

Lines of Business (LOBs):
Presentation to Budget Committee

September 11, 2015

What are LOBs?

- ▶ LOBs are an inventory of what the County does.
 - ▶ As a \$7 billion full-service local government, the County provides a vast array of programs and services to support a diverse population of more than one million people.
 - ▶ Many in the community are unaware of what services the County provides, why they are provided, and how they are funded.
 - ▶ Last completed in phases in FY 2008 and FY 2010.

- ▶ The LOBs to be released in January 2016 will begin a multi-year process of review of County services.
 - ▶ Future action steps to be defined by the Board in April 2016.

How will LOBs be reviewed over multi-years?

- ▶ Initial Discussion of LOBS (January – April 2016)
 - ▶ Input from community
 - ▶ Discussion by the Board
 - ▶ Identification of Next Steps including ideas of projects for staff



- ▶ Development of project plans and timelines (April – June 2016)



- ▶ Reports to the Board on projects (Fall 2016 – July 2017)

How do LOBs differ from the budget?

- ▶ LOBs are a presentation of services that is more detailed than the budget.
- ▶ LOBs provides a comprehensive, detailed look at the functional and operational level of work performed by County programs and services
- ▶ LOBs are more discrete than a department's organizational structure

How are LOBs helpful?

- ▶ LOBs provide an opportunity to provide a detailed review of what we do, how we do it, and how well we do it to the newly elected Board and the community.
- ▶ Lay out the context in which services are provided:
 - ▶ Population growth
 - ▶ Demographic shifts
 - ▶ Urbanization
 - ▶ Aging infrastructure
- ▶ Explain what each LOB includes
- ▶ Report the funding and positions supporting each LOB
- ▶ Demonstrate through metrics how efficiently and effectively services are performed or could be improved

What is the LOBs Committee?

- ▶ In support of this effort, the County Executive formed a Committee of 18 employees from across the organization to spearhead the LOBs initiative and have a fresh set of eyes review the process and materials.
- ▶ The Committee provides a wide breadth of experience and expertise in the County to facilitate the discussion and to provide the framework of the process to the County Executive and ultimately to the Board and the community.
 - ▶ The Committee does not replace the coordination between the Department of Management and Budget and departments for instructions, questions, etc.
- ▶ The Committee provides input on the details of the process as well as serving as a link to the wider County organization.

What will departments submit for LOBs?

- ▶ Each LOB will have a template to include:
 - ▶ An outline of the **purpose** of the LOB
 - ▶ A discussion of **challenges and trends** including opportunities for efficiencies / alternatives
 - ▶ The **resources** (positions and dollars) required to provide the LOB
 - Both General Fund and other such as grant
 - ▶ A **description** of how the LOB is performed and who performs it
 - ▶ An explanation of the **benefits** of the LOB
 - ▶ A discussion of whether or not the LOB is **mandated**
 - ▶ **Metrics** to illustrate how efficiently and effectively the LOB is performed or needs to be improved.

- ▶ Departments are currently compiling the LOBs with initial submission to DMB in early October 2015

Why will LOBs be evaluated?

- ▶ The entire universe of LOBs will be evaluated to focus the conversation of the next steps in the process
 - ▶ The LOBs evaluation process will align each individual LOB in relation to the County Vision Elements:
 - ▶ The Vision Elements are a long-standing statement of how all County services can be categorized.
 - ▶ Individual LOB alignment will show how resources are allocated in relation to the LOB evaluation as part of the 2016 discussion.
 - ▶ Individual LOBs will be reviewed in terms of whether the County should continue to perform them as part of future year budget development.
- ▶ By framing the discussion in this way, the Board and the community will be able to navigate the next phases of the LOB process, including reviewing LOBs for efficiencies, effectiveness and framing a long-term funding strategy.

