

**April 24, 2012**  
**FY 2013 BUDGET MARKUP PROCESS**

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# Chairman's Remarks - Fiscal Year 2013 Budget Mark-Up

April 24, 2012

*Morning has broken, like the first morning  
Blackbird has spoken, like the first bird*

Cat Stevens, 1972



Our Mark-up today is the first budget of this Board's four year term. It is quite a contrast from four years ago when we adopted a budget to a backdrop of what is now known as "**The Great Recession.**" Our nation was experiencing the failure of financial and lending institutions, plummeting property values and rising unemployment. We were also struggling to meet rising demands for human services, food stamps and for rental and mortgage assistance.

During the past years, working in partnership with our residents, corporate neighbors and our workforce, Fairfax County has responded successfully to meet the challenges caused by radically changing economic conditions.

**Today, while not entirely out of the woods, we are beginning to see evidence of recovery, a slow and sluggish recovery, but recovery none-the-less.** Land use applications are once again making their way through our system. Commercial leasing and building activity has strengthened. Projected General Fund revenue growth is an increase of 3.56%, (with real estate value changes of 0.71% for residential and 8.21% for commercial). Houses are beginning to sell again and seriously delinquent loans are declining.

*Hopefully we are beginning to see the dawn of a new day.*

The Budget that we are about to “Mark-up” (amend the Advertised Budget) reflects that recovery. The Fiscal Year 2013 Budget:

- **Continues to hold the line on taxes. By converting one half of the advertised increase in the Stormwater Fee, this budget maintains the same effective tax rate included in the budget proposed by the County Executive in February.** The tax rate of \$1.075, along with a Stormwater fee of \$0.02 results in a modest annual increase in the average tax bill of \$79.

- **The School Transfer is maintained at the advertised 4.5% increase over FY 2012.** This General Fund Transfer for school operations and debt service totals \$1.85 billion and represents 52.2% of the County's total FY 2013 budget.
- **For the first time since 2009 this budget restores full compensation adjustments for our employees.** It includes the advertised Market Rate Adjustment of 2.18% across the board effective July 1<sup>st</sup>, and adds merit increments and longevity steps for public-safety employees on their anniversary dates along with a 2.5% performance based scale increase in January for all non-public safety merit employees.
- Based on Human Services Council recommendations, testimony and comment throughout the budget process, **\$1.36 million is added to the Advertised Budget for Human Services priorities. In addition funding is added and/or redeployed to fund the Board's Housing Blueprint for the acquisition of 200 new housing units and \$1.3 million for the County's portion of Housing Blueprint's Community Challenge.**

- To address critical state and federal reductions to include requirements for the Community Services Board (CSB) and other Human Services programs **a reserve of \$4.2 million is established** as a safety net for our most critical services and most vulnerable residents.
- In response to requests and comments received during the budget process some additional restorations have been included for library hours, public safety programs and the arts in Fairfax County.

**With that, Madam Chairman, I will move approval of the separate motions for the *FY 2012 Third Quarter Review* and the *FY 2013 Mark up*.**

## **FY 2012 Third Quarter Review**

I move approval of the *FY 2012 Third Quarter Review* including approval of Supplemental Appropriation Resolution AS 12100 and Amendment to the Fiscal Planning Resolution AS 12901 which includes the revenue, expenditure and transfer adjustments and grant awards and adjustments and associated reserve adjustments contained in the County and School's Third Quarter Review and Supplemental Appropriation Resolution AS 11155 which reflects final FY 2011 audit adjustments.

The *FY 2012 Third Quarter Review* is adjusted based on the April 4, 2012 Consideration Item to reflect the use of \$1.5 million in higher than projected cable franchise fee revenue available within Fund 105, Cable Communications for turf field development at high schools. This funding would be available to match fundraising efforts of the schools, parents and community and would close the gap between available/planned funding and actual costs of the fields. In particular, the funding would support turf field development at the four high schools included in the applications submitted during the FY 2012 funding cycle:

Robinson Secondary School	\$150,000
Centreville High School	\$275,000
McLean High School	\$175,000
South Lakes High School	\$175,000

The remaining balance of \$725,000 would be available to support, on a competitive basis, other high school artificial turf field development activities as fundraising in those schools continues.

As a result of the approval of the *FY 2012 Third Quarter Review*, there is a balance of **\$2,462,157.**

## **FY 2013 Budget Mark-Up**

I will next outline the FY 2013 budget proposal.

