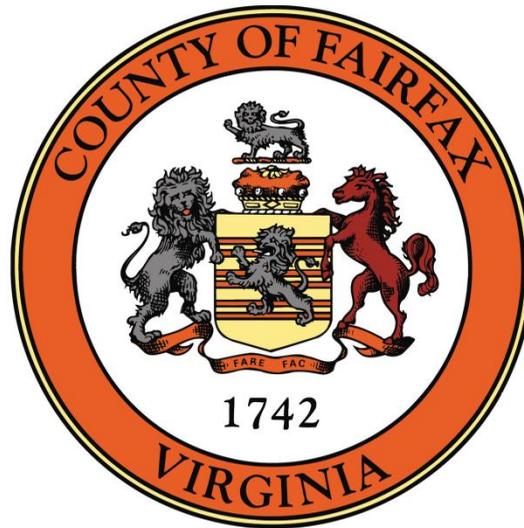


# FY 2012

## ADVERTISED BUDGET PLAN



Presentation to Faith Communities in Action

March 9, 2011

# ***FY 2012 BUDGET RECOMMENDATIONS***

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- Balanced, no expansion budget
- No Real Estate tax rate increase
  - Advertised Real Estate Tax Rate of \$1.09/\$100.00
  - For each penny that the tax rate decreases, an additional \$19.3 million needs to be identified to balance the budget
- Spending increases cover only critical requirements
- No compensation increases for County staff
- Limited infrastructure investment
- FY 2012 proposal results in an available balance of \$30 million for Board's deliberations

# ***FY 2012 BUDGET SUMMARY***

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- Projected Increase in Resources Revenues/Transfers In \$103 million
- Required Disbursement Increase (\$68) million
- Changes in Balances (\$5) million
- **AVAILABLE BALANCE** **\$30 million**

