performance-driven budget choices should also be presented in future budgets.

A Clean, Sustainable Environment

Energy efficiency improvements can save money for the County and for taxpayers in both the near- and long-terms. Like new revenues, saving money through increased efficiency frees up funds that can be used for employees or services, and such savings can mitigate the need for future tax and fee increases. Using energy inefficiently is a form of waste and an improvident use of County tax receipts.

More efficient use of energy, as well as use of renewable energy, has many benefits to the public, including reduced harm to health, property and the environment from air and water pollution and from climate change. The "social cost" of carbon pollution was recently estimated by the Federal government's Interagency Working Group at $37 per ton of carbon dioxide (CO2) emissions in 2015, up from its $24 per ton estimate in 2010. Since one ton of CO2 equals approximately one mega-watt hour of coal-generated electricity, the resulting hidden cost to citizens from Fairfax's emissions would be up to 3.7 cents per kilo-watt hour, reduced somewhat for lower emissions from non-coal generated energy.

The Committee recognizes the Board of Supervisors has a fiduciary responsibility to the taxpayers to ensure that decisions made on investments in infrastructure are based on sound, long-term economics, not simply short-term cost avoidance. Even so, the County has not been pursuing cost savings through energy efficiency at nearly the rate it should. The County is far behind in meeting its 2008 Cool Counties pledge to reduce greenhouse gas emissions. A 2013 review of County-wide emissions and energy usage through 2010 shows that the County's consumption of electricity, natural gas and vehicle fuels had gone up substantially, with only slight reductions in #2 fuel oil and propane since 2006.

To its credit, in 2013, the County hired a certified Energy Manager within the Facilities Management Department. That is good. However, the Energy Manager has only recently begun a three-year process of energy audits for County buildings, and there are no earmarked funds in the current or proposed budget to implement his recommendations. Moreover, his

responsibilities are limited to County buildings and do not include vehicles, which are obviously major users of fuel.

Absent express requirements for efficiency improvements and funding to implement those improvements, it is too easy to let efficiency investments be overlooked or set aside, particularly when funds are tight. The Committee recommends the Board consider the following key policies to capture the potential cost savings – and social benefits – from energy efficiency.

- *The County should make energy audits and funding for energy efficiency improvements a priority.* Energy audits of buildings and vehicle operations should be completed by the County's certified Energy Manager within three years or less, and reported to the Board of Supervisors, the Deputy County Executive responsible for energy issues and the public. Plans for operations, for building construction, refurbishment or repair, and for vehicle and equipment replacement should explicitly state the energy savings options, as well as the savings that would be achieved by implementing each option over the life of those investments. Savings calculations should also recognize the avoided social costs of pollution. Accountability should be introduced through the Scorecard concept. Initial implementation could include a rolling assessment and reporting schedule, such as reporting one fourth of all asset assessments and findings each quarter, so that all assets would be assessed at least once annually. Assessments should identify the available options, decision points and the direct and indirect costs and savings that could result from each option. Results and decisions should also be disclosed through the County website.

- *The Board of Supervisors should adopt and fund annually a budget line item for energy efficiency improvements.* These funds should be additional to those budgeted for capital renewal projects. This measure is needed because there is currently no identifiable budget for funding streams dedicated to saving energy in the County's operations. The funding should contain an accountability target or goal, such as to reduce energy usage by at least 25 percent over the next three to five years. At this rate the County could save approximately $3 million the first year.

- *Provide authority to the Energy Manager to pursue energy management contracts.* These contracts, sometimes called energy performance contracts, provide for third parties to put up the capital to install energy-saving measures, which are paid for out of the future stream of savings. State law clearly permits counties to enter into such energy performance contracts. If structured appropriately, such energy-saving contracting should not constitute borrowing that would affect the County's credit rating.

- *The Board of Supervisors should commit to minimum, on-going levels of funding to implement energy efficiency.* Funding priority should be given to investments that provide cost savings. Funding options might include dedicating a portion of a meals tax (discussed later) or establishing a revolving fund under which a portion of the money saved in a given year would be pooled to fund new projects in subsequent years. The County budget for each fiscal year should explicitly identify potential energy saving

investments to be available in the fiscal year, and how the budget does (or does not) accommodate them.

