

**FAIRFAX COUNTY  
BOARD OF SUPERVISORS  
April 21, 2015**

**AGENDA**

- 10:00 Board Decision on the County's and Schools' FY 2015 Third Quarter Review
- 10:00 Board Markup of the County Executive's FY 2016 Advertised Budget Plan and the FY 2016 Add-On Package
- 10:00 Board Decision on the Fairfax County Capital Improvement Program (CIP) for Fiscal Years 2016 - 2020 (With Future Fiscal Years to 2025)

Board Agenda Item  
April 21, 2015

10:00 a.m.

Board Decision on the County's and Schools' FY 2015 Third Quarter Review

ISSUE:

Board decision on the County's and Schools' *FY 2015 Third Quarter Review* to include Supplemental Appropriation Resolution (SAR) AS 15190 and Amendment to the Fiscal Planning Resolution (FPR) AS 15901.

RECOMMENDATION:

The County Executive recommends that the Board approve staff recommendations including the County's and Schools' *FY 2015 Third Quarter Review*.

TIMING:

The public hearings on the *FY 2015 Third Quarter Review* were held April 7, 8, and 9, 2015. Action should be taken on the *FY 2015 Third Quarter Review* prior to the mark-up of the FY 2016 Advertised Budget Plan so that a revised FY 2015 General Fund ending balance will be known.

ENCLOSED DOCUMENTS:

Board members are requested to bring the Memorandum to the Board of Supervisors dated March 3, 2015 from Edward L. Long Jr., County Executive, with attachments, transmitting the County's *FY 2015 Third Quarter Review* with appropriate resolutions.

FY 2015 Third Quarter Review available at:

[http://www.fairfaxcounty.gov/dmb/third\\_quarter/fy2015/third\\_quarter.htm](http://www.fairfaxcounty.gov/dmb/third_quarter/fy2015/third_quarter.htm)

STAFF:

Edward L. Long Jr., County Executive  
Susan W. Datta, Chief Financial Officer

Board Agenda Item  
April 21, 2015

10:00 a.m.

Board Markup of the County Executive's FY 2016 Advertised Budget Plan and the FY 2016 Add-On Package

ISSUE:

Board markup of the County Executive's FY 2016 Advertised Budget Plan and the FY 2016 Add-On Package.

RECOMMENDATION:

The County Executive recommends that the Board approve staff recommendations in the FY 2016 Advertised Budget Plan and the FY 2016 Add-On Package.

TIMING:

The public hearings on the FY 2016 Advertised Budget Plan were held on April 7, April 8, and April 9, 2015 and the markup is scheduled for today, April 21, 2015.

ENCLOSED DOCUMENTS:

Attachment 1: April 8, 2015 Memorandum to the Board of Supervisors from Edward L. Long Jr., County Executive, with attachments transmitting the FY 2016 Add-On Package. The FY 2016 Add-On Package is also available at: <http://www.fairfaxcounty.gov/dmb/fy2016/fy2016-add-on-package.pdf>.

Board Members are requested to bring the FY 2016 Advertised Budget Plan. Budget documents are available at: <http://www.fairfaxcounty.gov/dmb/>.

STAFF:

Edward L. Long Jr., County Executive  
Susan W. Datta, Chief Financial Officer



# County of Fairfax, Virginia

## MEMORANDUM

**DATE:** April 8, 2015

**TO:** Board of Supervisors

**FROM:** Edward L. Long Jr.  
County Executive

**SUBJECT:** Adjustments to FY 2016 Advertised Budget Plan (Add-On Package) and Impacts on the FY 2017 Budget

This package has been prepared to present the revenue and expenditure adjustments that have been identified since the preparation of the FY 2016 Advertised Budget Plan and the FY 2017 Budget Proposal. Based on the adjustments detailed in the FY 2016 Add-On package, the available FY 2016 General Fund balance is \$5.5 million. This balance is the result of the \$3.1 million balance identified in the FY 2016 Advertised Budget Plan, as well as an increase of \$2.7 million in General Fund revenue based on final State budget actions, offset by an expenditure increase of \$0.3 million. As a result of these FY 2016 adjustments, and the impact of FY 2017 adjustments detailed in Attachment II, the FY 2017 Projected Shortfall is \$90.5 million.

The revenue adjustments are based on State budget amendments approved during the 2015 Session of the General Assembly. The FY 2016 Advertised Budget Plan had assumed a \$2.4 million reduction in state aid to Fairfax County in FY 2016. This cut required localities to choose the funding stream in which to make the reduction or to remit payment to the State. The Virginia General Assembly approved the elimination of the cut in FY 2016, resulting in an additional \$2.4 million to the County in FY 2016 and FY 2017. In addition, based on several other State budget amendments approved by the General Assembly, an additional \$0.3 million is expected in Revenue from the Commonwealth in both FY 2016 and FY 2017 (Attachment I). Staff has reviewed other FY 2016 General Fund revenue estimates and projections for FY 2017 and recommends no adjustments at this time. However, staff continues to monitor revenue monthly and will report to the Board with any necessary changes based on economic factors.

Given the current revenue status and in light of the reductions included in the FY 2016 Advertised Budget Plan, only a limited number of administrative expenditure adjustments totaling \$0.3 million are included in the package (Attachment II). An expenditure increase of \$102,500 is necessary to fund a change to the next elected Board members' annual salaries from \$75,000 to \$95,000 per year and an increase from \$75,000 to \$100,000 per year for the Board Chairman, which is effective January 2016. The package also includes expenditure increases of \$9,450 for the Board of Zoning Appeals and \$48,000 for the Planning Commission to fund

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Adjustments to FY 2016 Advertised Budget Plan (Add-On Package) and Impacts on the FY 2017 Budget

salary adjustments taking effect January 2016. A non-recurring funding of \$100,000 is associated with consultant services to review the County's current information release policies and practices and to advise the Board on the establishment of appropriate changes regarding the release of information in police-involved shootings and other critical incidents. Finally, 1/1.0 FTE is required for the Fairfax County Economic Development Authority (EDA) to attract companies working in the areas of data analytics and cloud computing, and retain such companies in Fairfax County. Through careful management of existing resources, EDA will absorb the cost associated with this position within its existing budget.