# ***CHOICES FOR BALANCE FOR FY 2012 BUDGET***

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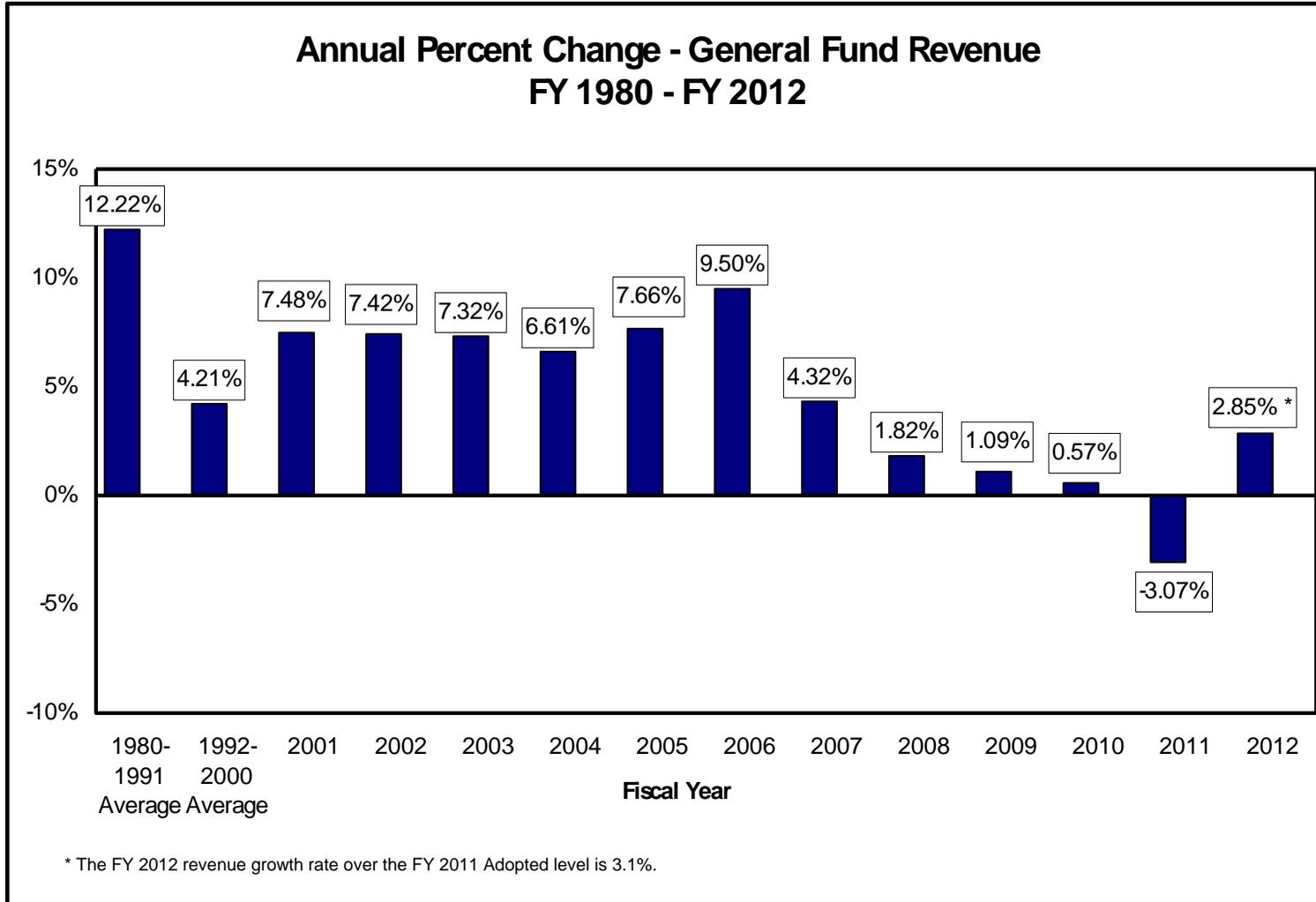
- **FY 2012 Budget Proposal Results in a Balance of \$30 million:**
  1. Use it for employee compensation increase/bonus
  2. Increase the General Fund transfer to FCPS
  3. Reduce the Real Estate Tax rate
  4. Use it to make up for potential loss in revenue from the Commonwealth or State authorized revenue sources
  5. Use it to fund other priorities and unfunded initiatives
  6. Use it for the required payment to complete FOCUS project
  7. Save it for upcoming critical needs in FY 2013

