

## **Summary – Board Budget Committee Meeting**

April 3, 2018

Government Center – Conference Room 11

### **Committee Members Present:**

Sharon Bulova, Chairman  
Penelope Gross, Mason District (Vice Chairman)  
John Cook, Braddock District  
John Foust, Dranesville District  
Pat Herrity, Springfield District  
Catherine Hudgins, Hunter Mill District  
Jeff McKay, Lee District (Committee Chair)  
Kathy Smith, Sully District  
Lynda Smyth, Providence District  
Dan Storck, Mount Vernon District

Previous Meeting Agenda and Materials (March 13, 2018):

<https://www.fairfaxcounty.gov/boardofsupervisors/board-budget-committee-meeting-march-13-2018>

April 3, 2018 Meeting Agenda:

<https://www.fairfaxcounty.gov/budget/sites/budget/files/assets/documents/budget%20committee%20meeting/2018/april-3/budget-committee-agenda-4-3-18.pdf>

April 3, 2018 Meeting Materials:

<https://www.fairfaxcounty.gov/budget/sites/budget/files/assets/documents/budget%20committee%20meeting/2018/april-3/hsc1-human%20services%20council%20fy2019%20budget%20presentation%204-3-2018.pdf>

<https://www.fairfaxcounty.gov/budget/sites/budget/files/assets/documents/budget%20committee%20meeting/2018/april-3/hsc2-hsc-letter-to-bos-fy-2019-budget.pdf>

<https://www.fairfaxcounty.gov/budget/sites/budget/files/assets/documents/budget%20committee%20meeting/2018/april-3/hsc3->

[fy2019%20reconciliation%20to%20advertised%20budget\\_hhs%20resource%20plan%20fy2019-20.pdf](https://www.fairfaxcounty.gov/budget/sites/budget/files/assets/documents/budget%20committee%20meeting/2018/april-3/hsc3-fy2019%20reconciliation%20to%20advertised%20budget_hhs%20resource%20plan%20fy2019-20.pdf)

<https://www.fairfaxcounty.gov/budget/sites/budget/files/assets/documents/budget%20committee%20meeting/2018/april-3/tq1-fy-2018-third-quarter-presentation-4-3-18.pdf>

<https://www.fairfaxcounty.gov/budget/sites/budget/files/assets/documents/budget%20committee%20meeting/2018/april-3/tq2-fy-2018-tq-consideration-items-summary.pdf>

<https://www.fairfaxcounty.gov/budget/sites/budget/files/assets/documents/budget%20committee%20meeting/2018/april-3/retirement-workgroup-update-4-3-18.pdf>

<https://www.fairfaxcounty.gov/budget/sites/budget/files/assets/documents/budget%20committee%20meeting/2018/april-3/itpac%20fy19%20letter%20to%20bos%20-%20final%20march%2030%202018.pdf>

The meeting was called to order at 3:22 P.M.

### **Human Services Council Presentation**

After a brief introduction by Supervisor McKay, the first presentation on the agenda, a *Human Services Council Presentation*, was given by Steven Bloom, Chair, Human Services Council, and Jeff Dannick, Chair, Human Services Council Budget Committee. The presentation focused on the health and human services priority investments included in the FY 2019 Advertised Budget Plan and proposed for the *FY 2018 Carryover Review*, and the priority and additional investments that are not included in the FY 2019 Advertised Budget Plan or proposed for the *FY 2018 Carryover Review*. In addition, the Human Services Council endorsed the 2.5 cent tax increase included in the FY 2019 Advertised Budget Plan.

### **Board Discussion**

- Supervisor Gross commented that she could not use the slides due to their different design, but she could use the attached letter. *Budget Q&A: Supervisor Gross asked if the \$379,979 for Congregate Meals and Home Delivered Meals-Increase in Local Cash Match include the volunteer Meals on Wheels Program?* In addition, is the Mediation/Restorative Justice Services for APP program in the amount of \$50,000 a recurring amount or not? Joe Mondoro replied that it is a recurring amount. *Budget Q&A: Supervisor Gross – Why is the agency partially absorbing the cost of the Mediation/Restorative Justice Services for APP program? How will it get addressed this year and then in subsequent years?*
- Supervisor Hudgins remarked that the focus should be on pre-K education and the Head Start Program. It should be sustainable. Families that are part of this program have better outcomes. There is a long list of potential investments. The recommendations are on target, but the question is how to make long-term and sustainable investments.
- *Budget Q&As: Supervisor Smith requested more details and background information related to the School Health-Staff Development Specialists request for new positions and funding. What are the priorities? She also requested more details and background information related to the Consumer Protection Program – Rabies request. What are the priorities?*

### **FY 2018 Third Quarter Review, including Consideration Items**

Joe Mondoro, Chief Financial Officer, of the Department of Management and Budget presented the second item on the agenda, the *FY 2018 Third Quarter Review, including Consideration Items*. The presentation is the fourth one linked above under April 3, 2018 Meeting Materials. The Consideration Items Summary is the fifth one linked above under April 3, 2018 Meeting Materials. A summary of the *FY 2018 Third Quarter Review* was presented, along with all associated spending adjustments, reductions/savings in County agencies, and required reserve adjustments.

