



Response to Questions on the 2016 LOBs

Request By: Supervisor Herrity

Relevant LOB(s): LOB #384

Question: Provide five years of cost per passenger mile and other efficiency data, as well as metrics compared to other bus systems.

Response:

The Fairfax Connector conducted a peer review of other transit systems as part of the 2015 Transit Development Plan (TDP) to compare Fairfax Connector's key performance indicators with other bus transit agencies of similar size and character. This peer review analysis allows staff to identify areas for improvement, and contributed to development of service recommendations in the TDP.

Peer Agency Selection Process

The National Transit Database (NTD), which is managed by the Federal Transit Administration, was used to create a list of peer agencies whose service provision is similar to the Fairfax Connector system. Six quantitative metrics were used to identify public transportation agencies which operate a similar level of bus service as Fairfax Connector:

- Service Area Population Density;
- Fleet Size;
- Vehicle Revenue Miles;
- Vehicle Revenue Hours;
- Passenger Trips; and,
- Passenger Miles Traveled.

All public transit agencies that provide fixed-route bus service were ranked in each metric according to how closely they compared to the Fairfax Connector system. A composite ranking was then calculated by adding the rankings for each metric. To score highly on the composite metric, it was necessary to be similar to the Fairfax Connector system in each of the six metrics (i.e., serve an area with a similar population density, similar number of buses in fleet, similar number of revenue hour and miles, etc.). Preference was given to local transit agencies, as well as agencies which operated in suburban jurisdictions located directly outside of major metropolitan areas.

The following agencies were selected as peers:

- Ride-On, Montgomery County, MD
- Hampton Roads Transit, Hampton Roads, VA
- North County Transit District, San Diego, CA



The table below outlines metrics for Fairfax Connector and the selected peer group.

Comparison of Selected Metrics with Peer Group

	Fairfax Connector	Ride-On	Hampton Roads Transit	North County Transit
Service Area Size (sq. mi.)	399	495	515	403
Service Area Pop.	1,056,435	971,000	1,439,666	896,787
Pop. Density (per sq. mi.)	2,648	1,962	2,795	2,225
Peak Buses	207	281	234	137
Vehicle Revenue Miles	9,515,092	12,322,456	9,932,136	5,720,095
Vehicle Revenue Hours	619,656	971,060	781,983	447,578
Unlinked Passenger Trips	10,650,401	26,603,229	16,217,920	8,347,213
Passenger Miles Traveled	80,190,090	96,519,501	86,543,203	39,705,582

Source: National Transit Database, FY2013.

Peer Analysis Caveats

It is important to note the limitations of using NTD data to compare transit systems. Each agency collects and reports its data in different ways, even with FTA’s efforts to ensure standardized data reporting. Also, data are not normalized for the agency’s geographic region, so fundamental financial metrics such as operating costs are difficult to compare. For example, the cost of living, and therefore bus operator salaries, varies widely depending on the region. However, despite these shortcomings in the NTD dataset, it is the best dataset available that allows for comparative analyses between transit agencies.

In addition each region has its own characteristics that make it unique. As such, it is difficult to draw conclusions from differences in service provision between peer agencies. Regions vary widely in terms of their built environment, presence of trip generators, demographic makeup, and economy. All of these variables affect transit ridership, and yet they are difficult to control for when making comparisons across regions. For example, many of the Fairfax County’s highest ridership routes are operated by WMATA’s Metrobus service, so the Connector system does not benefit from these trips as reflected in the NTD data. Even within the same region, differences occur: much of Montgomery County developed earlier and more densely than Fairfax County. As a result, Ride-On has had more time to establish a ridership base and serves areas that are more conducive to generating transit ridership. Furthermore, Montgomery County’s growth is somewhat constrained through the presence of its agricultural reserve, while Fairfax County’s suburban development is more evenly spread throughout the County. Finally, jurisdiction and agency policy toward provision of transit service can have an impact on the performance of each system. For example, Fairfax County has made a conscious effort, through the policies of its



Board, to provide broad transit coverage throughout the county, whereas other systems may choose to focus resources on high ridership corridors.

Peer Agencies Overview

Ride-On, Montgomery County, MD

Montgomery County's Ride-On bus system and Fairfax Connector both operate in the Washington, D.C. metropolitan region. Montgomery and Fairfax counties are somewhat comparable in size, demographics, and built environment. Both counties are densely developed inside the Capital Beltway (I-495), more suburban just outside of the Beltway, and relatively rural/ex-urban in the parts of the county furthest from Washington, D.C. Each county has office and retail activity centers located throughout its area (e.g., Bethesda and Silver Spring in Montgomery County, and Tysons, Reston, and Bailey's Crossroads in Fairfax County), but also has large portions of the county characterized by single-use residential housing development. On the whole, however, most of Montgomery County is denser and less car-dependent than Fairfax County, making it better suited for the provision of bus transit. Both Ride-On and Fairfax Connector coordinate operations with the Washington Metropolitan Area Transit Authority (WMATA) Metrorail and Metrobus systems.