# ***RESPONSES TO MULTI-YEAR BUDGET CHALLENGES***

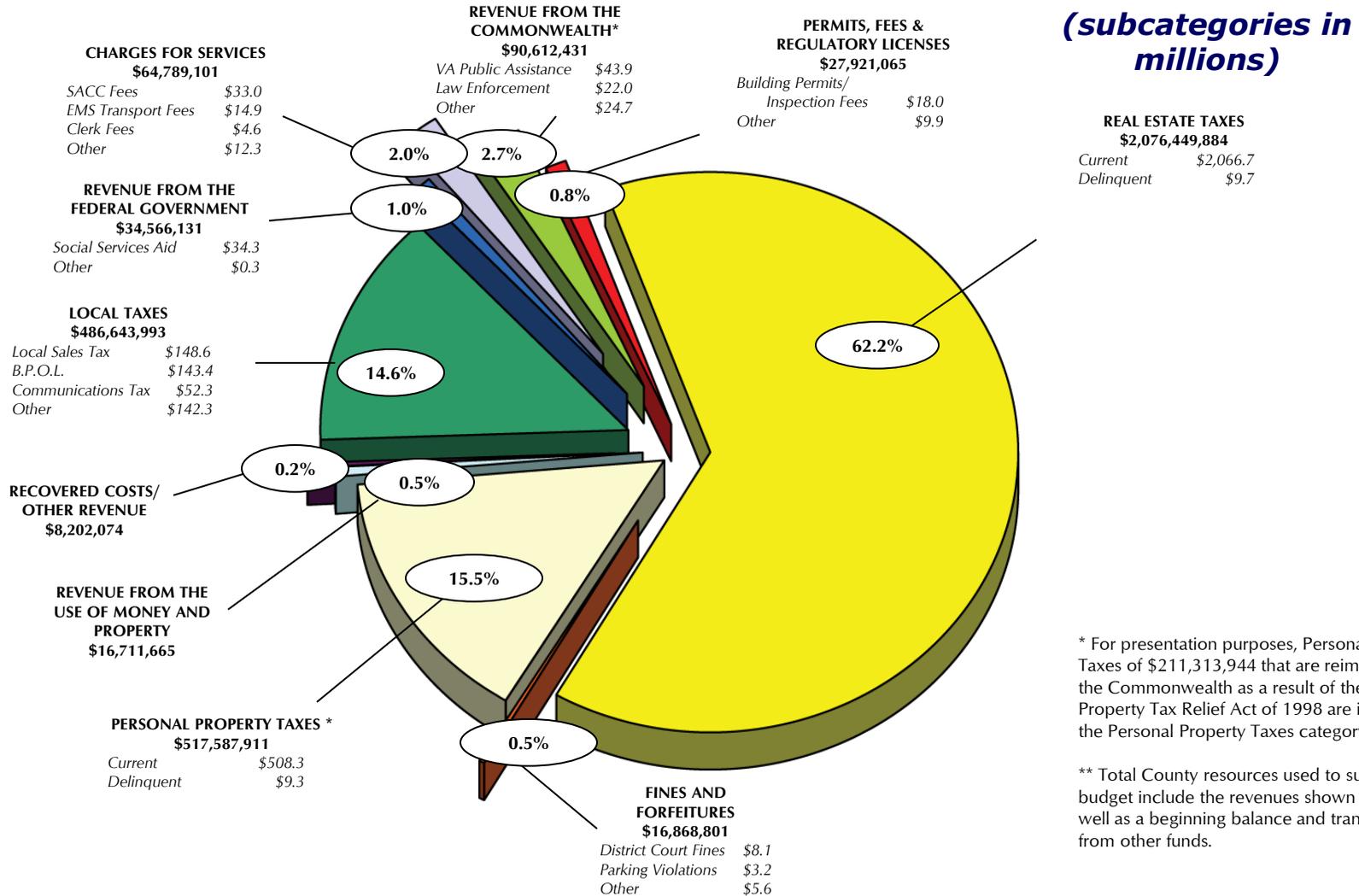
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- Strategic reductions in County spending while maintaining critical services between FY 2009 and FY 2011:
  - Cut \$180 million in General Fund spending
  - Eliminated nearly 500 positions
  - FY 2011 budget is \$40 million less than FY 2009 Adopted Budget
- Sought out opportunities to make organizational change to reduce cost of services
- Maintained consistent level of taxes for residents and businesses

# GENERAL FUND REVENUE GROWTH



# FY 2012 GENERAL FUND RECEIPTS ("WHERE IT COMES FROM")



\* For presentation purposes, Personal Property Taxes of \$211,313,944 that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Personal Property Taxes category.

\*\* Total County resources used to support the budget include the revenues shown here, as well as a beginning balance and transfers in from other funds.

**FY 2012 GENERAL FUND RECEIPTS\*\* = \$3,340,353,056**

# ***Impact on Typical Fairfax County Household***

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- Projected value of “One Penny” on FY 2012 Real Estate Revenue = \$19.3 million
- Each penny change on the tax rate = \$45 on the average tax bill
- Compared to FY 2007, the average household is paying \$11.70 less

# ***RESIDENTIAL MARKET – CALENDAR YEAR 2010***

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- Residential Market – Calendar Year 2010:
  - Average number of days to sell a home was 50 days (preliminary) in 2010 vs. 71 days in 2009
  - Average price of homes sold through Multiple Listing Service (MLS) increased an estimated 8.9%
  - Number of homes sold declined 7.8% to 14,100 (preliminary)
  - Mortgage rates remain favorable
  - Foreclosures total 842 in December 2010, a 5.8% increase over December 2009. Foreclosures peaked in Fairfax County at 2,257 in September 2008.