Further, the Board should dedicate a portion of these funds for energy provided from renewable sources. For example, County and school buildings generally have ample land to construct geothermal systems and large rooftop areas to support both solar hot water and solar photovoltaic systems. Return on investment analyses, using the time horizons suggested in the County's FY15 Budget (Vol. 2, page 114), should be done any time major renovations and/or new construction is being evaluated. Notwithstanding possible additional capital investment, if an analysis shows that a renewable type system provides a better long-term return than a traditional system, the Board should elect the renewable system.

The Committee also notes the role of the Fairfax County Park Authority in helping provide a clean, sustainable and livable environment. Their core responsibilities include increasing the amount of open space, protecting natural and cultural resources, and providing and maintaining trails. The Committee does not support further cuts to the already constrained funding level, and further encourage restraint when considering raising fees that may end up reducing the public's ability to use these valuable resources.

Livable, Caring and Affordable Communities

Our budget committee has consistently supported additional and critical investments in housing, health and human service programs to support a broad spectrum of households along the continuum of housing needs. To this end, we highlight the following statistics:

- The County **poverty rate has increased sharply** in recent years. Between 2007 and 2012, poverty increased almost 31 percent.
    - 9.7 per**cent of children (18,000) in Fairfax** under the age of 18 live in poverty.
    - Over 33 percent of kindergarteners last year qualified for free or reduced lunch.
    - The need for infant/toddler, early childhood and Head Start services continues to increase.
    - More than 172,000 residents live on income under 200 percent of poverty (earning no more than $44,100 for a family of four).
- **Public assistance caseloads have risen** by more than 60 percent since 2007 - 2008.
    - Medicaid caseloads have risen by 47 percent.
    - SNAP (food stamp) caseloads have risen by 126 percent.
- The number of **clients enrolled in intensive employment and training services increased** from 1,974 in FY 2009 to 4,652 in FY 2013.
- **Over 10,000 units of affordable housing have been lost** in the last 12 years.
- **Significant reductions in Federal funding** for CDBG, HOME and Housing Choice Vouchers have resulted in fewer housing options for low income residents.
- The loss of an annual, dedicated source of revenue for affordable housing (One Penny for Preservation) has resulted in minimal new construction or preservation of affordable units since 2009.

    - **According to the Center for Housing Research at Virginia Tech, the total affordable housing gap in Fairfax County for low and moderate-income renters (earning no more than $85,000 for a family of four) is 28,405 units**.
    - **The Blueprint for Housing shows a shortfall of 1,818 units** for FY2015 in meeting the goals of the 10 Year Plan to Prevent and End Homelessness.
- Nearly 1,650 CSB clients need affordable housing.
- Over the last 10 years, non-profit organizations have provided a greater number of community-based services, but they are having difficulty meeting basic needs as demand for services has sharply increased, and public resources have been cut dramatically. Neither foundations nor faith communities are able to fill the gaps in funding for safety net supports.

The significant cuts in housing programs and human service needs in the face of increasing demand by a growing percentage of the County's population undermines the vision of Fairfax County as a place of excellence. The shortage of affordable housing opportunities for a growing segment of County residents and increasing poverty among all segments of the population endanger the well-being and economic vitality of the County. The Committee supports the modest increase of $8.5 million for housing and human services presented in the County Executive's Budget. Given the data presented on needs, recent historic cuts and gaps outlined, we recommend that no further cuts be made in affordable housing and human services. We strongly recommend that Fairfax County continue to work with its non-profit partners and other community groups to address the gaps with strategic planning and resources to meet priorities already adopted by the Board of Supervisors for FY 2016 and FY 2017.

Efficient Transportation Network

Insofar as we are able to determine from the budget documents, we have little to quibble about in regard to the proposed overall funding for those transportation projects for which the County is responsible. This is mainly attributable to resources provided by the 2007 and 2013 Virginia transportation legislation (HBs 3202 and 2313) – and shows what might be possible with further diversification of revenue sources. We do hope, however, that when winter finally ends, we will see Virginia DOT crews out repairing the many state-maintained roads in our part of the County.