As a result of the recommended revenue and expenditure adjustments for FY 2016, including associated reserve adjustments, a balance of \$5.5 million is available.

**Multi-Year Budget: FY 2016 and FY 2017**

<b>Summary of Add-On</b>	<b>FY 2016</b>	<b>FY 2017</b>
Balance / (Shortfall) from Advertised Budget	\$3.1 million	(\$92.9) million
Additional Add-On Revenue	\$2.7 million	\$2.7 million
<u>Administrative Adjustments</u>	<u>(\$0.3) million</u>	<u>(\$0.3) million</u>
Net Available / (Shortfall)	\$5.5 million	(\$90.5) million

A summary of Consideration Items as of April 8, 2015, which totals \$13,560,334 and 13/13.0 FTE positions, is included in Attachment III. The FY 2017 impact of these Consideration Items is \$13,430,334.

Additional information regarding Add-On adjustments is included in the following attachments:

Attachment I – Summary of General Fund Receipts

Attachment II – Administrative Adjustments

Attachment III – Consideration Items

**ATTACHMENT I  
SUMMARY OF GENERAL FUND RECEIPTS**

A net increase of \$2.7 million to FY 2016 revenues is recommended as part of the Add-on Process. These revenue adjustments reflect information received subsequent to the development of the FY 2016 Advertised Budget Plan.

Revenue categories that are sensitive to economic change may require further adjustments during FY 2016. Staff will continue to monitor revenue monthly and will report to the Board with any necessary changes based on economic factors.

<b>REVENUE FROM THE COMMONWEALTH<sup>1</sup></b>					
<b>FY 2015 Revised</b>	<b>FY 2016 Advertised</b>	<b>FY 2016 Revised</b>	<b>Increase/ (Decrease)</b>	<b>Percent Change</b>	<b>FY 2017 Additional Revenue</b>
\$94,696,155	\$95,553,372	\$98,285,991	\$2,732,619	2.86%	\$2,732,619

<sup>1</sup> Excludes Personal Property Taxes that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998.

The FY 2016 revised estimate for Revenue from the Commonwealth is \$98,285,991, an increase of \$2.7 million, or 2.9 percent, over the FY 2016 Advertised Budget Plan estimate. The revenue adjustments are based on State budget amendments approved during the 2015 Session of the General Assembly. The FY 2016 Advertised Budget Plan had assumed a \$2.4 million reduction in state aid to Fairfax County. This cut required localities to choose the funding stream in which to make the reduction or to remit payment to the State. The General Assembly approved the elimination of the cut, resulting in an additional funding of \$2.4 million to the County. The General Assembly also approved an increase to the state-supported employee compensation of Constitutional Officers and entry-level sheriffs, resulting in an additional \$0.3 million to the County. All these adjustments are recurring in FY 2017.

**ATTACHMENT II  
ADMINISTRATIVE ADJUSTMENTS**

**General Fund Impact**

		<b>RECURRING</b>
<b>Agency 01, Board of Supervisors Board Salary Adjustment</b>	FY 2016 Revenue	\$0
	FY 2016 Expenditure	<u>\$102,500</u>
	<b>Net Cost</b>	<b><u>\$102,500</u></b>
	FY 2017 Revenue	\$0
	FY 2017 Expenditure	<u>\$205,000</u>
	<b>Net Cost</b>	<b><u>\$205,000</u></b>

As approved by the Board of Supervisors on March 3, 2015, an increase of \$102,500 in Personnel Services is necessary to fund a change to the next elected Board members' annual salaries from \$75,000 to \$95,000 per year and an increase from \$75,000 to \$100,000 per year for the Board Chairman. The additional monies represent partial year funding for six months as a result of the new salary level taking effect January 2016.

		<b>RECURRING</b>
<b>Agency 16, Economic Development Authority 1/1.0 FTE Position for Data Analytics and Cloud Computing</b>	FY 2016 Revenue	\$0
	FY 2016 Expenditure	<u>\$0</u>
	<b>Net Cost</b>	<b><u>\$0</u></b>
	FY 2017 Revenue	\$0
	FY 2017 Expenditure	<u>\$0</u>
	<b>Net Cost</b>	<b><u>\$0</u></b>

In order to respond to market conditions, 1/1.0 FTE position is required to attract companies working in the areas of data analytics and cloud computing, and retain such companies in Fairfax County. Through careful management of existing resources, the Economic Development Authority (EDA) will absorb the cost associated with this position within its existing budget. The current vacancy rate in office space County-wide remains high and it is anticipated that lower federal contract spending will challenge the EDA's ability to attract businesses and reduce the office vacancy rate. One area of Federal contracting which by all indications suggests that funding will increase is in the area of Data Analytics and Cloud Computing. Fairfax County has numerous assets attractive to Data Analytics and Cloud Computing businesses; however, the process of attracting and retaining these businesses will be competitive. Adding a dedicated position will greatly assist in this process.

		<b>RECURRING</b>
<b>Agency 35, Department of Planning and Zoning Board of Zoning Appeals Salary Adjustment</b>	FY 2016 Revenue	\$0
	FY 2016 Expenditure	<u>\$9,450</u>
	<b>Net Cost</b>	<b>\$9,450</b>
	FY 2017 Revenue	\$0
	FY 2017 Expenditure	<u>\$18,900</u>
	<b>Net Cost</b>	<b>\$18,900</b>

An increase of \$9,450 in Personnel Services is necessary to fund an increase in the Board members' annual salaries from \$6,600 to \$9,300. The additional monies represent partial year funding for six months as a result of the new salary level taking effect January 2016.

		<b>RECURRING</b>
<b>Agency 36, Planning Commission Planning Commission Salary Adjustment</b>	FY 2016 Revenue	\$0
	FY 2016 Expenditure	<u>\$48,000</u>
	<b>Net Cost</b>	<b>\$48,000</b>
	FY 2017 Revenue	\$0
	FY 2017 Expenditure	<u>\$96,000</u>
	<b>Net Cost</b>	<b>\$96,000</b>

An increase of \$48,000 in Personnel Services is necessary to fund an increase in the Commission members' annual salaries from \$15,000 to \$23,000 per year. The additional monies represent partial year funding for six months as a result of the new salary level taking effect January 2016.