Key facts

- Operates approximately 65 local routes, the majority of which run with headways between 15 and 30 minutes during peak hours and 30 to 60 minutes during non-peak hours. Most routes operate on a limited schedule over the weekend.
- Ride-On directly operates its service and does not contract out to a third party.
- Like Fairfax County, many of Montgomery County's most productive routes are regional routes operated by WMATA. Much of Ride-On's service is designed to connect riders with the region's Metrorail system by starting and ending trips at various stations in the county.

Hampton Roads Transit. Hampton Roads, VA

Hampton Roads Transit (HRT) serves a population of 1.4 million in six large cities that make up the Hampton Roads metropolitan region: Hampton, Newport News, Norfolk, Portsmouth, Chesapeake, Suffolk and Virginia Beach, as well as a number of smaller jurisdictions. Although the Hampton Roads metropolitan area lacks as strong of an urban downtown equivalent to Washington, D.C., the overall development pattern in HRT's service area is similar to Fairfax County, with several core activity centers throughout the service area.

Key facts

- Operates 56 local routes, eight express routes, and seven commuter routes. Frequency of service is typically 15 to 30 minute headways during peak hours within urban areas and 30 to 60 minute frequency during non-peak periods and in suburban areas.



- In addition to fixed route bus service, HRT also operates paratransit, ferry, and light rail service, which differentiates it from the Fairfax Connector system.
- The Tide, the only light rail system in Virginia, operates on a single 7.4 mile corridor between downtown Norfolk and the Norfolk / Virginia Beach border.

HRT directly operates its service and does not contract out to a third party.

North County Transit District. San Diego, CA

North County Transit District (NCTD) provides transit service to the Northern portion of San Diego County. The greater San Diego metropolitan area has 1.4 million residents, approximately 897,000 of whom live in the NCTD service area. North San Diego County is larger and development is generally less dense than portions of Fairfax County, but North County's proximity to an urban downtown and relative affluence to Fairfax County makes it an appropriate peer.

A primary function of NCTD local bus service is to connect riders to both the light rail and commuter rail networks. Although Fairfax Connector plays an important role in linking riders to Metrorail and VRE Commuter Rail service, it differs from NCTD service insofar as more routes are designed to move riders to locations within the county as well as provide feeder services to rail.

Key facts

- Operates 37 local routes, four flex zones (deviated fixed-route areas), paratransit, light rail, and commuter rail service. Headways range from 20 to 60 minutes, with the majority of service every 20 to 30 minutes during the peak period. Local buses have more limited weekend service.
- NCTD's light rail system, "Sprinter", runs east-west from the Pacific coast to Escondido and is marketed as an alternative to driving on the congested CA-78 highway. It operates every 30 minutes between 4:00 a.m. and 9:00 p.m., with extended service on Friday and Saturday nights. The system has an average weekly ridership of 8,300 trips, 22 miles of track, and 15 stations, all of which provide connections to local bus service.

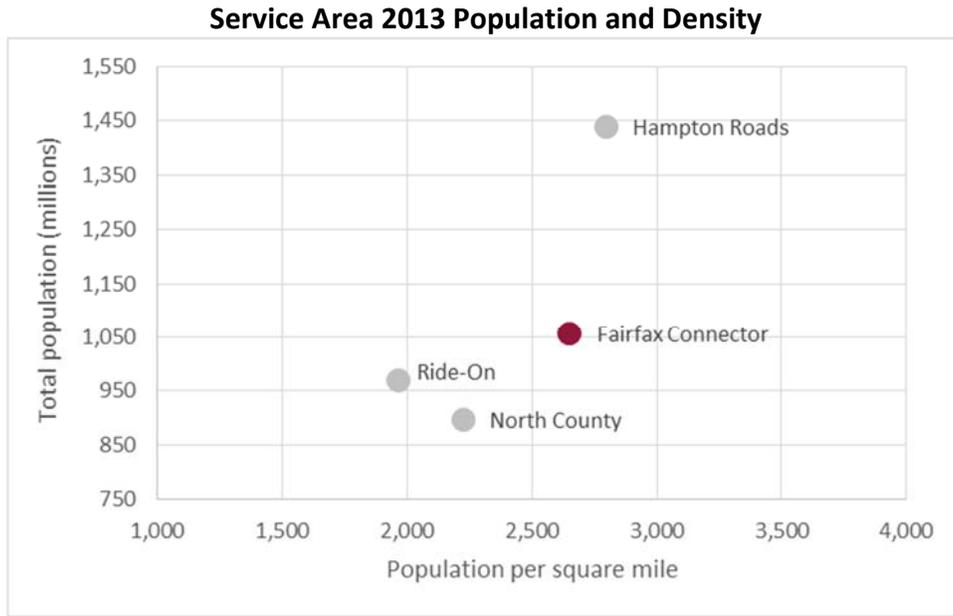
NCTD recently converted from a system that was previously directly-operated to one that is contracted out to a third party contractor, First Transit.