In FY 2013 the County support for our most important priority, the Fairfax County Public Schools and this budget maintains the School portion of the overall budget at over 52%. In FY 2013 this proposal includes an increase of 4.5% in the transfer to the School Operating Fund above the FY 2012 level. **This transfer when combined with County support for School debt services results in County Schools receiving 52.2% of County General Fund Disbursements.**

The Board of Supervisors' "Adjustments to the FY 2013 Budget Proposal" package (Attachment A) which the Board reviewed at our Budget Committee meeting on April 20, 2012 includes:

1. Use of the **\$2.5 million** balance resulting from the *FY 2012 Third Quarter Review*
2. Conversion of \$0.005 from the Stormwater Fee to the Real Estate Tax Rate for a FY 2013 rate of \$1.075 per \$100/value (and a Stormwater Fee of \$0.02) resulting in **\$9.975 million**
3. Application of the FY 2013 Revenue Reserve for State Reductions of **\$4,178,357**
4. Application of a reduction in debt service requirements as a result of anticipated FY 2013 reimbursements of **\$3,182,291**
5. Reallocation of a **\$2.5 million** Solid Waste balance which was transferred from the General Fund in FY 2008 and not used

6. Use of **\$1.5 million** Child Care Assistance and Referral reserve currently identified for FY 2014 with future funding to be addressed in FY 2014 budget development.
7. Reduction of **\$1,014,508** in funding for anticipated Health Insurance premiums effective January 2013 (from 10% to 8%) and other fringe benefit savings

**As a result of these actions, \$24,812,313 is available for the following adjustments:**

8. A funding increase of **\$16.54 million** for employee compensation including an FY 2013 MRA of 2.18%, as recommended by the County Executive, effective the first full pay period in July, merit increments and longevities for public-safety employees on their anniversary dates beginning pay period 14 and a 2.5% performance based scale increase in January for non-public safety merit employees. The Board of Supervisors continues to appreciate the excellent work of County employees especially during these difficult times.
9. Identify a reserve of **\$4,178,357** to offset critical state and federal reductions to include requirements for the Community Services Board and other Human Service programs. The CSB is directed to return to the Board at the May 8, 2012 Human Services Committee with specific FY 2013 actions to address budget challenges.
10. A funding increase based on feedback in response to Human Services Council Recommendations of **\$1,360,269** is included for Human Service priorities to maintain Access Fairfax (\$75,000), Computer Learning Centers (\$90,000), Rent Relief for the elderly/disabled (\$275,000), the existing

and expanded Adult Dental Program (\$100,000), Home Based Care (\$300,000), and School Health substitutes (\$71,735) and to provide additional support for the Funding Pool (\$448,534) to offset reductions in CDBG funding.

11. **Identifying the County share of the Community Challenge for the Housing Blueprint of \$1.3 million** to include additional General Fund support of \$543,750 and reallocation of \$756,250 in existing Department of Housing and Community Development resources. As a result our community partners would need to identify the balance of funding (\$1.3 million) for FY 2013. In addition, **\$2 million in funding for the 200 units of affordable housing identified in the FY 2013 Housing Blueprint is available in Fund 319**, generated from program income, loan repayment and reallocations and the necessary funding adjustments will be made as part of the *FY 2012 Carryover Review*.
12. A funding increase to restore 9 hours weekly at Regional Libraries and 3 hours weekly at Community Libraries at a cost of **\$674,359** and 14 part time positions.
13. Increase funding for the Arts by **\$100,000** including for the Arts Council (\$50,000), the Fairfax Symphony (\$25,000) and Wolftrap (\$25,000).
14. A funding increase of **\$10,000** for the Regional 4H program.
15. A funding increase of **\$131,283** is necessary to support salary and fringe benefit for 2 new positions required in the Fire Prevention Division to address increased workload as a result of Tysons development.

16. A funding increase of **\$249,604** is necessary to maintain funding for the 2 staff of Marine Patrol.
17. A funding increase of **\$460,668** is necessary to maintain funding for the 6 staff of the HAZMAT Support Unit.
18. Funding of **\$150,000** to redesign the Engineer and Surveyors Institute program.
19. A funding increase of **\$83,010** is necessary to maintain funding for the Police cadet program, although positions would be converted to non-merit status.

Therefore, having provided public notice and conducted a public hearing as required by Virginia law, **I move approval of the FY 2013 Budget as Advertised, with the changes I just summarized** (as detailed in the “Adjustments to the FY 2013 Budget Proposal” package), advertised changes to Sewer service and base charges, and required Managed Reserve adjustments. The tax and fee increases become effective on and after July 1, 2012. These actions result in a balanced budget for FY 2013.