		<b>NON-RECURRING</b>
<b>Agency 90, Police Department Review of Information Release Policies and Practices</b>	FY 2016 Revenue	\$0
	FY 2016 Expenditure	<u>\$100,000</u>
	<b>Net Cost</b>	<b>\$100,000</b>
	FY 2017 Revenue	\$0
	FY 2017 Expenditure	<u>\$0</u>
	<b>Net Cost</b>	<b>\$0</b>

As directed by the Board of Supervisors on January 13, 2015, funding of \$100,000 is included for outside, independent consultant services to review the County's current information release policies and practices and to advise the Board on the establishment of appropriate changes regarding the release of information in police-involved shootings and other critical incidents. The consultant will be required to review and assess current County policies and practices, research relevant current professional standards and national best practices, engage relevant staff, elected officials, and the community through interviews or other forums to ensure different perspectives are gathered and considered, and to make recommendations regarding options for policies and practices appropriate to Fairfax County. To ensure several parallel independent efforts (including the Ad Hoc Police Practices Review Commission) benefit from this work and to ensure that the Board receives recommendations to effect timely change, the desired turnaround is 60 days from the date of the awarding of a contract.

**ATTACHMENT III  
SUMMARY OF FY 2016 CONSIDERATION ITEMS  
as of April 8, 2015**

#	Consideration Item	Requested By	Positions	Net Cost/(Savings)	
				Recurring	Non-Recurring
1.	Implement Pre-Notification System supporting 9-1-1	Herrity/Cook/ Hyland	0 / 0.0	\$125,000	\$130,000
2.	Increase support for Fort Belvoir National Army Museum	Cook	0 / 0.0	\$50,000	\$0
3.	Additional Probation Counselor II positions in the General District Court	Cook	2 / 2.0	\$211,163	\$0
4.	Restore funding for the enforcement of the Grass and Lawn Provisions of the County Code	Cook	0 / 0.0	\$120,000	\$0
5.	Provide funding to fully fund the Market Rate Adjustment for County employees	Gross	0 / 0.0	\$9,461,439	\$0
6.	Include funding for ServiceSource Disability Resource Community Center at Carryover or Third Quarter	Hudgins/Gross/ Foust	0 / 0.0	\$0	\$0
7.	In the Budget Guidance at the adoption of the FY 2016 Budget, direct staff to consider including a one-time transfer to the Fairfax County Public Schools Construction Fund of \$13.1 million as part of the FY 2015 Carryover package	Foust/McKay/ Cook	0 / 0.0	\$0	\$0
8.	Reduce the average fuel cost per gallon by 20% (instead of 8.33% included in the FY 2016 Advertised Budget), making \$1.5 million available for restorations and adjustments	Foust	0 / 0.0	(\$1,500,000)	\$0
9.	Increase the amount of the County's transfer to the School Operating Fund by \$4.1 million	Foust	0 / 0.0	\$4,100,000	\$0
10.	Eliminate the proposed contribution increase for Volunteer Fairfax and make \$70,000 available for restorations and adjustments	Foust	0 / 0.0	(\$70,000)	\$0
11.	Reduce funding that supports a state initiated increase in the County's Maximum Reimbursable Rates to child care providers participating in the local Child Care Assistance and Referral Program and make the savings of \$500,000 available for restorations and adjustments	Foust	0 / 0.0	(\$500,000)	\$0
12.	If appropriate, reduce the projected 10% increase for health insurance plans and make any savings available for restorations and adjustments	Foust	0 / 0.0	(\$490,000)	\$0
13.	Restore Funding for the Healthy Families Fairfax Program (see attached memo from the Human Services Council)	Human Services Council/ Hudgins	11 / 11.0	\$1,871,715	\$0
14.	Restore Funding for the Contract for Legal Services for Persons with Disabilities (see attached memo from the Human Services Council)	Human Services Council/ Hudgins	0 / 0.0	\$51,017	\$0
<b>Subtotal FY 2016 Consideration Items as of April 8, 2015:</b>			<b>13 / 13.0</b>	<b>\$13,430,334</b>	<b>\$130,000</b>

***Total Consideration Items: 13/13.0 FTE Positions and Total Funding of \$13,560,334***

***The FY 2017 Impact of the Consideration Item list as of April 8, 2015 is \$13,430,334***

**ATTACHMENT III  
CONSIDERATION ITEMS**

	<b>RECURRING/NON-RECURRING</b>
	Revenue \$0
	Recurring Expenditure \$125,000
<b>1. Fund 40090, E-911</b>	<u>Non-recurring Expenditure \$130,000</u>
<b>Pre-Notification 911</b>	<b>Net Cost \$255,000</b>

As requested by the Board of Supervisors on March 3, 2015, funding of \$115,000 is requested to implement a pre-notification 911 system in Fairfax County. This is voluntary system that would allow residents to log personal details into the 9-1-1 system prior to an emergency incident. These details would then be immediately available to first responders if and when a call is received from a registered phone number. Data such as any mental or physical limitations, required medications, and/or identifying characteristics of family members are among the numerous types of information that could be registered through a system of this nature. Additional research indicates that total first-year funding of \$255,000 is necessary to implement this system of which \$125,000 would be recurring after the initial year.

	<b>RECURRING</b>
	Revenue \$0
	Expenditure \$50,000
<b>2. Fund 10030, Contributory Fund</b>	<u>Net Cost \$50,000</u>
<b>Fort Belvoir National Army Museum</b>	

As requested by the Board of Supervisors on March 3, 2015, funding of \$50,000 is requested to increase the County's contribution to the Fort Belvoir National Army Museum. County funding for the museum, coming from the Contributory Fund, was \$240,000 from FY 2005 until FY 2009. As part of the FY 2010 budget, the contribution was reduced by \$90,000 and then again by \$50,000 in FY 2011 to the current level of \$100,000. Construction of the museum is expected to begin in fall 2015. It will be located on 85 acres at Fort Belvoir and will serve as a major cultural, educational, and tourist destination for Fairfax County, as it is expected to draw more than 700,000 visitors each year.