Service Area Characteristics

The size of the peer service areas are relatively similar, with a range of approximately 400 to 500 square miles. Service area population varied somewhat more, with 1.4 million people living in Hampton Roads and only approximately 897,000 residents in North County. Population density, a key factor in transit ridership levels, was relatively consistent across peers, with Hampton Roads being the densest and Montgomery County being the least dense; Montgomery County has lands designated as agricultural reserve with little development, and some areas of development that



are far more intense than what is typical of the Hampton Roads region. Fairfax County's development patterns are more suburban and closer to those of the Hampton Roads region, with 2,648 persons per square mile.



Source: National Transit Database, FY2013 data.

Performance Metrics

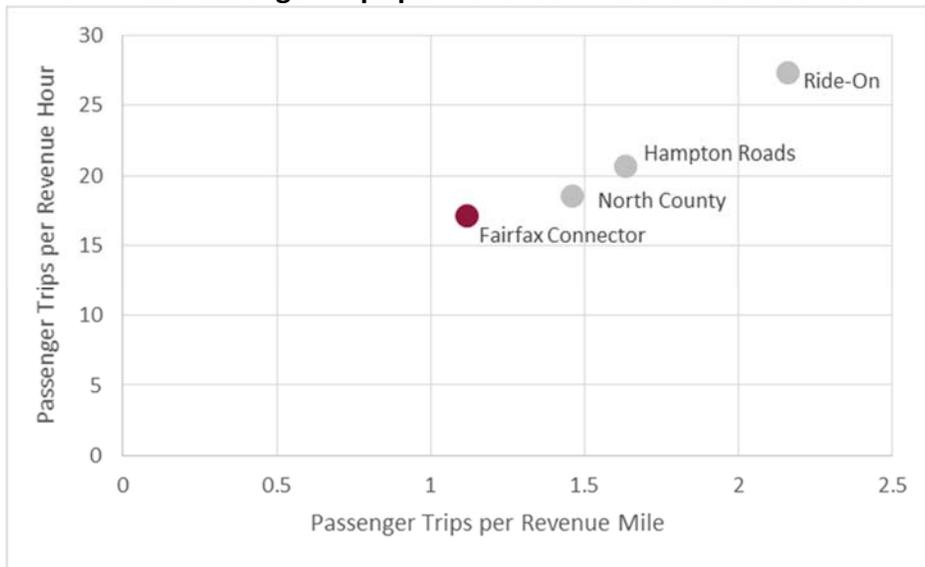
Unlinked Passenger Trips per Revenue Mile and Revenue Hour

The analysis compares total annual ridership per revenue mile in lieu of comparing ridership levels alone to control for the different levels of service among the peer agencies. The result, is that Fairfax Connector averages approximately 1.1 passengers per revenue mile, similar to NCTD's 1.5 passengers per revenue mile and Hampton Roads Transit's 1.6 passengers per revenue mile. In addition to its Express routes, Fairfax Connector also operates 13 longer local routes in the I-66 corridor which travel on highways and interstates. While many of these routes are productive, the large number of closed-door miles ultimately impacts the system-wide average.

Fairfax Connector averages 17 trips per revenue hour, which is very comparable among the peers when compared to 19 trips per revenue hour for NCTD and 20 trips per revenue hour for Hampton Roads Transit. Ride-On has 27 trips per revenue hour, a level of performance that is likely driven by the higher level of population density in activity centers in Montgomery County vis-à-vis Fairfax County.



Unlinked Passenger Trips per Revenue Mile and Revenue Hour

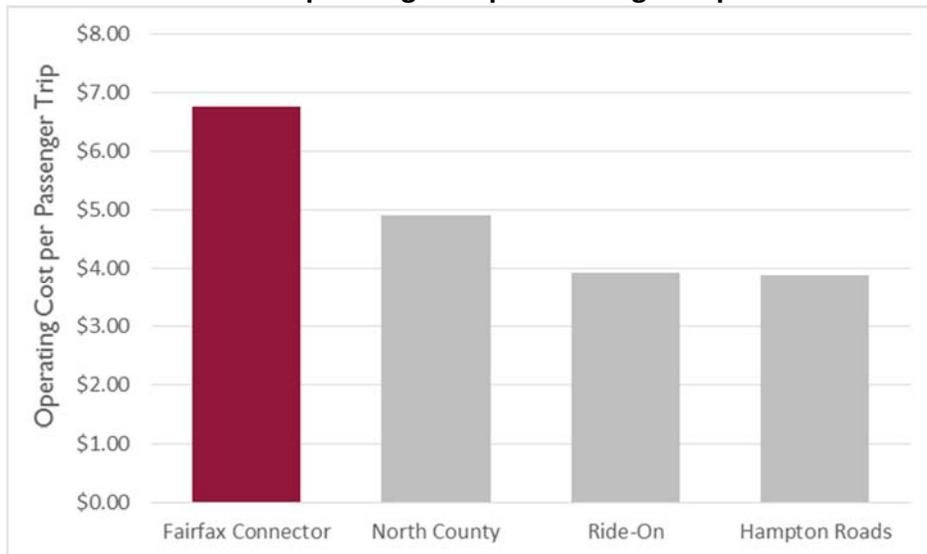


Source: National Transit Database, FY2013 data.