## BOARD MOTIONS

### Motion Approving Changes to County Retirement Systems

In addition, the Board of Supervisors has reviewed the study results of the County's retirement systems and engaged employee groups in discussions on the study over the last several months. **As a result I move that the Board of Supervisors reaffirms our commitment to the defined benefit structure of the County's retirement program.** The Fairfax County Retirement Systems continue to be sufficiently funded to meet benefit payments into the foreseeable future, largely as the result of a strong and consistent record of meeting our financial obligations relative to retirement.

As a result of the study, the review of retirement data from our comparator jurisdictions and the discussions which were held, certain specific design elements of the County's retirement systems were reviewed in the context of changes that were possible to reduce some of the long term liability of the retirement systems.

Therefore, **I also move that the Board approve the following changes to the Retirement Systems** as discussed at the March 13, 2012 meeting of the Personnel Committee and **direct staff to proceed with the necessary steps to implement the changes which require public hearings and ordinance changes.** Such changes will affect newly hired employees after the effective date of the required ordinance revisions:

- Raise the minimum retirement age to 55 from 50 for all new hires after the date of ordinance revision – Employees' Retirement System

- Raise the rule of 80 to the Rule of 85 for all new hires after the date of ordinance revision – Employees' Retirement System
- Cap unused sick leave at 2,080 hours for determining retirement eligibility and annuity calculations (employee sick leave balances would not be impacted but retirement credit would be capped at 2,080 hours) – Employees', Police and Uniformed Retirement Systems
- Eliminate Pre-Social Security Supplement from DROP accounts for all new hires after the date of ordinance revision – Employees' and Uniformed Retirement Systems

## BOARD MOTIONS

### Budget Guidance for Fiscal Year 2013 and Fiscal Year 2014

At a regular meeting of the Board of Supervisors of Fairfax County, Virginia, held in the Board Auditorium of the Fairfax County Government Center on Tuesday, April 24, 2012, **I move Board approval of the following Budget Guidance for FY 2013 and FY 2014:**

#### **FY 2014 Budget Development**

The Board directs the County Executive to provide a **financial forecast for FY 2014 by Fall 2012** to assist Board of Supervisors' decision-making as it relates to guidance to the County and the Schools on the strategic priorities and the budgetary support for programs and services in FY 2014.

The Board of Supervisors directs the County Executive to **prepare an FY 2014 budget proposal that continues to consider the affordability of taxes** for our residents and businesses. In addition, recognizing the need to address requirements such as increasing school enrollment, compensation, and long-term needs of the County, the Board directs the County Executive to present options for meeting these requirements to include efficiencies, service reductions, and revenue opportunities. **The FY 2014 budget recommendation from the County Executive should also include a multi-year proposal.**

The Board of Supervisors appreciates the ongoing hard work and recommendations of the various district budget committees. Their recommendations are extremely helpful to the Board in its consideration of the very complex budget decisions. The district

committee approach and budget advisors in the districts continue to serve the County well in bringing numerous stakeholders to the table and providing individual supervisors and the Board as a whole with broad insights. **The budget committees have made some suggestions concerning the budget process and budget information and staff is directed to review and incorporate changes as possible.**

Staff also is directed to continue to monitor potential federal and state reductions and report back to the Board on their impact.

### **Fairfax County Public Schools (FCPS)**

The Board of Supervisors would like to **continue pursuing opportunities for further County and School collaborations** that can result in efficiencies, reductions, and improvements. The Board of Supervisors will use regularly scheduled meetings with the School Board to identify and coordinate further opportunities for collaboration, **in particular in the area of our most challenged schools which continues to be an issue of high concern for both of our Boards.**

In recognition of the critical importance of early learning and development to a child's future academic potential as well as to our community's economic development and quality of life, the Fairfax County and Fairfax County Public School Boards should address the specific ways to work collaboratively in partnership with the community to ensure that all children entering kindergarten are well prepared to succeed. Much is already happening. At the February 9, 2012 meeting of the FCPS Board there was approval to fund a best practices study on early education.

To demonstrate the urgency of this issue and our Boards' commitment to the future of the County's economic success and the educational success of all our children, our boards should dedicate the next joint meeting discussing the opportunity to initiate a Fairfax County countywide kindergarten readiness plan that will ensure that all Fairfax County children enter kindergarten with necessary early learning skills and knowledge essential for school success.

Additionally, this first meeting provides the opportunity for the Board of Supervisors to understand savings from elimination of the year-round academic calendar versus the benefits the program provided in increasing achievement in schools with high numbers of low income populations.