### **Board Discussion**

- There were no comments or questions.

### **Retirement Workgroup Update**

The next item on the agenda, *Retirement Workgroup Update*, was presented by Supervisor Penny Gross, Mason District, Chairman, Personnel Committee, and Supervisor John Cook, Braddock District, and is the sixth link above under April 3, 2018 Meeting Materials. The Retirement Workgroup held eight meetings between November 2017 and April 2018. The attached package was presented to the workgroup for consideration at its final meeting. After a discussion, a motion to recommend a package consisting of a subset of the attached potential changes failed on a vote of 3 to 4, with one member abstaining and one member absent. A second motion that proposed an alternative package of changes failed to receive a

second. The workgroup adjourned without reaching consensus on a recommendation for the Board of Supervisors.

### Board Discussion

- Supervisor McKay commented about the well-attended meetings of the workgroup. He also reiterated that the proposed changes would be applicable to newly hired employees, not current employees. It's important to reaffirm the commitment of the Board of Supervisors to a defined benefit retirement plan. Some specific guidance related to this issue should be included in the budget.
- Chairman Bulova thanked everyone who participated in the workgroup, and stated that she appreciated that there was agreement on the ten general principles. There should be more discussions on this topic. The recommendations seem reasonable. It's important that the retirement system remains viable and sustainable. Chairman Bulova hopes that after the budget is adopted there will be guidance related to the principles and recommendations considered by the workgroup. Those should be refined and discussed at the next Personnel Committee. There should be a public hearing afterwards. Chairman Bulova also hopes that something will be implemented before January 1, 2019.
- Supervisor Gross explained that the minimum retirement age was discussed and not included in the package that was voted on during the final meeting of the workgroup.
- Supervisor Herrity thanked staff for all of their work as part of the workgroup. The mission of the workgroup was wrong. Employees are looking for the best compensation package. An independent survey should be conducted to see what potential employees are looking for as it related to benefits. A new pay scale should be looked at for future hires if their retirement plan is reduced. The defined benefit is very important. The full Board of Supervisors should discuss this issue.
- Supervisor Smith asked about the potential savings that will be achieved over time. She raised a few other questions - What are the attitudes of the employees? What kind of a retirement system would we like to have? Is it sustainable?
- Supervisor Smyth commented that this was an exercise that required a lot of patience. There is a dichotomy in retirement plans in the private and public sectors. The plan should be fair to everyone. There are significant increases in healthcare costs. The retirement plan should be good, fair, and sustainable.
- *Budget Q&A: Supervisor McKay asked what savings have been achieved since 2013 when the changes in the retirement system were made?* In addition, Supervisor McKay commented that the principles should be included in the budget guidance.
- Supervisor Gross remarked that we should look at what training the County is providing to the employees in order to retain employees. This relates to the succession planning issue mentioned in the workgroup's principles and recommendations.
- Supervisor Hudgins made a comment that some changes might be necessary at some point. The key part is that great services are provided in the County. The employees deliver these services, and they expect a return on the work. The employees and the community should be involved in this discussion.

### **Information Technology Policy Advisory Committee (ITPAC) letter**

The next item on the agenda, *Information Technology Policy Advisory Committee (ITPAC) letter*, is the seventh link above under April 3, 2018 Meeting Materials. The letter included ITPAC's commendation on

the successful rollout of the redesigned Fairfax County website and innovative funding for the County's IT investment portfolio. ITPAC also recommended that the Board of Supervisors should continue to fully support investment in two ongoing IT projects – Planning Land Use System (PLUS) project and Human Services (HS) integrative roadmap. Finally, ITPAC recognized that there are two ongoing and emerging overarching IT issues (security and maintaining quality) that warrant the attention of the Department of Information Technology and the Board of Supervisors.

#### Board Discussion

- Supervisor Gross stated that there are issues related to procurement, and these issues might be state issues. This might need to be reviewed by the Legislative Committee. Supervisor Gross recommended that the County should work on these issues now rather than later. Wanda Gibson responded that some of the rules might need to be modernized depending on the IT project in question.
- Supervisor Herrity remarked that the Board of Supervisors should explore how these legislative issues could be changed, and how other jurisdictions are solving these issues.
- Supervisor Smyth commented on the redesigned website - how anyone used to be able to go back in the archives and search for documents. Supervisor Smyth asked if this capability could be restored. Wanda Gibson explained that this will be addressed, and it will be an ongoing project.

The next meeting of the Board Budget Committee is scheduled for 3:00 P.M. on Tuesday, April 20, 2018.

The meeting adjourned at 4:46 P.M.