Operating Cost per Passenger Trip

Fairfax Connector spends approximately \$6.76 per passenger trip, compared to a peer group average of \$4.87, not including passenger revenue. One contributing factor to Fairfax Connector’s higher operating expenses is the relatively higher cost-of-living in the National Capital region, including higher operator salaries. This contributes to the slightly higher operating expenses per passenger trip experienced by Fairfax Connector compared to Hampton Roads Transit and NCTD.

2013 Operating Cost per Passenger Trip



Source: National Transit Database, FY2013 data.



Summary

Fairfax Connector provides robust transit services to a large, diverse population across a service area which varies greatly in the density of its built environment. Comparing Fairfax Connector to peer agencies that operate in similar service areas in terms of geographic size, population size, and development, can provide Fairfax Connector with a benchmark to measure its provision of service and service efficiency.

The use of NTD data to compare transit systems has some limitations. First, the collection and reporting of operating and financial data may not be consistent for all agencies. Secondly, the cost of living, and therefore bus operator salaries, varies widely depending on the region. NTD data are not normalized for an agency's geographic region. This makes difficult comparisons of fundamental financial metrics, such as operating costs. These issues suggest that comparing differences in service provision among peer agencies, while illustrative and useful, may not be suitable for drawing conclusions.

This peer analysis revealed that Fairfax Connector provides a similar level of service as its peers, as measured by the number of revenue miles and hours. Fairfax Connector is slightly more expensive to operate and appears to generate fewer trips than the peer average. Increasing passengers would reduce the cost per passenger trip. These discrepancies are largely result from the fact that regions can vary widely in terms of their built environment, presence of trip generators, demographic makeup, and economy. Factors affecting these comparisons include:

- Some of Fairfax County's highest ridership routes are operated by WMATA's Metrobus service, and include regional service into neighboring jurisdictions. Trips on these services are reported to NTD as Metrobus ridership.
- Much of Montgomery County developed earlier and more densely than did Fairfax County. As a result, Ride-On has had more time to establish a ridership base, and serves areas that are more conducive to generating transit ridership.
- Montgomery County's growth is somewhat constrained through the presence of its agricultural reserve, while Fairfax County's suburban development is more evenly distributed throughout the County.
- In addition, Montgomery County has more Metrorail stations, especially before the opening of Silver Line Phase 1.
- Fairfax County has made a conscious effort, through the policies of its Board of Supervisors, to provide broad transit coverage throughout the County at affordable rates, while other systems may choose to focus resources on high ridership corridors.



In addition to the above peer comparison, the table below outlines five years of Fairfax Connector performance measures. **Note-All peer agencies used in this analysis show similar increases in total operating costs and costs per passenger trip for FY-2014. Source 2014 National Transit Database.*

Fairfax Connector	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Revenue Miles	7,714,381	8,195,479	8,667,419	9,515,092	9,993,953
Revenue Hours	528,481	560,087	583,876	619,656	639,987
Unlinked Passenger Trips	9,629,993	10,283,313	10,895,833	10,650,401	10,655,021
- per revenue mile	1.2	1.3	1.3	1.1	1.1
- per revenue hour	18	18	19	17	17
Passenger Miles Traveled	78,925,974	78,317,936	75,708,839	80,190,090	80,209,004
Operating Cost	\$58,123,839	\$62,730,890	\$67,916,358	\$72,033,351	\$76,305,161
- per passenger trip	\$6.04	\$6.10	\$6.23	\$6.76	\$7.16

Other performance metrics presented during LOBS included measures related to safety and reliability of services. The data used for these purposes is not necessarily available as open source and similar care should be used in comparing and interpreting the data to account for variability in reporting standards and policies. Connector staff will work to produce further analysis with peers in key areas such as on time performance and mean distance between road failures (reliability measure), preventable accidents and claims (safety measure), and customer comments and suggestions (customer satisfaction measure).



Response to Questions on the 2016 LOBs

Request By: Supervisor Herrity

Relevant LOB(s): LOB #384

Question: What on-time metrics are tracked?

Response:

On-time performance is important to all Fairfax Connector riders and the Fairfax Connector team. For people who depend on Fairfax Connector, late buses or missed trips can result in the loss of a job or missed appointments. Lack of reliability may also cause choice riders to return to single occupant vehicles to avoid the inconvenience of waiting and missed connections. The Fairfax County Department of Transportation (FCDOT) takes the issue of reliability seriously and monitors on-time performance continuously. Within resource constraints, strategic buses are deployed on weekdays to maintain schedules due to traffic delays and service disruptions.