**The Board of Supervisors is supportive of School Board attempts to expand staffing in support of School Board members, to include an independent audit capability,** within existing resources. The Board believes this approach, consistent with how the Board of Supervisors operates and with testimony we have heard from the community, would assist the School Board members to perform their governance role effectively.

The Board of Supervisors also recognizes the growing needs of the School capital requirements and continues to support the School Bond program of \$155 million a year (raised permanently from \$130 million), which represents **two thirds** of planned General Obligation bond sales for County and School purposes.

## **Available Balances / Transportation**

Given the importance of finding solutions to the ongoing shortfall in funding for new transportation projects and as recommended by the County Executive and staff at the Board's February 2012 retreat, the Board of Supervisors directs that **one-half of remaining balances made available at the Carryover Review, that are not required to support critical requirements, be identified for transportation funding.** In addition, staff is directed to review options for use of proffer and contributed transportation funds for flexibility to address countywide multi-year transportation challenges.

**The other one-half of balances remaining at Carryover and balances from Third Quarter should be held in reserve to address FY 2014 budget challenges, and the Board of Supervisors requests that the School Board also reserve available balances for FY 2014 requirements.** Recognizing that with the slow economic recovery and the budgetary reductions taken by agencies that have reduced their flexibility, it is more important than ever that the County maintain adequate reserve funding for unforeseen requirements.

## **County Staff**

While the last several years have been challenging, staff has continued to perform at high levels serving the needs of the community and meeting County priorities. The Board appreciates the important role that employees play in the delivery of County services. The reinstatement of a full compensation package in FY 2013 is a critical element in the long-term stability of the workforce. It is important to note that this reinstatement will not replace increases which were foregone in prior years, nor will adjustments be made to retirement or other benefits as a result of

this loss; however, the FY 2013 funding does position the County to address the workforce challenges ahead of us.

Recognizing the need to ensure that the County continues to attract and retain the most high quality employees, **the Board also directs that staff review recruitment data during FY 2012 and FY 2013 to identify which if any job classes are experiencing difficulty in recruitment or retention** and report back to the Board at a Fall 2012 Personnel Committee meeting if some issues exist and if they are tied to pay levels or competitiveness in the marketplace. In addition, as future budgets are developed review of appropriate changes to the Social Security offset for service-connected disability and the employee contribution to Police retirement should be included. The Board further directs staff to explore the costs to the county and/or the employee of providing military service credits to the employee's retirement for those who served a minimum of 4 years of U.S. Military Service.

## **Human Services**

### Community Services Board (CSB)

The CSB is facing a significant budget shortfall in both FY 2012 and FY 2013 as a result of payroll costs that the CSB cannot fund out of the planned allocation and a service shortfall which includes full coverage of the ID high school graduates needs, full coverage of the Infant service needs, and full coverage of the estimated revenue shortfall in fees for services.

The CSB has already taken specific actions to decrease expenditures and increase revenue which include, the institution of a hiring freeze, limiting overtime, establishment of waiting lists for services, re-deploying staff to ensure adequate coverage in vital areas and continuing to maximize revenue collections from

the state and federal government through grants, Medicaid and Medicare billing, private health insurance, delinquent debt collection and reviewing fee policies to ensure adequacy of revenues.

The CSB Board is working with advocates and community agencies to address how to establish a new service model for all services recognizing that some services may require additional resources based on increasing caseloads and clients in need of services. **While a reserve to address some of the funding shortfall does exist it will also be necessary to generate some program savings or to identify other funding resources.**

In particular, services experiencing high growth, such as those services for people with Intellectual Disabilities and the Infant Toddler Connection which provides services for infants with developmental delays, will be reviewed to establish a mechanism to prioritize services based on available and anticipated funding. **The partnership between the County and advocates has been extremely effective in the past when funding issues have arisen. These partners are encouraged to assist the County by concentrating their focus on maximizing state funding.** In addition, the CSB will continue to review all services based on current utilization and staffing, consider consolidating services at a single site when possible, as well as adjusting or right-sizing funding for under-utilized services.

The CSB is directed to present a final FY 2013 Budget Management Plan to the Board of Supervisors as part of the *FY 2012 Carryover Review* and provide updates to the Board prior to the end of June.