	<b>RECURRING</b>
	Revenue \$0
	Expenditure \$211,163
<b>3. Agency 85, General District Court</b>	<u>Net Cost \$211,163</u>
<b>Additional Probation Counselors</b>	

As requested by the Board of Supervisors on March 24, 2015, funding of \$211,163 is requested to support 2/2.0 FTE additional Probation Counselor II positions in the Supervision Unit of the General District Court. These positions are necessary due in part to recent case expansion associated with the establishment of a Veterans Docket intended to provide a coordinated treatment response for this population which requires intensive supervision and often suffers from substance abuse, mental health and or post-traumatic stress disorder. Probation counselors manage both pre-trial Supervised Release Program (SRP) clients and Probation Services clients. SRP is a cost-saving and effective program that enables qualified defendants to return to the community under strict supervision and maintain employment and family responsibilities, as well as alleviating overcrowding at the Adult Detention Center (ADC), reducing costs to the County for housing inmates. Probation Services is a cost saving and effective program, providing supervision to SRP pretrial clients as well as to defendants after trial, to ensure compliance with court orders and collection of restitution, and reduces the incidence of recidivism, improving citizen safety. Current Probation Counselor caseloads far exceed the state standards. With additional probation counselors, the ratio of probation counselor to cases (clients) becomes slightly more manageable and decreases the risk to the community. This request totals \$211,163, including \$141,664 in salary, \$59,499 in Fringe Benefits and \$10,000 in associated Operating Expenses.

**4. Agency 97, Department of Code Compliance  
Enforcement of the Grass and Lawn Provisions of County Code**

	<b>RECURRING</b>
Revenue	\$0
Expenditure	<u>\$120,000</u>
<b>Net Cost</b>	<b>\$120,000</b>

As requested by the Board of Supervisors on March 24, 2015, funding of \$120,000 is requested to restore the reduction included in the FY 2016 Advertised Budget Plan that would discontinue enforcement of the grass and lawn provisions of the Fairfax County Code. This reduction has the potential to have a significant impact on communities since uncut grass is an early indicator of potentially larger health and safety issues. While this program enables the Department of Code Compliance (DCC) to identify and address early property maintenance issues, the principal intent of the program is the maintenance of quality of life and neighborhood integrity.

If this program is eliminated, DCC will be unable to perform inspections or contract to have violating properties mowed. Currently, once it has been determined that the property meets the criteria for grass enforcement, seasonal Engineering Technicians will inspect the property of the grass complaint in a timely fashion. The majority of these issues are resolved with voluntary compliance once the owner has been notified and educated by the Engineering Technician. Approximately 15 percent of the complaints received via intake as grass complaints require a referral to appropriate investigative staff for other more serious health and safety/property maintenance issues. DCC receives approximately 1,800 grass complaints annually, equitably distributed among all nine magisterial districts indicating that this problem is not unique to one area of the county, but rather, a shared problem throughout Fairfax County. If the program is eliminated, when a complaint is received the agency would only be able to send advisory letters to offending property owners expressing neighborhood concerns and requesting that the grass be cut or maintained; however, there would be no enforcement.

**5. Various Agencies/Funds  
Fund 1.68% Market Rate Adjustment**

	<b>RECURRING</b>
Revenue	\$0
Expenditure	<u>\$9,461,439</u>
<b>Net Cost</b>	<b>\$9,461,439</b>

As requested by the Board of Supervisors on March 31, 2015, funding of \$9,461,439 is requested to fully fund the 1.68% Market Rate Adjustment (MRA) for all County employees. The MRA is calculated using a formula approved by the Board of Supervisors and provides a guide to the pay structure adjustment necessary to keep County pay rates competitive with the market. Funding for half of the calculated MRA, or 0.84%, was included in the FY 2016 Advertised Budget Plan.

The General Fund costs associated with increasing the MRA to various amounts, including the full 1.68% adjustment, are outlined below.

<b>Market Rate Adjustment</b>	<b>Increase over 0.84% included in Advertised</b>	<b>General Fund Impact</b>
1.00%	0.16%	\$1.80 million
1.10%	0.26%	\$2.93 million
1.25%	0.41%	\$4.62 million
1.30%	0.46%	\$5.18 million
1.50%	0.66%	\$7.43 million
1.68%	0.84%	\$9.46 million

	<b>NON-RECURRING</b>	
	Revenue	\$0
<b>6. Fund 10030, Contributory Fund</b>	Expenditure	<u>\$0</u>
<b>ServiceSource Disability Resource Community Center</b>	<b>Net Cost</b>	<b>\$0</b>

As requested by the Board of Supervisors on March 31, 2015, staff would be directed to include funding, if available at Carryover or Third Quarter Budget Review, for ServiceSource Disability Resource Community Center, and to continue to work with the organization to identify possible alternatives such as County lease of space within the center. ServiceSource is a leading disability nonprofit resource organization with a 44-year history serving Fairfax County residents. The organization serves 600 individuals daily through employment, habilitation, and other programs, promoting the full inclusion of individuals with disabilities in the community.

	<b>NON-RECURRING</b>	
	General Fund Transfer	<u>\$0</u>
<b>7. Fairfax County Public Schools Construction Fund</b>	<b>Net Cost</b>	<b>\$0</b>
<b>Infrastructure Replacements and Upgrades</b>		

Staff should be directed in the Budget Guidance at the adoption of the FY 2016 Budget to consider including a one-time transfer to the Fairfax County Public Schools Construction Fund of \$13.1 million as part of the FY 2015 Carryover package. The School Board and the Board of Supervisors adopted the recommendations of the Board of Supervisors/Fairfax County Public Schools Infrastructure Financing Committee, including a recommendation that the County increase the transfer to the Fairfax County Public Schools Construction Fund by \$13.1 million annually beginning in FY 2016. The County Executive was not able to fund the \$13.1 million out of the General Fund in the FY 2016 Advertised Budget Plan as a result of slow revenue growth and this commitment was deferred until FY 2017.