Now that the Silver Line stations will soon be open in Tysons and at Reston East – Wiehle, it is essential the County follow through and put in place the necessary transportation infrastructure to mitigate traffic near the stations and support the transit-oriented development planned for the station areas. Smooth traffic and successful transit-oriented development will require a variety of measures that are spelled out in considerable detail in the BOS-approved changes to the Comprehensive Plans for Reston and Tysons. These include measures such as adequate bus service to and from the stations, a variety of road improvements, bridges across the Dulles Airport Access Road near the stations, sidewalks and bike paths, traffic calming measures on roads passing near the stations, and measures to protect established neighborhoods from disruption.

The budget continues the funding added in the 2014 budget for revised feeder and circulating bus service in Tysons, Reston, Vienna, and McLean associated with the first phase of the Silver Line.

It also includes funds for additional staffing. We believe both staff and funds will be necessary to handle the outreach needed to inform residents and those from adjoining areas of the opportunities to access the Silver Line without using their automobiles. The Police Department budget should also be reviewed to ensure its adequacy for handling the traffic anticipated around all Silver Line stations, but particularly Reston-East Wiehle as the current service terminus.

It is quite likely that additional changes in bus service will be necessary once the Silver Line is operating and its associated impacts on residents and traffic, particularly in Reston and Vienna, are determined. In reviewing the fund statement for fund 40010, it appears that adequate balances will be available for this purpose. There should be no delay in making needed improvements.

One item that continues to be missing in regard to the opening of the Silver Line is the provision of peripheral park and ride lots for Metro riders to leave their cars to get on to the feeder buses. In addition, since the Herndon Park and Ride already fills up, an alternative site needs to be located for those unable to find parking there. We suggest that part of the responsibilities for staff funded in both the General Fund Transportation Department and from other sources such as the marketing and ridesharing grant in fund 50000 could be to work on finding interim lots for use until Phase II is open, similar to the interim lot near the McLean station owned by CityLine.

While the Committee strongly supports these infrastructure changes, we also encourage efforts to complete sidewalks, bike paths and the road improvements needed to make these access routes enjoyable, safe and first choices to access the Silver Line stations. Appropriate coordination and planning has to occur throughout our District to achieve this outcome.

While much of this work will spread over a few years, it is important the County build adequate funding into its budgets for 2015-16 and beyond to assure necessary improvements are implemented in a timely manner. Failure to do so will undermine the value of the transit investment and harm the businesses and communities located near the stations. The Committee also notes the challenge we endured to discover actual funding from all sources available to support these efforts. This committee has suggested the need for and usefulness to the Board and County residents of cross cutting budget tables and information showing all resources available and planned for various County services. This is certainly true of transportation services: we found information in at least nine budget funds. We recommend the Board request information presented in future budgets include these resources. In the case of transportation, noting what services are NOT provided by the County, such as state road maintenance, signals, signs and the like would also be very helpful.

Recreational and Cultural Opportunities

In spite of Fairfax County claims that its parks and libraries are two of the reasons why people and businesses choose to live in the County, it has not demonstrated concern about this when it comes to providing resources for these two agencies. The advertised budget for these agencies comprises 3.7 percent of total General Fund expenditures, with both agencies projected to receive less in the 2015 advertised budget than in the 2014 revised.

The thrust of the budget proposals is reflected in the following statement (see page 362 of the FY 2015 Budget Plan): "In recognition that government cannot meet all the needs in this program area, there is a strong emphasis on community building and leveraging community, business and County resources to provide the services and programs that residents want." This underlying emphasis, plus that on greater cost recovery, or new user charges and fees, from Fairfax County Parks, has resulted in budget and staffing decreases for both agencies and increased fees for those using Park Authority facilities. According to the Fairfax Parks Foundation, 80 percent of County households consider the parks important in their lives – including those who cannot afford higher fees.

