

Response to Questions on the FY 2009 Advertised Budget Plan

Request By: Supervisor Foust

Question: Summarize deferred maintenance required in FY 2009 and FY 2010 and provide a funding strategy for conducting regular maintenance on Government facilities.

Response: Funding in the amount of \$6,924,321 has been included in the FY 2009 Advertised Budget Plan for capital renewal projects. This level of funding is consistent with the General Fund supported capital renewal project level approved as part of the FY 2008 Adopted Budget Plan. Funding of \$25.44 million was requested in FY 2009 associated with the following categories.

<u>Category</u>	<u>Amount</u>
F	\$9,835,000
D	\$7,135,000
C	\$3,720,000
B	\$4,750,000
A	\$0
Total	\$25,440,000

- ◆ Category F: urgent/safety related, or endangering life and/or property;
- ◆ Category D: critical systems beyond their useful life or in danger of possible failure;
- ◆ Category C: life-cycle repairs/replacements needed where repairs are no longer cost effective;
- ◆ Category B: repairs needed for improvements if funding is available; and
- ◆ Category A: good condition.

FMD estimates that an annual funding level of \$22-25 million is required to keep pace with capital renewal requirements and begin to move from a reactionary program to a preventative maintenance program. In 2004, a comprehensive facilities condition assessment was conducted on 92 selected Fairfax County facilities (approximately 4.2 million square feet of space representative of older facilities). Results from this survey indicated an estimated total of \$80 million needed through 2010 or approximately \$13 million per year for these 92 facilities, representing only 54 percent of the current inventory. Staff estimates that the current inventory of 170 buildings requires approximately \$22-25 million per year. If the capital renewal funding of \$6.92 million is approved, projects totaling \$18.52 million will be deferred to FY 2010 and beyond. Assuming a \$25 million requirement in FY 2010 as well as the deferred FY 2009 projects totaling \$18.52 million, approximately \$43 million would be required in FY 2010. Each year that maintenance is deferred increases the annual \$25 million requirement in the subsequent years.

Staff will continue to include funding for prioritized renewal in the annual Paydown program and in planned bond referendums as appropriate. In addition, staff is exploring other financing options to enable a more robust renewal program.