# **IMPACT ON TYPICAL FAIRFAX COUNTY HOUSEHOLD**

Fiscal Year	Mean Assessed Value of Residential Property	Real Estate Tax Rate per \$100	Tax per Household	
FY 2006	\$448,491	\$1.00	\$4,484.91	
FY 2007	\$544,541	\$0.89	\$4,846.41	
FY 2008	\$542,409	\$0.89	\$4,827.44	
FY 2009	\$525,132	\$0.92	\$4,831.21	
FY 2010	\$457,898	\$1.04	\$4,762.14	
FY 2011	\$433,409	\$1.09	\$4,724.16	
FY 2012	\$443,551	\$1.09	\$4,834.71	<b>+\$110.55</b>

**(\$11.70)**

**Projected value of “One Penny” on FY 2012 Real Estate Revenue = \$19.3 million**

**Each penny change = \$45 on the tax bill**

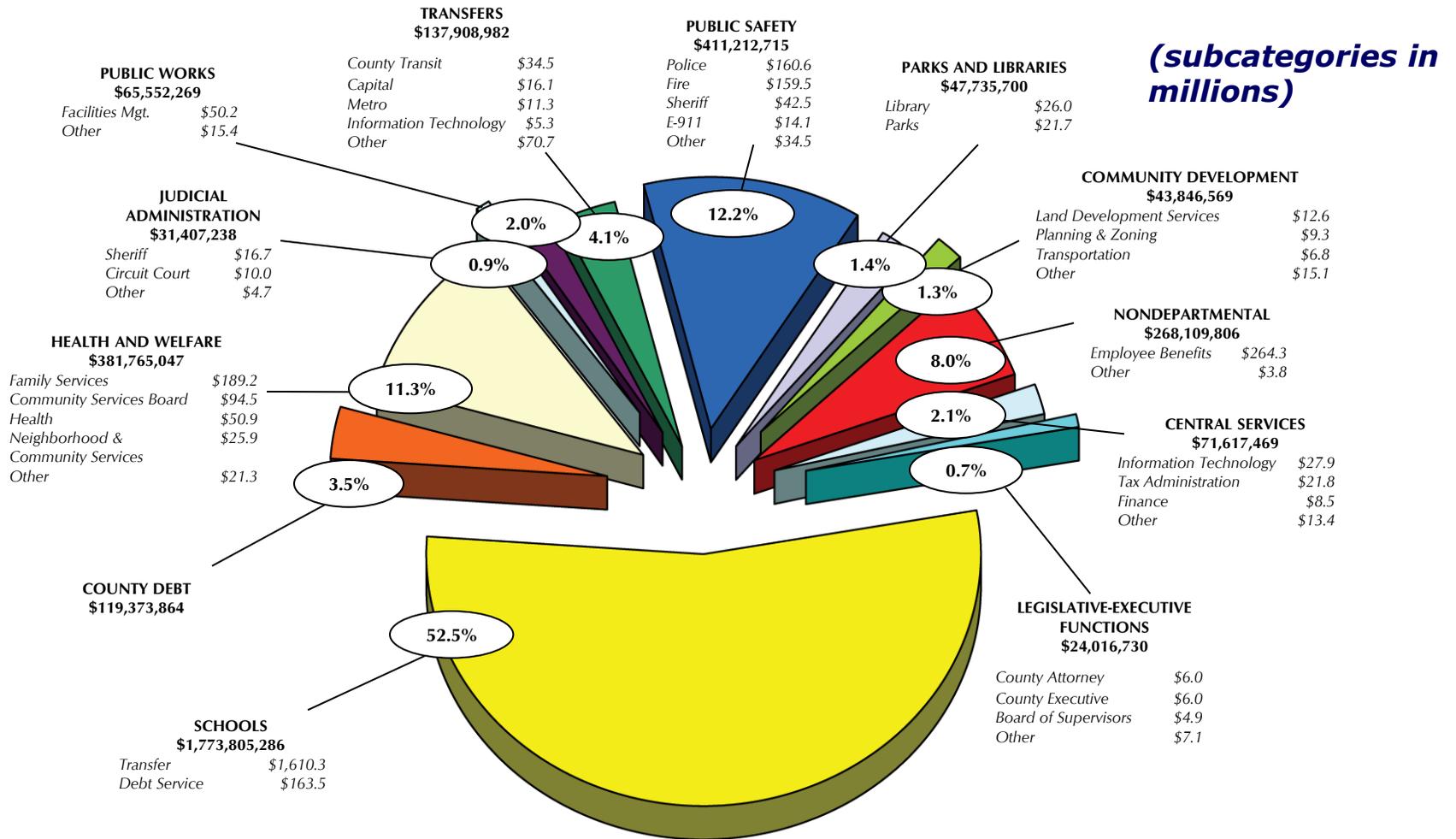
*County of Fairfax, VA: FY 2012 Advertised Budget Plan Presentation*