As part of the development of the 2015 Transit Development Plan (TDP), a sample of 5,451 trips, representing every scheduled trip in each scheduled period (weekday, Saturday, and Sunday), were evaluated. Overall, 83 percent of the trips departed on time in the sample (meaning no more than one minute early and no more than five minutes late), and 50 percent arrived at the end point on time. Note: many trips failed the standard because buses arrived at the end of the route early rather than arriving six or more minutes late. This is particularly true for feeder service into Metrorail stations and large transit hubs. This does not result in dissatisfaction among customers, since the preceding bus stops are served in a timely manner. These types of schedule variations are often exempted with intelligent technology systems that measure on-time performance holistically.

In addition, the Connector currently uses various manual sampling methods to obtain on-time performance information. Processes include field supervisor reporting, dispatch radio logs, information collected by ride checkers, and the trip sampling noted above. Based on these methods, the County's contractor reports on-time performance in the high 90 percent range. The one tool that can comprehensively collect all of this data is computerized automatic vehicle location (AVL) system technology. The County is in the process of deploying an AVL system with real-time bus tracking. Upon completion of the Intelligent Transportation System project, on-time performance data from the AVL system will provide a much more comprehensive and accurate data than the manual sampling/collection method.



Response to Questions on the 2016 LOBs

Request By: Supervisor Herrity

Relevant LOB(s): N/A

Question: What are the management to staff ratios in the Department of Family Services (DFS) (assume supervisors are staff)?

Response:

DFS is a large agency with almost 1,500 merit employees. As such, DFS has a diverse management structure which varies depending on the specific needs of the program. DFS is overseen by a Director and Deputy Director. There are seven distinct program areas within DFS, all overseen by a Division Director. They are:

- Self Sufficiency
- Adult and Aging
- Children, Youth and Families
- Child Care
- Office for Women Domestic & Sexual Violence Services (OFWDSVS)
- Director's Office/Cross Division Services
- System of Care/Children's Services Act (CSA)

No two management structures within each program area are alike. This is primarily due to the size and complexity of the programs as well as the diverse needs of the individuals served. Supervisors are not defined at a specific grade or title but rather job function based on specific program requirements. The following are examples of the diverse and complex management structures within DFS:

- School-Age Child Care (SACC) Program – All SACC Centers have a Child Care Center Supervisor (S-20), with direct responsibility for working with and supervising a SACC team, comprised of Child Care Teacher IIs (S-18), and full and/or part-time Child Care Teacher Is (S-15) to ensure appropriate staff-child ratios are maintained (the staffing ratio ranges from 1 supervisor to 2 to 5 staff, depending on the enrollment at each SACC Center). Working together, the SACC center staff supervise the children, and provide a program of activities which supports the developmental goals for the children to expand their interests, develop their talents, and enhance their learning. In addition to supervising the center staff and daily program, the Center Supervisor is responsible for ensuring that the program meets all county and state standards. SACC Regional Supervisors (S-24) provide supervision and support for SACC Centers including site-visits, technical assistance and program assessments. SACC Regional Supervisors report to SACC Program Administrators (S-27) who are responsible for services within a geographic area as well as program-wide



administrative functions. The SACC Director (S-32), under the general supervision of the Child Care Division Director, oversees the activities of the School Age Child Care program.

- System of Care/CSA – While System of Care/CSA is the second largest program area in terms of funding (\$44.2 million in FY 2016), it is the smallest in terms of positions (13/13.0 FTE positions, three of which are S-31 or above). This is because System of Care/CSA services are contracted out and thus no services are directly provided by County staff. The System of Care/CSA staff do oversee the purchase of services, compliance and utilization review.
- Public Assistance – There are more than 300 employees (Human Service Workers I to V) who determine initial and ongoing eligibility for Public Assistance programs such as Medicaid, Temporary Assistance for Needy Families, and Supplemental Nutrition Assistance Program. Staff performing these functions are primarily located at DFS’ main regional offices (Reston, Fairfax, Alexandria and Annandale). Human Service Worker V (S-27) manager positions oversee the case management and site operation activities at each of the four regional offices. The Human Service Worker V manager positions directly supervise the Human Service Worker IV (S-24) supervisor positions. Each Human Service Worker IV supervisory position oversees a unit of seven to eight front-line Human Service Workers (I, II, and IIIs) who have direct client contact, process applications and perform ongoing case management activities.

Additionally, many supervisors are considered “working supervisors” so while there may be subordinates reporting to them, they also carry a workload in addition to their supervisory duties. Expanding on the Public Assistance program noted above, a Human Service Worker IV not only supervises lower level Human Service Workers (I, II, and IIIs) but may also carry a caseload, often times addressing the more complex cases.

This diverse and complex management structure makes it difficult to quantify an unduplicated count of supervisors to subordinates; however, if DFS only looks at employees at a grade of S-31 and above, DFS has 31 positions out of the almost 1,500 merit employees for a management to staff ratio of 1:47. These positions are spread throughout the organization and are dictated by the complexity of work performed.