Vision Elements



VISION OF FAIRFAX COUNTY

Our Core Purpose

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

Our Vision Elements



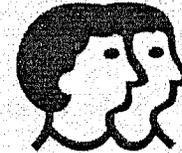
Maintaining Safe and Caring Communities



Building Livable Spaces



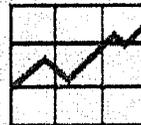
Connecting People and Places



Creating a Culture of Engagement



Practicing Environmental Stewardship



Maintaining Healthy Economies



Exercising Corporate Stewardship

How will LOBs be evaluated?

- ▶ Departments will undertake a two-step evaluation process for each LOB.
 1. The first step includes determining the applicable Vision Elements that each LOB supports. For each LOB, departments will consider the Vision Element definitions and clarifying statements to see if it fits in the Vision Element.
 2. After determining which Vision Elements each LOB supports, the next step is to determine how essential the LOB is in achieving the objective of each Vision Element.

- ▶ The Committee and DMB will also evaluate each LOB and will discuss any discrepancies with the department (including in the context of consistency across departments)

- ▶ As a result of the two rounds of evaluations, all the LOBs will be arrayed in relation to how well they support the Vision Elements

- ▶ The County Executive and Deputy County Executives will then review the evaluations

- ▶ The intent of the evaluations is to promote a more structured discussion of the LOBs

When will the Board receive LOBs?

- ▶ Staff will provide an update on the process at the November 24 Budget Committee meeting

- ▶ The Board will receive the completed inventory in January 2016
 - ▶ All materials will be online and available for review in advance of meetings scheduled to begin in mid-January

- ▶ The Board will be briefed on the LOBs during an initial series of meetings in January, February, March and April 2016 at the Government Center

- ▶ **The work initiated in the winter and spring of 2016 is just the beginning of our work on the LOBs**

What will FCPS and County joint work entail?

- ▶ The County Executive and Superintendent have discussed options for review
- ▶ As a result, County and School staff will work on several cross-cutting areas to identify opportunities. This work is also anticipated to cross multi-years.
 - ▶ Transportation services
 - ▶ School Health services
 - ▶ Behavioral Health services
- ▶ Work groups are being established for each of the areas under review
- ▶ Staff will present first phase recommendations at a joint meeting of the Boards

When will the Board Budget Committee meet on LOBs?

- ▶ Meeting 1- January 19: Overview
 - ▶ Setting the stage of the multi-year LOBs process
 - ▶ Description of the first phase

- ▶ Meetings 2-14: Specific program area /departments tbd

▶ January 22	▶ February 5	▶ March 4
▶ January 26	▶ February 9	▶ March 8
▶ January 29	▶ February 19	▶ March 18
	▶ February 23	▶ March 22
	▶ February 26	▶ March 29

- ▶ Meeting 15 - April 1 : Discussion of Phase Two
 - ▶ Board identification of next steps based on community input and Board priorities

What is the agenda for the Board's LOBs meetings for each Program Area?

- ▶ Contextual Overview by the Deputy County Executives
 - ▶ Trends / Projection over next 5-10 years
 - ▶ Demographics
 - ▶ Workloads
 - ▶ Metrics
 - ▶ Opportunities for redesign
 - ▶ Services under stress (inclusive of all LOBs)

- ▶ Overview by Department (template for each Department the same)
 - ▶ Summary of LOBs
 - ▶ More details on opportunities for redesign and services under stress

- ▶ Review of FAQs generated by community comments to-date in this program area

- ▶ Questions from the Board – follow-up

- ▶ Suggestions, directions, discussions

Once the Board receives LOBs:

- ▶ The Board will discuss the LOBS, ask questions and request follow-up information if necessary.

- ▶ The Board will receive community input through:
 - ▶ Online questions and comments
 - ▶ Survey results
 - ▶ Facilitated community meetings

- ▶ The Board will focus the input and give direction to staff to lay out next steps.
 - ▶ Staff will develop Phase 2 calendars and work plan based on this input

- ▶ Ultimately, the Board will discuss a sustainable financial plan to pay for services/invest in Fairfax in future years based on the discussion that begins with LOBs.

