



FY 2021 Third Quarter Review

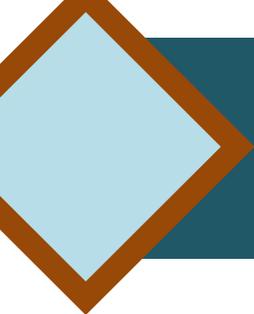
April 6, 2021

Third Quarter Summary

Previous Balances	\$0
FY 2021 Third Quarter Adjustments	
Revenue Adjustments	(\$7,299,590)
Spending Requirements	(\$9,599,516)
One-Time Savings in Various Agencies	23,350,000
Use of General Fund Pandemic Reserve	7,299,590
Net Third Quarter Adjustments	\$13,750,484
Net Available	\$13,750,484

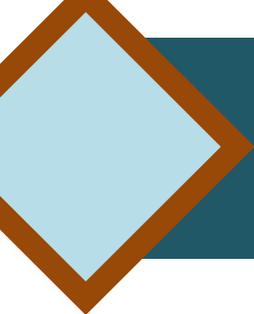
Revenue Adjustments

- FY 2021 revenues are recommended to be reduced by \$7.3 million
 - A reduction of \$19.0 million is included in School-Age Child Care (SACC) revenues. The Mid-Year estimate already included a 50 percent cut in anticipated revenues in this category as the SACC program was impacted by Fairfax County Public Schools (FCPS) decision to provide all virtual learning in the fall in response to the pandemic.
 - Other revenue categories recommended for reductions include Transient Occupancy Taxes, General District Court fines, Parking Fines, and Health Department fee revenue, as well as many other charges and fees as a result of continued program closures and lower levels of activity across the County.
 - Partially offsetting these revenue reductions are recommended increases in several categories that have continued to perform well, including Recordation Taxes, Sales Taxes, and Personal Property Taxes
- The General Fund Coronavirus Pandemic Reserve is reduced by \$7.3 million to offset these revenue losses
- When combined with revenue changes associated with expenditure adjustments, revenues are reduced by a net \$5.7 million, or 0.1 percent



Spending Requirements

- \$6.14 million for Information Technology projects
- \$3.23 million to reimburse the Fairfax County Redevelopment and Housing Authority for the purchase of the Mount Vernon Athletic Club
- \$0.50 million to support the Office of Elections during the June 2021 Primary Election
- \$0.46 million to supplement reduced Athletic Services Fee revenue to allow the Synthetic Turf Replacement Program to proceed with its full replacement schedule in FY 2022
- \$0.30 million for increased costs associated with snow removal at County facilities
- 1 position and \$0.02 million in the Office of Environmental and Energy Coordination to expand the Energy Analysis Team
- A net decrease of \$1.05 million, including the impact of reduced state funding, in the Children's Services Act due to the impact of the pandemic on the number of youth served

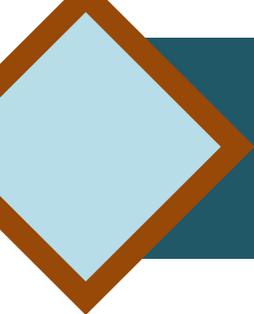


Reductions/Savings in County Agencies

- One-time savings totaling \$23.35 million have been identified across 11 agencies
 - Personnel Services savings due to continued management of position vacancies
 - Operating Expense savings due to contractual savings and lower than anticipated program participation
 - Fringe Benefit savings due to health plan migration
 - Savings in the Health Department due to the costs of positions deployed for pandemic response being shifted to the County's Coronavirus Relief Funds

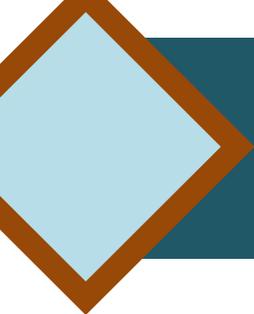
Adjustments with no Net General Fund Impact

- Utility savings of \$0.75 million redirected from the Facilities Management Department to support the recommendations of the Joint Environmental Task Force (JET)
- 6 positions, fully offset by increased revenue, to support a new mobile unit to address increasing caseloads in Child Protective Services
- 5 positions to support limited programming at the Community Center in Lee District when it opens in June 2021
- 5 positions, fully offset by increased revenue, in Land Development Services to address increased call volume as a result of the shift to the electronic submission of plans. Expenditure adjustments, fully offset by increased revenue, are also included in LDS to support workload requirements and contracted elevator safety compliance
- Utilization of Debt Service balances to fund accrued liability adjustments in the County Insurance Fund (\$6.76 million) and infrastructure replacement and upgrades at County facilities (\$5.28 million)



Potential One-Time Bonus

- Per the Board's direction, funding remains in balance to fund a potential one-time bonus for County employees
- A one-time bonus of \$1,000 for merit employees and \$500 for non-merit employees would total \$12.66 million
- Proposed eligibility criteria:
 - County employees hired prior to January 1, 2021
 - Active as of the pay period when the one-time bonus is paid
 - Excludes elected officials, state employees, and flat-rate employees
- Pending the Board's approval of a bonus as part of its action on the *FY 2021 Third Quarter Review* on April 27, staff would implement the bonuses in May 2021



Consideration Items

- \$0.55 million to support transportation analyses associated with the Lorton Visioning Study and the Fairfax Center Area Study
- \$0.25 million to support Site-Specific Plan Amendment work associated with the Lorton Visioning and the Fairfax Center Area Study

Stimulus Update

- As noted in the March 12, 2021 monthly stimulus memo, the County is expected to receive \$222.56 million from the Coronavirus State and Local Fiscal Recovery Fund as included in the American Rescue Plan Act
- Staff is awaiting confirmation from the U.S. Department of Treasury and certification instructions
 - Depending on the timing of certification, the appropriation authority may be included for Board approval as part of their action on the *FY 2021 Third Quarter Review* on April 27
 - Otherwise, an additional public hearing and Board action will be required to appropriate the funds, as the next opportunity to make budgetary adjustments will not occur until the *FY 2021 Carryover Review* (with Board approval in October)
- Staff is also awaiting specific guidance regarding utilization of the funds