Response to Questions on the 2016 LOBs

Request By: Supervisor Gross

Relevant LOB(s): N/A

Question: How does the County compare to other jurisdictions with respect to leave policies?

Response:

The Department of Human Resources surveyed local jurisdictions regarding their leave policies. The survey data indicates that, overall, Fairfax County's leave policies align competitively in the marketplace. However, differences exist in the implementation of various leave types, which are summarized below. It should be noted that all leave amounts stated below are based on a full-time employee scheduled to work either 40 or 37.5 hours per week, depending on the typical number of scheduled hours of each jurisdiction.

Annual Leave

In all of the jurisdictions surveyed, general merit employees accrue annual leave each pay period, with the amount accrued increasing as years of service increase. The amount accrued for new hires ranges from 12 to 15 days per year, and the amount accrued for employees with 15 or more years of service ranges from 25 to 28 days.

As shown in the table below, the intervals at which leave accruals increase vary between jurisdictions. For Fairfax County and Montgomery County employees, accruals increase after completing 3 years of service and after completing 15 years of service. Arlington County and Prince William County increase accruals more frequently, after every 3 years of service. Meanwhile, the City of Alexandria and Loudoun County increase accruals annually until they reach the maximum level. As a result, leave accruals for Fairfax County employees are generally in line with the other jurisdictions in years 0 through 2, are greater than the other jurisdictions in years 3 through 5, and lag the other jurisdictions in years 6 through 14.



Days of Annual Leave Accrued per Year						
Years of Service	Fairfax County	City of Alexandria	Arlington County	Loudoun County¹	Montgomery County	Prince William County¹
0	13	13	13	12.1	15	13.9
1	13	14	13	12.1	15	13.9
2	13	15	13	13.1	15	13.9
3	19.5	16	16	14.1	20	17.3
4	19.5	17	16	15.1	20	17.3
5	19.5	18	16	16.1	20	17.3
6	19.5	19	20	17.1	20	20.8
7	19.5	20	20	18.1	20	20.8
8	19.5	21	20	19.1	20	20.8
9	19.5	22	23	20.1	20	24.3
10	19.5	23	23	21.1	20	24.3
11	19.5	24	23	22.1	20	24.3
12	19.5	25	26	23.1	20	27.7
13	19.5	25	26	24.1	20	27.7
14	19.5	25	26	24.1	20	27.7
15	26	25	26	24.1	26	27.7

¹ Days of annual leave accrued per year calculated based on a typical workday of 7.5 hours.

The amount of annual leave that can be carried over from one year to the next also varies between jurisdiction. Prince William County has set limits that are equivalent to those of Fairfax County, allowing employees with less than 10 years of service to carry forward up to 30 days of leave and allowing employees with more than 10 years of service to carry forward up to 40 days of leave. The City of Alexandria allows new hires to carry forward 24 days of annual leave, and this amount increases gradually until the reaching maximum of 48 days for employees with 12 or more years of service. Arlington County, Loudoun County, and Montgomery County have limits that do not change based on years of service. Loudoun County has the highest limit for annual leave accumulation.

Most jurisdictions allow accumulated annual leave in excess of the limit to be converted to sick leave. Loudoun County is the only jurisdiction of those shown that does not allow annual leave in excess of the limit to be converted to sick leave, as employees must forfeit any excess. Prince William County limits the number of hours that can be converted to 135, or the equivalent of 18 days of leave. Montgomery County allows employees the option of either converting their entire excess to sick leave or being paid for half of the excess and converting the remaining half.



Annual Leave Accumulation Limits						
	Fairfax County	City of Alexandria	Arlington County	Loudoun County ¹	Montgomery County	Prince William County ¹
Maximum amount of annual leave carried forward to the next year	30 – 40 days ²	24 – 48 days ³	35 days	48.5 days	30 days	30 – 40 days ²
Treatment of annual leave in excess of limit	Converted to sick leave	Converted to sick leave	Converted to sick leave	Forfeited	Converted to sick leave or convert half and be paid for half	Up to 18 days converted to sick leave

¹ Limit on days of annual leave carried forward calculated based on a typical workday of 7.5 hours.

² Fairfax County and Prince William County annual leave accumulation limits are equivalent to 30 days of leave for new hires, but increase to 40 days after 10 years of service.

³ The City of Alexandria annual leave accumulation limit is equivalent to 24 days of leave for new hires. The limit increases by 2 days with each year of service, until reaching a maximum of 48 days for employees with 12 or more years of service.

Sick Leave

Fairfax County falls in the middle of the range of the number of days of sick leave accrued per year. All of the jurisdictions surveyed allow an unlimited amount of sick leave to be carried forward each year.

Prince William County provides well days to employees who use little or no sick leave. Under this policy, employees are granted 2 additional days of annual leave if they use 4 or fewer days of sick leave during the year or are granted 1 additional day of annual leave if they use 8 or fewer days of sick leave during the year.