# ***FY 2012 BUDGET PROPOSAL***

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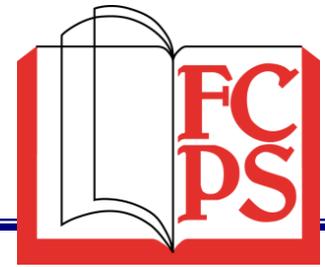
- **The total recommended FY 2012 budget is \$6.1 billion (All Funds)**
- **General Fund Disbursements total is \$3.38 billion**
  - 0.5% decrease from the *FY 2011 Revised Budget*
  - 2.0% increase over FY 2011 Adopted Budget Plan
- **General Fund Direct Expenditures total is \$1.24 billion**
  - 1.79% decrease from the *FY 2011 Revised Budget*
  - 3.61% increase over the FY 2011 Adopted Budget Plan

# FY 2012 GENERAL FUND DISBURSEMENTS ("WHERE IT GOES")



**FY 2012 GENERAL FUND DISBURSEMENTS = \$3,376,351,675 \***

\* In addition to FY 2012 revenues, available balances and transfers in are also utilized to support disbursement requirements.



The combined transfer for School operating and School debt service is \$1.774 billion. The County's support of FCPS represents 52.5% of total County disbursements.

The County also provides additional support for the Schools in the amount of \$58.9 million for programs such as Head Start, School Health, School Resource Officers, School Crossing Guards, after-school programming, field maintenance, and recreational programs, among others

**FY 2012 Transfer for School Operations = \$1.61 billion**

- No change from FY 2011 Adopted level

- School Board Request = \$1.659 billion:

- An increase of \$48.8 million or 3.0% over FY 2011

**FY 2012 Transfer for School Debt Service = \$163.5 million**

- Increase of \$2.8 million from FY 2011 level

- School bond sales at \$155 million per year

# ***FY 2012 DISBURSEMENTS***

- **FY 2012 Disbursements increase \$68.2 million or 2% over FY 2011**

• Cost of County Operations	\$53.6 million
• <b><i>Major Human Services Requirements</i></b>	<b><i>\$12.1 million</i></b>
• Capital Construction/Debt Service	\$0.8 million
• Transportation	\$6.4 million
• Information Technology	\$3.4 million
• Other Adjustments	<u>\$1.7 million</u>
<b>Subtotal</b>	<b>\$78.0 million</b>

Less

- |                                     |                        |
|-------------------------------------|------------------------|
| • Agency Reductions/Reorganizations | <u>(\$9.8) million</u> |
|-------------------------------------|------------------------|

<b>Total</b>	<b>\$68.2 million</b>
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## **MAJOR HUMAN SERVICES REQUIREMENTS      \$12.1 MILLION**

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- **Comprehensive Services Act (CSA) Support** **\$1.8 million**
  - Implementation of state changes to programs for at-risk children
  - Offset with additional state revenue
- **Child Care Assistance and Referral (CCAR) Program** **\$1.3 million**
  - Fully funded by increased state and federal revenues
  - Assists families with child care costs based on income levels
- **School Health Program Resources** **\$3.8 million**
  - 12 new positions to target schools with concentrations of high-risk students
  - Fully supported by state funding transferred from FCPS