The results of budget cuts for libraries and parks can be seen in some of the agency dashboards and benchmarks:

- Decreased catalog logins and library visits
- Decreased number of library cardholders
- Decreased number of information requests processed by the libraries
- Lowest per capita spending on libraries of any northern Virginia jurisdiction
- Lowest per capita spending on both parks and libraries of all but one northern Virginia jurisdiction
- Decreased number of visitors engaged in a stewardship education activity in a park
- Decreased spending on trail maintenance
- Decreased number of RecPAC (pretty awesome children) participants.

Both libraries and parks receive private support from foundations designed to fill in the gaps of County financing. The amount of support they receive each year for programs and services is not readily (if at all) available in the budget documents. According to the foundation reports, the Parks Foundation raised over $560,000 in 2012 and $670,000 in 2013. The Library Foundation raised over $416,000 in 2012. This represents significant spending by individuals to support activities that the County is quick to claim reflects its high quality of life.

In addition, the parks are expected to increase income to recover more and more costs each year. Although the percentage could not be determined from the budget documents, according to the Fairfax Parks Foundation, fees provide nearly 60 percent of the parks' operating expenses. The extent to which this can continue will be affected by growing demand for park services due to an increasing population and changing needs and diversity of the community, while the economic downturn still affects the ability of participants to pay increased fees and charges.

The resource needs of both libraries and parks have been affected by the population and demographic changes in the County and need to take advantage of technology in providing services. Libraries need to provide services for populations who use its technology resources as well as those who use its books, other materials and programs. As more people in the County are aging and retiring in place, they will continue to need a place to read, do research, and engage with others. Many believe that they have paid taxes for years to support the libraries as well as all other County services and are entitled to have libraries that meet the standards of the well-educated populace.

Both agencies have received staff cuts, and we don't know how many of the positions listed in the budget are actually filled. The library trustees have asked for additional funds for staff, training, and materials. We support this and believe that staff needs exist for the current library schedule. In addition, we believe the Board should support the additional resources needed to restore additional hours to the schedule.

Vibrant Economy

The Committee strongly supports the Board of Supervisors priority for a Vibrant Economy: *"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."*

Our members believe a vibrant economy is both an enabler and a result of Fairfax County budget decisions. The County needs to fund those services which will result in a vibrant economy – the excellent schools, libraries, parks, transportation/transit, human services, safe neighborhoods and clean environment. At the same time, residents must be able to afford to live, work and play in their chosen community. Unless the local citizens and businesses prosper, the County cannot, a continuous circle. In a County that consistently appears in the top three highest median household income in the U.S., a high percentage of County homeowners can afford to pay the advertised increase in the residential real estate tax of 2 cents. Many residents have seen personal income decline during the recession, and we support the Executive's proposal to raise wages for County employees within his budget that maintains the 2014 residential real estate tax rate. The County must focus on the balance needed to continue to provide services with the ability of businesses and citizens to support higher levies for taxes and fees.

Affordable Taxes

Likewise, the Committee strongly supports the Board of Supervisors priority for Affordable Taxes: *"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, cost effective and well run."*

This Committee does not hold a consensus view with respect to a residential real estate tax rate recommendation, as a number of members support maintaining the rate at 1.085 while others would support a full increase to 1.105. We note the County estimates the residential real estate equalization rate will increase from 3.5 percent in 2014 to 6.54 percent in 2015. This increase was driven by increases during 2013 in average prices of home sold and the number of home sales, together with declining time on market and mortgage delinquency. As a result the average homeowner will see a $331 increase in their 2015 real estate tax bill, assuming the same 2014 tax rate of 1.085. The additional revenue estimated from the residential property value increase is $148 million. Should the Board adopt the advertised rate, the average tax bill would rise another $100, or by over $431. That is a significant year-over-year increase to ask of the tax payers. The

outlook for residential real estate beyond 2015 remains optimistic, which comes as a mixed blessing since the County will expect a higher tax base and residents higher taxes. Since the nonresidential real estate market is depressed, and the outlook remains flat, the County must work vigorously to seek revenue diversification.