	<b>RECURRING</b>	
	Revenue	\$0
<b>8. Various General Fund (GF) Agencies and GF-Supported Funds</b>	Expenditure	<u>(\$1,500,000)</u>
<b>Fuel Cost</b>	<b>Net Cost</b>	<b>(\$1,500,000)</b>

As requested by the Board of Supervisors on April 7, 2015, additional savings of \$1.5 million, above the \$1 million already included in the FY 2016 Advertised Budget Plan, could be achieved by reducing the budgeted agency price per gallon for fuel to \$2.41 per gallon, a decrease of \$0.61 cents (or 20 percent) from the FY 2015 Adopted Budget Plan level of \$3.02.

The FY 2016 recommended budget assumes an average agency price of \$2.77 per gallon, a decrease of \$0.25 cents (or 8.3 percent) from the FY 2015 Adopted Budget Plan level. The \$2.77 price per gallon reflects a “blended” rate based on roughly three-quarters of the County’s fuel purchased being diesel, and one-fourth unleaded with a small markup to cover overhead costs and fuel-related capital equipment expenditures. The recommended fuel price results in General Fund savings of \$1.0 million in the FY 2016 Advertised Budget Plan.

While the price of fuel has declined significantly in recent months, the year-to-date (through month-end February) average agency “blended” rate of \$2.58 is only 19 cents below the FY 2016 recommended price, and 17 cents above the rate proposed in this item. In addition, since fuel prices hit a low point in mid-January, they have begun to rebound, with the “blended” rate increasing over 30 cents by the end of February. This trend is likely to continue as prices generally increase in the spring and summer months. It should also be noted that the FY 2016 Advertised Budget Plan funding level assumes that fuel prices will not drop as far next winter as they did this past winter, as this winter’s prices have not been seen since late FY 2009.

<b>9. Fairfax County Public Schools (FCPS) Schools Operating Fund Transfer</b>		<b>RECURRING</b>
	General Fund Transfer	\$4,100,000
	<b>Net Cost</b>	<b>\$4,100,000</b>

As requested by the Board of Supervisors on April 7, 2015, funding of \$4.1 million is requested to support an increase in the County’s transfer to the Fairfax County Public Schools Operating Fund. The County’s FY 2016 Advertised Budget Plan included an increase of \$56.65 million, or 3.2 percent, in the General Fund transfer to FCPS’ Operating Fund, to support a 3 percent increase in operations and funding for full-day Mondays. As part of FCPS’s Advertised Budget, the School Board requested an increase of \$70.6 million, or 3.99 percent, which required an additional \$14 million compared to the County’s FY 2016 Advertised Budget Plan.

Subsequent to advertising these budgets, the Virginia General Assembly approved budget amendments that resulted in a net increase to FCPS of \$9.9 million compared to FCPS’ Advertised Budget. This reduced the difference between the FCPS’ Advertised Budget and the County’s FY 2016 Advertised Budget Plan from \$14 million to \$ 4.1 million.

<b>10. Fund 10030, Contributory Fund Eliminate the contribution increase for Volunteer Fairfax</b>		<b>RECURRING</b>
	General Fund Transfer	(\$70,000)
	<b>Net Cost</b>	<b>(\$70,000)</b>

The FY 2016 Advertised Budget Plan included a contribution to Volunteer Fairfax of \$405,772, which is an increase of \$70,000 over the FY 2015 Adopted Budget Plan contribution of \$335,772. This increase is due to additional requirements associated with increased community utilization of the organization’s services. Volunteer Fairfax is a private, nonprofit corporation created in 1975 and incorporated in the Commonwealth of Virginia. The center promotes volunteerism through a network of over 1,000 nonprofit and public agencies by mobilizing people and other resources to improve the community. Its primary goals are: to assist private nonprofit and public agencies in developing strong, efficiently managed organizations and volunteer programs; to increase corporate and citizens’ direct involvement in the community; to provide programs and services through partnerships that contribute to the resolution of community issues; and to increase the public’s awareness of both the need for and the benefits of volunteer service to the community. The scope of the center’s work also includes active participation in emergency preparedness activities and coordination through its support of the Citizen Corps, the County’s Emergency Management Coordinating Council and Emergency Operations Center, the Northern Virginia Voluntary Organizations Active in Disaster, and the Metro Coalition of Volunteer Centers.

As requested by the Board of Supervisors on April 7, 2015, eliminating this increase would make \$70,000 available for restorations and budget adjustments.

<b>11. Agency 67, Department of Family Services Reduce Funding that Supports a State Initiated Rate Increase For Child Care Assistance and Referral Program</b>		<b>RECURRING</b>
	Revenue	\$0
	Expenditure	(\$500,000)
	<b>Net Cost</b>	<b>(\$500,000)</b>

As requested by the Board of Supervisors on April 7, 2015, a decrease of \$500,000 is requested for the Child Care Assistance and Referral (CCAR) Program. Funding of \$1.0 million was included to support an increase to the County’s Maximum Reimbursable Rates paid to child care providers participating in the local CCAR program. In September 2014, the Virginia Department of Social Services increased the state’s Maximum Reimbursable Rates paid to child care providers participating in the state CCAR program. This increase created a situation where the state’s reimbursement rates were higher than the County’s reimbursement rates. As a result, child care providers were receiving a higher subsidy payment

for those children receiving state-funded subsidies than they are for those children receiving locally funded subsidies. Prior to this increase, the rates between the two systems were the same. The County has historically adjusted the local Maximum Reimbursable Rates to be consistent with the state. To not do so would create disparity between the two systems and increases the likelihood the child care programs only enroll children who receive payment from the state.

The full value of the rate increase is estimated to be \$2.3 million. The FY 2016 shortfall was addressed through a combination of additional funding and managing enrollment through natural attrition. Therefore, even with the additional funding, it is anticipated that the program will serve 93 fewer children. If this \$0.5 million reduction is taken, an additional 58 children will not receive child care services; therefore, the program would serve 151 fewer children in FY 2016.

	<b>RECURRING</b>
	Revenue \$0
<b>12. Agency 89, Employee Benefits</b>	Expenditure <u>(\$490,000)</u>
<b>Health Insurance Premium Increases</b>	<b>Net Cost (\$490,000)</b>

As requested by the Board of Supervisors on April 7, 2016, it is estimated that each 1 percent reduction in the projected January 1, 2016, health insurance premium increases would result in savings of approximately \$490,000 to the General Fund. However, it is recommended that the budget for premium increases remain at the current level of 10 percent. Claims growth in the County’s self-insured health plans has typically ranged between 10 and 12 percent in recent years, and was most recently 11.9 percent in FY 2014. Premium increases must keep pace with claims growth in order for the self-insured health plans to cover their costs. Considering the recent claims growth experience, it is possible that required premium increases may exceed 10 percent in one or more of the County’s health plans.