Once the community receives LOBs:

- ▶ LOBs start a multi-year process about shaping the County's strategic direction and validating its priorities by promoting the conversations that need to occur with the community.
- ▶ The LOBs discussion will focus on what services the community wants the County to provide and identify services that may not represent a high area of interest.
- ▶ In the initial year, the LOBs process:
 - Begins with an array of LOBs in relation to County Vision Elements
 - Asks the community to review the LOBs information, ask questions, and provide feedback
 - Provide feedback and input to the Board of Supervisors

What will community involvement entail?

- ▶ Goal of broad-based involvement:
 - ▶ Online opportunities for detailed review of documents and submission of questions.
 - ▶ Meetings throughout the County to share the details of the first phase of the process and direct the community to the online opportunities (as part of the budget meetings that occur in February, March and April sponsored by Board members, civic associations, and community groups).
 - ▶ FAQs will be developed and responses will be placed online.
 - ▶ Three focused presentations in the community to respond to FAQs and to solicit input.
 - ▶ Suggestions for areas of review will be forwarded to the Board

What on-line opportunities will exist for the community?

- ▶ Review of documents
 - ▶ Variety of ways to access the information depending on the interest of the reader

- ▶ Survey – Sample Questions
 - ▶ What are the most important LOBs for you or your family or community that need to be maintained?

 - ▶ In the context of constrained resources, what are the service areas that you think should be identified for further review to look for efficiencies / elimination based on your priorities?

What in-person opportunities will exist for the community?

- ▶ The process will be laid out as part of Budget meetings hosted by Board members, civic associations and community groups in February, March and April.
- ▶ Focused presentations on LOBs will be held on March 12 and 19 at the Government Center, the South County Government Center, and the Providence Community Center to provide more detailed presentations on LOBs and review FAQs that have been generated.

What are the agendas for the focused LOBs meetings in March?

- ▶ Overview of LOBs
- ▶ Review of how to provide input
- ▶ Context of fiscal, demographic and workload drivers of County services
- ▶ Review of FAQs generated to date
- ▶ Small group discussion – *Can the information be accessed easily? Is there additional information that would be helpful if added? What are the top 3 service areas, e.g., services to seniors, child care, etc., that should be reviewed first in the next phase of LOBs? Why are these important areas for review?*
- ▶ Report out

What will employee involvement entail?

- ▶ Goal of broad-based involvement:
 - ▶ All online opportunities that are available to the community will also be open to employees.
 - ▶ The County Executive will sponsor brown bag lunches with employees to discuss the LOBs process and solicit input
 - ▶ Employees will be kept informed via NewsLinks, the Team Fairfax Insider and communication from the County Executive

How do LOBs impact FY 2017 Budget Development?

- ▶ The LOBs are not a budget-cutting exercise for FY 2017. However, several areas for review that have already been identified will be incorporated into the FY 2017 budget, including the projects being undertaken with Schools, County central services and summer services for youth.
 - ▶ Educational component must come first, including a discussion of the details and metrics of LOBs
 - ▶ Secondly, staff will coordinate a discussion of the array of LOBs in relation to County Vision Elements
 - ▶ Subsequently, a focus on budget-related issues for future budget development will occur

How do LOBs impact FY 2017 Budget Development? (continued)

- ▶ Budget projections will be refined through the Fall 2015
- ▶ Priorities will be funded, including:
 - Schools
 - Compensation
- ▶ New initiatives and expansions will be limited / deferred
- ▶ Recommendations will be made concerning revenue forecasts
- ▶ Reduction requirements will be reviewed to balance the budget by looking at categories of actual expenditures based on prior year experience and the areas identified on the previous page, as well as possible areas for efficiencies based on conversations with Deputy County Executives and departments

Questions?