Additional Revenues - The Committee has repeatedly recommended the Board diversify revenue funding streams to reduce an over-reliance on residential real estate taxes. This year we strongly encourage immediate consideration of a new meals tax so that it may be implemented in advance of the expected influx of visitors in 2015 who will attend the World Police and Fire Games. The last attempt occurred in 1992. The Fairfax County Department of Management and Budget estimates a 4 percent meals tax would raise as much as $88 million in the first full year of implementation. They further estimate over $23 million, or more than 26 percent, would be paid by non-Fairfax County residents.

This Committee does not support earmarking revenue streams, in general. However, to win approval, the County might consider earmarking the revenue for one or more dedicated purposes and argue that with a meals tax, property tax revenues could be held constant or reduced.

The Committee notes several proposals within the budget that propose to raise user fees. Some of the proposed increases – particularly parks and recreation centers – may prove prohibitive to current users. The Committee recommends the Board approach these fee increases with caution.

Maximizing Productive Use of Existing County and FCPS Assets - A County audit reported that County investments in 2012 yielded 0.55 percent, compared to 1.01 percent and 1.13 percent in two neighboring jurisdictions. With about $3.3 billion in investments, a 0.5 percent increase in yield to match our neighbors would increase revenues by roughly $16 million. The Committee supports the audit recommendations and suggests the County review and consider requesting that state investment requirements be updated, so jurisdictions are less likely to earn investment returns that are lower than inflation rates.

Joint County and FCPS Assets – The Committee recommends the respective Boards commit to enhancing their collaborative management efforts, and suggests these areas for consideration.

- *School Aged Child Care (SACC) Rooms* - SACC uses more than 250 rooms and generally does not allow FCPS to use those rooms as classrooms. A joint committee should determine which SACC rooms could be made available for use as school classrooms, potentially reducing the need for FCPS trailers and new construction.
- *Vehicles* - The County and FCPS should explore whether they could generate a profit (taking all costs into account) by renting their vehicles, when not used, to transport people in assisted living, hospitals, business commuters, etc.
- *Facilities* - Opportunities should be explored for increasing the rental of County and FCPS facilities, charging full costs plus some level of profit.
- *Office and Warehouse Space*- A County auditor found that about 16 percent of the offices in the Government Center were unused, even though the County spends about $16 million each year to lease about 700,000 square feet of space. The County and FCPS

should extend this analysis and move people from leased to public space, where possible. The same idea can be applied to merging or reducing warehouse and other facility space.

- *Pensions* - To the extent feasible, the County and FCPS should evaluate total employee pay and benefits and consider changes such as increasing new employee contributions to pensions and delaying payment eligibility.
- *Computers* -- The County and FCPS should evaluate information technology cost savings that could be realized by approaching system management with an integrated approach that reduces redundancy.

Private/Public Partnerships - The Committee recognizes the County maintains an open-door approach to collaborative public and private enterprises. We encourage these activities, and suggest several areas that could benefit from additional focus.

- *Non-profit organizations.* - Non-profit organizations provide many services that achieve good outcomes for clients at reasonable costs. The County should consider expanding their efforts to capitalize on support services provided by non-profits to achieve better efficiency and value.
- *Private Donations* - The County and FCPS should increase their efforts to obtain private donations to help support operations costs, including through naming rights for programs and facilities. The Foundation for the Fairfax County Public Schools is a perfect example. Additionally, a review should be made of existing County and School foundations to determine whether they sufficiently cover all needs and, if not, we suggest expanding existing foundations and/or creating new foundations.
- *Proffers* - The County should maximize proffers. To access and use dormant proffers from projects that have been completed or will never be completed, the County should take legal action and/or contract out this task.

Acknowledgments

The Committee thanks Hunter Mill Supervisor Cathy Hudgins for asking us to serve on this citizen advisory committee. We respect her leadership in this County, and feel privileged to serve. We further thank her staff, and that of the County, for accommodating our member's numerous requests for additional information. Their professionalism and helpfulness serve as an example of the level of good government this County provides, and we commend them.

Hunter Mill District Citizen Budget Committee

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