# County of Fairfax, Virginia

To protect and enrich the quality of life for the people, neighborhoods and diverse communities of Fairfax County

## Fairfax County Human Services Council Educating ♦ Supporting ♦ Engaging the Fairfax Community

March 28, 2015

Human Services  
Council

At-Large

Kevin H. Bell, *Chair*  
Myra Herbert

Braddock District

Dr. Jennifer Anne  
Bishop-Crawford  
Jeff Dannick

Dranesville District

Steven Bloom  
Kathleen Murphy

Hunter Mill District

Dr. Jerry Poje *Vice-  
chair*  
Rev. LaVerne  
McCain Gill

Lee District

Robert L. Faherty

Mason District

Mark Deal  
Stephanie Mensh

Mt. Vernon District

Col. Marion  
Barnwell  
Jack Dobbyn

Providence District

Henry Wulf  
Adrienne Stokes

Springfield District

Robert E. Gaudian  
William Kogler

Sully District

Carol A. Hawn  
Rev. Dr. Jerrold  
Foltz

TO: Chairman and Members of Board of Supervisors

FROM: Kevin H. Bell, Chairman  
Fairfax County Human Services Council

SUBJECT: Recommendations on the FY 2016 Advertised Budget Plan

The Human Services Council appreciates the opportunity to provide comment on the FY 2016 Advertised Budget Plan. In meetings with community residents, nonprofit providers, and members of the Boards, Authorities and Commissions, Council members heard several consistent themes:

*The Human Services System provides substantial return on investment.*

*The effect of human service prevention and early intervention programs expand geometrically, saving money and resources across related county public safety, justice, and public education systems. The proverbial ounce of prevention should inform our budgetary actions.*

*Health and human services programming is essential to the overall vitality of the Fairfax County economy.*

### Recommended Program Restorations and Rationale

With these themes in mind, the Council strongly recommends restoration of two programs eliminated in the FY 2016 Advertised Budget Plan:

#### 1. Healthy Families Fairfax Program (\$1,871,715)

The community collectively expressed overwhelming alarm over the proposed elimination of the Healthy Families Fairfax program. The Council rejects this elimination as wholly inconsistent with the priorities of the Board of Supervisors, particularly as expressed in the recently adopted economic strategic plan. The plan emphasizes that access to early childhood education is a key element to maintaining our world class schools.

This highly effective program is primarily provided by three well regarded local nonprofits – United Community Ministries, Northern Virginia Family Service, and Cornerstones– in partnership with two county departments, Health and Family Services. In addition to the reduction of multiple county positions resulting from the proposed cut, 26 staff currently employed at these nonprofits would lose their jobs if the county funding is not restored.

Operating in the county since 1991, this program serves families screened as having high risk factors for child abuse and neglect. This nationally recognized program is highly respected, with proven outcomes, operating in hundreds of communities nation-wide. In our community, it is one of the only discretionary, non-mandated health and child abuse prevention services available. In 2014, Fairfax County spent an average of \$78,658 per child for foster care placements. In contrast, it costs \$3,473 per family to provide prevention services through the Healthy Families Fairfax program, which aims to keep children out of foster care.

Despite its well documented effectiveness, unfortunately demand far exceeds capacity. As a result, only 20 percent of the mothers identified in need of these services are served. Absent fiscal constraints, this program would be a leading candidate for increased investment as it results in significant cost avoidance to law enforcement, the courts, hospitals and social services.

Additional data on the effectiveness of this program are attached for reference.

## **2. Contract legal services for persons with disabilities (\$51,017)**

The county has funded legal assistance to low-income persons with disabilities unable to work to obtain Social Security and Social Security Disability benefits since the mid-1980s. The math is simple: the county spends \$51,000 on this program. This is offset by average annual recovery of nearly \$23,000 in General Relief payments and annual payments to county residents of \$108,000 on average over the past three years, which has a positive economic multiplier effect in the community. The proposed program elimination is simply nonsensical when considering the overall benefit and diversion of greater costs to the community, a theme we will return to in discussions with the Board.

### **Areas of Support for the County Executive's Advertised Budget Plan**

At the Council's February 26, 2015, meeting, County Executive Ed Long noted several fiscal constraints facing the county, including the increasing service demands across county services, and residential and commercial revenue forecasts that constrain ability to meet all demands for both county services and public schools. The Council expresses its support for the County Executive's investments in core services, particularly in the following areas:

- **Staffing request and funding to address increased Public Assistance caseloads (\$2.46 million and 20 FTE)**
- **Support for additional staffing to address domestic violence and court services needs (\$1.0 million)**
- **Additional funding for 70 FCPS special education graduates for adult day programs provided in the community (\$1.28 million)**

Further, the Council supports the School Age Child Care (SACC) fee scale and fees proposed to generate additional revenue and correct the current inequities in the fee structure (\$0.8 million). The proposed changes to the SACC fee scale are a long overdue first step, and the Council supports review next year to determine whether further adjustments are appropriate. We also support the agreement with the District of Columbia that will generate additional revenue for the Juvenile Detention Center (\$0.9 million).

### Service Trends and Budget Drivers

The County General Fund and the human services system have come under increasing pressure as service demands have outpaced the county's financial resources. Unfortunately, the human services system is now confronting the "new normal," balancing very constrained resources against increasing needs resulting from the Great Recession which have not fully abated, the increasing suburbanization of poverty, and demographic changes.