Sick Leave						
	Fairfax County	City of Alexandria	Arlington County	Loudoun County ¹	Montgomery County	Prince William County ¹
Sick Leave Accrued per Year	13 days	12 days	13 days	12.1 days	15 days	13.9 days
Sick Leave Accumulation Limit	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Well Days	-	-	-	-	-	Up to 2 days per year

¹ Days of sick leave accrued per year calculated based on a typical workday of 7.5 hours.



Bereavement Leave

The majority of the jurisdictions surveyed provide paid bereavement leave, as Arlington County is the sole jurisdiction that lacks a separate category of leave for bereavement. Fairfax County provides 2 days of bereavement leave per year, which can be used in the event of the death of any extended family member or household member. This is the fewest days of the jurisdictions that offer bereavement leave. In addition, Fairfax County’s bereavement leave is limited to 2 days per calendar year, while other jurisdictions provide a new allotment of bereavement leave for each incident that occurs during the year. However, Fairfax County allows employees to use sick leave for bereavement purposes, as does Arlington County, while employees in the other jurisdictions listed are not permitted to use sick leave after exhausting the allotted amount of bereavement leave and must instead use other types of leave such as annual leave.

Bereavement Leave						
	Fairfax County	City of Alexandria	Arlington County	Loudoun County	Montgomery County	Prince William County
Bereavement Leave	2 days per calendar year	3 days per incident	-	5 days per incident	3 days per incident	3 days per incident

Parental Leave

It is common among the jurisdictions surveyed to allow employees to use sick or annual leave in the event of a birth, adoption, or foster care placement of a child. However, Fairfax County and Arlington County are the only jurisdictions of those surveyed that provide additional paid parental leave. Both jurisdictions provide 10 days of paid parental leave.

Holiday Leave

The number of holidays granted by each jurisdiction can vary each year, and therefore the table below provides a list of holidays granted by each jurisdiction in calendar year 2016. The jurisdictions generally recognize the same holidays, though differ in the number of days of leave granted for Columbus Day, Veterans Day, Thanksgiving and Christmas. In addition, Loudoun County provides a floating holiday, which can be used at any point during the year but cannot be carried forward to the next year. Similarly, Montgomery County provides three personal days that do not carry forward to the next year.



Holiday Leave – Calendar Year 2016						
	Fairfax County	City of Alexandria	Arlington County	Loudoun County	Montgomery County	Prince William County
New Year's Day	1	1	1	1	1	1
Martin Luther King, Jr. Day	1	1	1	1	1	1
Washington's Birthday	1	1	1	1	1	1
Memorial Day	1	1	1	1	1	1
Independence Day	1	1	1	1	1	1
Labor Day	1	1	1	1	1	1
Columbus Day	1	1	-	1	-	1
Veterans Day	1	-	1	1	1	1
Thanksgiving	2	2	2	2.5	1	2
Christmas	2	2	1	2	1	2
Floating Holiday/ Personal Days	-	-	-	1	3	-
TOTAL	12	11	10	13.5	12	12

Other Types of Leave

In addition to the categories of leave discussed above, several other types of leave are common among the jurisdictions surveyed. These categories of leave typically provide flexibility in specific situations, and therefore are not routinely used by all employees. Examples of these categories include military leave for employee reservists or members of the National Guard who are ordered to military duty or training and civil leave for employees to vote, perform jury duty, or appear before a court. Fairfax County's leave policies are generally in line with those of the jurisdictions surveyed in these areas.



Response to Questions on the 2016 LOBs

Request By: Supervisor Herrity

Relevant LOB(s): N/A

Question: Describe the basic components of the Fairfax County Public School (FCPS) Supplemental Retirement System.

Response prepared by FCPS Staff:

- **Background.** ERFC was created in 1973 as a supplement to the primary teacher retirement plan, the Virginia Retirement System (VRS). The combination of VRS and ERFC was implemented to be comparable to the Fairfax County Employees' Retirement System (FCERS). At that time, teachers could not retire from VRS until age 60 with 30 years of service. Collective bargaining was present in Fairfax County and teachers made wage concessions to fund ERFC in order to be able to retire at age 55 with 25 years of service, and afford to continue living in Fairfax County.
By 2001, the average retirement age in FCPS had increased beyond age 55; a retirement system designed to facilitate early retirement no longer served the teachers as well. Therefore, the legacy ERFC plan was closed and replaced by ERFC 2001, which applies to all full-time educational and administrative personnel hired on or after July 1, 2001. (Part-time contracted and full-time transportation, custodial, food service, trades and maintenance employees are members of FCERS.)
- **Plan Structure.** ERFC 2001, a defined benefit plan, was designed to provide a level lifetime benefit that supplements the primary benefit provided by the VRS. The VRS was recently amended and all employees hired on or after January 1, 2014, are enrolled in the VRS hybrid plan, which contains both a defined benefit plan component and a defined contribution plan component.
- **Retirement Eligibility.** Under the provisions of ERFC 2001, the retirement age increased to 60 with five or more years of service, or at any age with 30 years of service. Under the newly created VRS hybrid plan, retirement eligibility also was raised to the "rule of 90," i.e., age plus service must equal 90.
- **Employee Contributions.** The ERFC 2001 plan requires an employee contribution of 3 percent. The total employee contribution requirement to the FCPS retirement programs is 8 percent, including the mandatory 5 percent employee contribution to the VRS.
- **Benefit Formula.** The annual basic benefit in ERFC 2001 is equal to .8 percent of final average compensation times years of credited service. Final average compensation is the average of the 36 consecutive months of highest compensation. Members may opt to choose among three survivor options which reduce the benefit payable. The benefit is subject to an annual cost-of-living adjustment of 3 percent. Employees may make an additional 4 percent contribution to the defined contribution portion of the VRS hybrid plan resulting in a maximum employee contribution of 12 percent.