# **MAJOR HUMAN SERVICES REQUIREMENTS**

**\$12.1 MILLION**

- **Fairfax-Falls Church Community Services Board (CSB) Intensive Community Treatment Teams:**
  - Intensive community-based case management and outreach services to persons with mental illness and/or substance use disorders
  - Based on recommendations from the Board-appointed Beeman Commission (October 2008)
  - Requires 20/15.5 SYE new positions
  - Supported by Medicaid revenues; no net cost to the County

## **MAJOR HUMAN SERVICES REQUIREMENTS**

**\$12.1 MILLION**

- **Herndon Neighborhood Resource Center** **\$0.2 million**
  - Center provides integrated human services
- **Contract Rate Increases** **\$3.2 million**
  - Offset by additional State revenue for net cost of \$2.6 million
- **Self Sufficiency Program** **\$1.2 million**
  - Increased staff resources, fully offset by state revenue, to support distribution of public assistance resources

# **AGENCY REDUCTIONS AND REORGANIZATION OPPORTUNITIES**

## **(\$9.8) MILLION**

- **Agency Budget Reductions** **(\$9.5) million**
  - No significant programmatic reductions
  - Requires agencies to hold positions vacant longer, and to maintain work and service levels within reduced resources
  - FY 2012 savings: \$9.5 million
  - FY 2011 savings: \$9.6 million
  
- **Reorganizations** **(\$0.3) million**
  - Consolidation of Conference Area Scheduling
  - *Seniors-on-the-Go!* and the Taxicab Access program to the Dept. of Neighborhood and Community Services (DNCS)
  - Access Fairfax to DNCS
  - Showmobile responsibilities to Parks

# ***FY 2012 AND BEYOND: PERSPECTIVES***

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- Economic realities of “new normal”
  - No County funded expansion of existing programs
  - No County funded creation of new programs
  - No County funded restoration of previous reductions
- Continued funding for and partnership with FCPS
- Need to review County infrastructure investment

# ***Consolidated Community Funding Pool***

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- Funding of \$11,053,601 is included in FY 2012 for the Consolidated Community Funding Pool
  - \$8.97 million is from the General Fund (same level as FY 2011), and
  - \$2.08 million is from the Community Development Block Grant (CDBG)
- FY 2012 is the second year of a two-year funding cycle
- Concern about potential impact of proposed cuts in federal funding for the CDBG program in FY 2012
  - The House has proposed a 62% reduction in funding for CDBG
  - Administration has proposed a 7.5% reduction

# **FOR MORE INFORMATION OR INPUT ON THE FY 2012 BUDGET**

***Your feedback on this budget proposal are appreciated:***

**Web:** [http://www.fairfaxcounty.gov/survey/fy12\\_budget\\_comment.htm](http://www.fairfaxcounty.gov/survey/fy12_budget_comment.htm)

The entire *FY 2012 Advertised Budget Plan* and the *FY 2012 – FY 2016 Capital Improvement Program (CIP)* are available on the Internet:

• **<http://www.fairfaxcounty.gov/budget>**

• All of these County documents are available on one compact disc from the Department of Management and Budget (DMB)

In addition, one reference copy of the budget is available at each County library facility.

# ***FY 2012 BUDGET SCHEDULE***

- February 22, 2011** County Executive presents FY 2012 Advertised Budget Plan and advertisement of FY 2012 tax rates
- March 8, 2011** *FY 2011 Third Quarter Review* for advertisement
- March 29-31, 2011** Public Hearings on FY 2012 Budget, *FY 2011 Third Quarter* and FY 2012-FY 2016 Capital Improvement Program
- April 12, 2011** Budget Mark-Up
- April 26, 2011** Budget Adoption

To sign up to speak at one of the public hearings, call the Clerk to the Board's Office at (703) 324-3151 or (703) 324-2391 (TTY 711) or to access the form to sign up to speak, go to

**[https://www.fairfaxcounty.gov/bosclerk/speaker\\_bos.htm](https://www.fairfaxcounty.gov/bosclerk/speaker_bos.htm)**

The public can send written testimony or communicate with the Clerk's Office by email at: **[clerktothebos@fairfaxcounty.gov](mailto:clerktothebos@fairfaxcounty.gov)**