Last year, the Council noted that funding levels further limited flexibility to meet service demands. The proposed FY 2016 reductions are of grave concern because they cut into core services and will have damaging consequences. Beyond the two programs proposed for elimination that the Council recommends for restoration, the Council and the community are also deeply concerned about the following proposed reductions and eliminations in the Advertised Budget:

- Elimination of \$275,000 in local funds for a program established by the Board in the 1980s to provide modest tax relief to low income, disabled seniors who rent their housing.
- Failure to include funding for needed services for 85,000 Fairfax County veterans through the newly created Veteran Treatment Docket in the General District Court.
- Elimination of over \$1.8 million in local funds to the Fairfax-Falls Church Community Services Board that could have been reinvested to support known service gaps. Examples include: mental health treatment to incarcerated youth and adults, community-based outpatient treatment for low income and uninsured youth, adults-in-homeless services and substance use treatment services.
- Reductions in locally run and faith-based volunteer provided parenting education (\$0.3 million).
- "Unspecified" personnel reductions totaling over \$1.4 million, which the Council anticipates will further erode response to residents in need of services.

***These program reductions and eliminations, along with others, will have a significant adverse impact on the health of our community.*** The Council deeply regrets these proposed funding reductions and recognizes that many competing county priorities and finite resources gave the County Executive little choice in proposing painful reductions in county "non-mandated" services. The result, however, will be a widening gap in responding to human service problems and inability to serve all eligible populations for many services. The Board must consider what our community will become if we fail to address significant service gaps driven by:

- demographic growth and changes
- increasing numbers of persons in poverty
- shifts in state funding that result in the county being forced to pick up greater shares of costs in state managed, locally administered social and public assistance services, treatment, health and early intervention services.

Given the dire fiscal environment, the Council again recommends Board consideration to defer funding for the Inova Translational Medicine Institute for another fiscal year, and that the proposed funding (\$500,000) be used to restore some of the proposed reductions in human services.

In conclusion, resources to the human services system provide a substantial return on investment. Health and human services programs save money in public safety, the courts and the schools. The programs provided are essential to the overall health of our economy and to the lives of county residents. We intend to serve as one of the many community partners eager to assist in this community dialogue.

cc: Human Services Council Members  
Edward L. Long Jr., County Executive  
Patricia D. Harrison, Deputy County Executive  
Susan W. Datta, Chief Financial Officer, Department of Management and Budget  
Human Services Department Directors

*As part of the Council's charter, the Fairfax County Board of Supervisors charged the Council with two tasks: provide feedback on resources provided for the human services system, and engage the community on key trends, community needs and strategies to respond to community priorities and service needs.*

Board Agenda Item  
April 21, 2015

10:00 AM

Board Decision on the Fairfax County Capital Improvement Program (CIP) for Fiscal Years 2016 - 2020 (With Future Fiscal Years to 2025)

ISSUE:

Board decision on the Fairfax County Capital Improvement Program (CIP) for Fiscal Years 2016 - 2020 (with future fiscal years to 2025).

RECOMMENDATION:

The County Executive recommends that the Board of Supervisors approve the Advertised Capital Improvement Program for Fiscal Years 2016 - 2020 (with future fiscal years to 2025), as presented at the March 17, 2015 Budget Committee meeting. Recommended actions are:

- Make all necessary adjustments to reflect actions taken during the Board's decision on the FY 2016 Adopted Budget Plan that impact the CIP.

TIMING:

The Advertised Capital Improvement Program was discussed at the Board's budget committee meetings and final adoption of the CIP is scheduled for April 21, 2015.

BACKGROUND:

The Board of Supervisors considered the Advertised Capital Improvement Program for Fiscal Years 2016 - 2020 (with future fiscal years to 2025) at budget committee meetings. The Planning Commission conducted its mark up (Attachment I) of the CIP on March 25, 2015 and the Commission voted 10-0 (Commissioners de la Fe and Sargeant were absent from the meeting) to recommend the following actions to the Board of Supervisors:

- Approval of the FY 2016 – FY 2020 Capital Improvement Program (with Future Fiscal Years to 2025) as proposed;
- That feasibility study funding be considered in the near term to address the long-term requirements for intermediate care facilities as a result of the impending closure of the Northern Virginia Training Center and the other centers elsewhere in the state that currently house and support Fairfax County residents in the intellectual disability program; and

Board Agenda Item  
April 21, 2015

- That the Board of Supervisors consider raising the annual bond sale limit from \$275 million to \$300 million. This increase would be subject to the adherence to the County's Ten Principles of Sound Financial Management and Debt Capacity Ratios and have no negative impact on the County's AAA Bond rating.

FISCAL IMPACT:

As shown on page 21 of the Advertised FY 2016 – FY 2020 Capital Improvement Program (with Future Fiscal Years to 2025), the total CIP cost including all program elements, is \$9.314 billion (including \$1.028 billion for Non-County Managed Programs such as the Northern Virginia Regional Park Authority and the Water Supply), \$2.138 billion authorized or expended through FY 2015, \$5.266 billion scheduled over the FY 2016 – FY 2020 period, and \$1.910 billion for projects initiated in the five-year period for which expenditures are projected to occur in the FY 2021 – FY 2025 period. These estimates will be adjusted slightly to accommodate actions taken during the Board's decision on the FY 2016 Adopted Budget Plan that impact the CIP.

ENCLOSED DOCUMENTS:

Attachment I – Planning Commission Verbatim

Fairfax County Capital Improvement Program (CIP) for Fiscal Years 2016 - 2020 (With Future Fiscal Years to 2025) is available online at:

<http://www.fairfaxcounty.gov/dmb/fy2016/advertised/cip.htm>

STAFF:

Robert A. Stalzer, Deputy County Executive

Susan W. Datta, Chief Financial Officer and Director, Department of Management and Budget

Martha N. Reed, Department of Management and Budget

Joseph LaHait, Department of Management and Budget

James Patteson, Department of Public Works and Environmental Services

Carey Needham, Department of Public Works and Environmental Services

Theresa Lepe, Department of Public Works and Environmental Services

Fred Seldon, Director, Department of Planning and Zoning

PUBLIC HEARING ON THE FAIRFAX COUNTY CAPITAL IMPROVEMENT PROGRAM  
– FY 2016 - 2020 (w/Future Fiscal Years to 2025)

Decision Only During Commission Matters  
(Public Hearing held on March 11, 2015)

Commissioner Litzenberger: Thank you, Mr. Chairman. CIP Workshop Committee completed their deliberations last week and we've come up with a motion and there were several amendments. Basically, we focused on the CIP and the budgets as it relates to land use and will – I know there's been – there are two commissioners who would like to propose additions to our motion, so I'll let them go ahead. Commissioner Hurley.