With the VRS hybrid plan, the defined benefit multiplier was reduced to 1 percent from the 1.7 percent available in Plan 1 and the final average compensation period was increased to 60 months. Thus, the guaranteed portion of the retirement benefit was significantly reduced in the VRS hybrid plan.

- Comparators. In May 2016, Aon Hewitt completed a “*Retirement Plans Study*” which assessed the retirement benefits for newly hired FCPS employees participating in the VRS hybrid plan and the ERFC 2001 plan. The study found that FCPS is not the only employer in surrounding jurisdictions that provides supplemental retirement benefits in addition to the VRS. Alexandria City Public Schools provides a supplementary defined benefit system; Prince William County and Arlington Public Schools provide a match on their defined contribution plans.
 - Contributions. The study found that the contribution requirements that are mandated for FCPS participants are higher than the contribution requirements mandated by any of the surrounding school divisions, the Fairfax County government, and the federal government with the sole exception of the District of Columbia Public Schools, which also requires an 8 percent employee contribution.
 - Benefit levels. For these higher contributions, newly hired FCPS employees are expected to retire with lower retirement benefit values when compared to the Fairfax County Government plans, yet higher values than almost all other surrounding school systems with the exception of the District of Columbia.
 - Replacement Ratios. If an FCPS employee contributes only the mandatory contribution to the VRS hybrid plan, income replacement for shorter-service employees retiring at younger ages is not adequate. Employees can achieve adequate income replacement by taking full advantage of the benefits provided to them under the VRS hybrid plan (by contributing the additional 4 percent allowed) and if reasonable investment returns are earned.
- Recent Experience. Even without the more restrictive eligibility provisions enacted with the VRS hybrid plan and the ERFC 2001 plan, the average age of an FCPS retiree in the legacy ERFC Plan has been increasing in recent years and reached age 62 with 22 years of service in FY 2015. Two factors that may be contributing to delayed retirement are the higher retiree health insurance costs and the higher Social Security benefits available with deferred retirement.

The average monthly legacy ERFC benefit in FY 2016 was \$1,429, which replaced 22 percent of salary. From the Aon Hewitt study, the recommended replacement ratio for the average FCPS salary level is 78 percent. (The replacement ratio is the percentage of an employee’s salary that is needed after retirement to maintain the employee’s pre-retirement standard of living.) VRS, Social Security and personal savings will be required to supply the remaining income need in retirement.



Response to Questions on the 2016 LOBs

Request By: Supervisor Herrity

Relevant LOB(s): LOBs #309-311

Question: At what point will the County have more people in the retired category versus the active employee category and what is the impact?

Response:

The actuary for the retirement systems has projected that the number of retirees will exceed the number of active employees in 2025 for the Employees' Retirement System, in 2030 for the Uniformed Retirement System, and in 2022 for the Police Officers Retirement System. This projection assumes that the number of active employees remains steady, and that the rate at which employees will retire or terminate employment with the County will be consistent with the actuary's current assumptions.

While the ratio of active employees to retirees, or support ratio, would be very important in a retirement system operated on a pay-as-you-go basis, like Social Security, it is less important in the case of the County's retirement systems because the County has been prefunding its plans. Contributions to the systems are based on actuarial calculations that take into account the liability associated with future retirement payments, and assets have been building up to make those payments when they come due.

It is important to continue to monitor the support ratio, however, as the ratio can play a role in the ability of the retirement systems to recover after economic downturns. During periods of market decline, investment losses impact assets set aside for both retirees and active employees. However, the contributions needed to address losses are only generated from County and active employee contribution rates, which are based on the active covered payroll. Therefore, it can be more difficult for a plan with a low support ratio to recover from market downturns, and investment policies may be adjusted to take less risk in recognition of the declining support ratio. In addition, if the support ratio were to decline to the point where retiree benefit payments exceed contributions to the system, it would be necessary to maintain greater liquidity of plan assets in order to accommodate benefit payments, which in turn could result in lower investment returns.