Commissioner Hurley: Thank you. As brought up in the –

Chairman Murphy: Maybe we should make a motion to approve the CIP and then add the motions to that. I think we – go ahead.

Commissioner Litzenberger: All right. I MOVE THAT THE PLANNING COMMISSION RECOMMEND THAT THE BOARD OF SUPERVISORS APPROVE THE ADVERTISED FAIRFAX COUNTY CAPITAL IMPROVEMENT PROGRAM FOR FISCAL YEAR 2016 THROUGH 2020, WITH FUTURE FISCAL YEARS TO 2025.

Commissioner Flanagan: Second.

Chairman Murphy: Seconded by Mr. Flanagan. Is there a discussion of the motion? Ms. Hurley.

Commissioner Hurley: Thank you, Mr. Chairman. As brought up in the Planning Commission's CIP discussions, the Northern Virginia Training Center is scheduled to close next March, but as yet no solid plan is in place to re-house all the current residents. Intermediate care facilities address the need for homes within which highly intense residential services are provided but are not slated to appear in the bond referenda until 2024. I therefore wish to introduce a small amendment, after which if it is seconded I will ask staff from assisted and community residential services to provide a brief explanation of the Department of Justice's mandate to the Commonwealth of Virginia and how Fairfax County plays a role in this evolving issue. I therefore MOVE THAT THE PLANNING COMMISSION RECOMMEND TO THE BOARD OF SUPERVISORS THAT FEASIBILITY STUDY FUNDING BE CONSIDERED IN THE NEAR TERM TO ADDRESS THE LONG-TERM REQUIREMENTS FOR INTERMEDIATE CARE FACILITIES AS A RESULT OF THE IMPENDING CLOSURE OF THE NORTHERN VIRGINIA TRAINING CENTER AND THE OTHER CENTERS ELSEWHERE IN THE STATE THAT CURRENTLY HOUSE AND SUPPORT FAIRFAX COUNTY RESIDENTS IN THE INTELLECTUAL DISABILITY PROGRAM.

Commissioner Migliaccio: Second.

Chairman Murphy: Seconded by Mr. Migliaccio. Is there a discussion of the motion and the amendment? All those in favor –

Commissioner Hurley: I would just briefly like to invite Ms. Cummins Eisenhower and Ms. Hartman, to come down and explain. Supposedly, the state is supposed to fix this – why it is suddenly needed – that we need some sort of feasibility study.

Commissioner Lawrence: And Mr. Chairman?

Chairman Murphy: Remember, we're on verbatim and I would ask you to be brief, okay.

Commissioner Lawrence: Mr. Chairman, while they're coming down, point of parliamentary order: this is an amendment to the motion, so the maker of the motion and the seconder need to accept the friendly amendment.

Commissioner Litzenberger: Second.

Chairman Murphy: Okay.

Commissioner Hart: If it's a friendly –

Chairman Murphy: Well, we just did it as a motion, so that will be fine. Okay.

Jean Hartman, Assistant Deputy Director, Community Services Board: Thank you. As you know, the State of Virginia entered into a settlement agreement with the Department of Justice in 2012. As part of that settlement agreement, the state made certain decisions that have significant impact on the citizens of Fairfax County who are residing at the Northern Virginia Training Center, as well as their families, who are also in the county. As part of that settlement agreement, they had decided to close all but one training center in the State of Virginia. The Northern Virginia Training Center is slated to close in March of 2016. Individuals then need to move out into the community into other settings, other homes that can support them in more integrated settings. Our challenge is that there is not sufficient capacity to do that in Fairfax County, so as a result many families are having to move their individuals far, far away. We have - since this started 38 individuals from Fairfax County have moved out of the Training Center, but of those 38, 22 have been discharged to placements outside of Fairfax County. Of those 22 individuals, only 3 have been within an hour's drive of their families' homes. Most of these individuals, again, have lived in the Training Center most of their lives. Their family members, their parents, now are in their 70s and 80s. Siblings there have been taking care of them, so we – they visit their individuals once a week, sometimes daily, and now individuals are moving to places like Goochland and Petersburg and Newport News and so forth. So we are hoping to move this feasibility study up to make some other options available to them in a way that would not be a cost burden for the county.

Chairman Murphy: Okay, thank you very much. All those in favor, say aye.

Commissioners: Aye.

Chairman Murphy: Opposed? Motion carries. Let's make this a friendly amendment and I would just ask the maker of the motion and the seconder to approve it. Ms. Strandlie. Thank you very much, ladies.

Ms. Hartman: Thank you.

Commissioner Strandlie: Thank you, Mr. Chairman. I FURTHER MOVE THAT THE PLANNING COMMISSION RECOMMEND TO THE BOARD OF SUPERVISORS APPROVE THAT THE BOARD OF SUPERVISORS SERIOUSLY CONSIDER RAISING THE ANNUAL BOND SALE LIMIT FROM \$275 MILLION TO \$300 MILLION. THIS INCREASE WOULD BE SUBJECT TO THE ADHERENCE TO THE COUNTY'S TEN PRINCIPLES OF SOUND FINANCIAL MANAGEMENT AND DEBT CAPACITY RATIOS AND HAVE NO NEGATIVE IMPACT ON THE COUNTY'S TRIPLE-A BOND RATING.

Chairman Murphy: Does the maker of the motion and the seconder agree with that?

Commissioner Flanagan: Second.

Chairman Murphy: Okay. All right. Thank you very much. All right, thank you. Are there any other friendly amendments or otherwise? Okay, all those in favor of the motion to recommend to the Board of Supervisors that it approve the FY16 - FY 2020 Advertised Capital Improvement Program, with future fiscal years to 2025, as amended by Ms. Strandlie and Ms.

Commissioners: – Hurley.

Chairman Murphy: Hurley, yes. Say aye.

Commissioners: Aye.

Chairman Murphy: Opposed? Motion carries.

//

(The motion carried by a vote of 10-0. Commissioners de la Fe and Sargeant were absent from the meeting.)

JN