In addition, the CSB is directed to report to the Board on the ramifications of the potential closing of the **Northern Virginia**

**Training Center** and options to address residential services for these clients and others in the CSB system.

## Housing Blueprint

The FY 2013 Blueprint identifies specific requirements to fund Blueprint for Affordable Housing activities in the upcoming year. Included in the Blueprint is the development/acquisition of an additional 200 units of affordable housing. Specifically, the Blueprint identifies the need for a private or non-profit organization or organizations to develop or acquire one or more properties which will house individuals and families with a healthy mix of incomes across the spectrum of need ranging from homelessness to workforce. The approximate total development budget for a 200-unit multifamily development is \$40 million. It is anticipated that a portion of this cost can be met through debt along with equity generated through the federal Low Income Housing Tax Credit Program. However, to meet the targeted income levels, a funding gap of \$5 million remains. Of this \$5 million, \$3 million in funding has already been identified, leaving a balance of \$2 million. **The Board has confirmed that funding is available in Fund 319, generated from program income, loan repayment, and reallocations, that can be used to meet this balance. Staff is directed to make the necessary funding adjustments as part of the *FY 2012 Carryover Review*.** It is also directed that staff continue to identify opportunities made available within new developments in the County.

It is important to note that in addition to the 200-unit project, the FY 2013 Blueprint includes a Community Challenge to fund approximately \$2.6 million to serve the 307 households comprising the gap between the County's goals and anticipated resources (102 households for Goal 1 - End Homelessness in 10 years and 205 households for Goal 3 -Streamline and Reduce the Waiting Lists in Half in 10 years). **The Board of Supervisors is**

**providing \$1.3 million as a match for this purpose; however, the Community Challenge is dependent on resources from outside the County's budget and we strongly encourage our advocates and partners to continue to work with staff to help ensure that the Blueprint remains on track in FY 2013.**

#### Partners in Prevention Fund

The Board of Supervisors supports the Human Services Council recommendation to replenish the Partners in Prevention Fund. The Fund provides a necessary source of resources to address a variety of prevention-related activities which generate long-term savings in Human Services and Public Safety. Similar to prior funding strategies, the Board directs that **as part of the *FY 2012 Carryover Review* savings generated by the Human Services systems in FY 2012 be considered for the purpose of replenishment.**

#### Sliding Fee Scale

The County has a number of distinct sliding fee scales within Human Services, some driven by federal guidelines and others controlled locally. There are also numerous processes involved in evaluating and setting fees. Staff is directed to review and make recommendations for modifying and perhaps streamlining sliding fee scales within Human Services as part of the FY 2014 budget process.

## Rent Relief

The Board directs staff to review the Rent Relief program in the context of overall services to individuals in need and report back to the Human Services Committee in FY 2013 on potential redesign options for the program to ensure that the total resources available are maximized to the populations most in need of assistance.

## HOME Funding

The Board is concerned about the continued erosion of federal funding as it relates to HOME grant funding. At the same time the County is not able to step in and fill the void of these funding reductions. As a result staff is directed to review options for reprioritizing existing federal funds and report back to the Board concerning options to minimize program impacts of these reductions.

## Access Fairfax

Staff is directed to identify opportunities regarding the **redesign** of the Access Fairfax program to more adequately serve clients and services and to work with the County and nonprofit service providers in the region to leverage County and community services to meet current needs.

## Consolidated Community Funding Pool

The Consolidated Community Funding Pool has long been an effective and innovative way to pool funding to support a variety of human service needs utilizing a competitive funding approach to fund eligible nonprofit organizations to meet specific unmet human service needs. For close to 15 years, the CCFP has enabled the county to leverage the County's funding with

community resources to build the community's capacity to meet identified service needs and expand their service provision.

**Given the significant changes in Human Services since the inception of the CCFP, staff is directed to work with the CCFAC and representatives from the nonprofit community to review the current CCFP funding framework, practices and procedures to ensure they support the strategic human services outcomes and to ensure we are leveraging community resources for the maximum collective impact on communities and those individuals and families most at risk. Staff is directed to present their recommended changes to the Board prior to the start of the next funding cycle.**

#### Fairfax4Kids

The County has worked to outsource the Fairfax4Kids program as directed in the FY 2011 Budget. However, as result of reviewing options, another alternative, keeping the program in-house and shifting the responsibility to the Department of Neighborhood and Community Services (DNCS) has emerged. **Rather than outsourcing the program in FY 2013, staff is directed to continue to resource the group program with County staff while the program is evaluated.** Staff is further directed to review the program, in the context of the larger foster care and mentoring activities of the County and return to the Board with a comprehensive long-term plan.

Among the specific issues to be reviewed are working with volunteer mentors to reestablish the program goals and objectives and activity components within the budget parameters and use the results-based accountability model currently being employed in cross systems human services work to clearly identify effectiveness of services and clear outcomes.

Additionally, program staff shall identify and pursue opportunities to leverage community resources to support the program. The ultimate recommendation to the Board will need to be designed so that going forward staff can provide to the Board an evaluation of the program based on the outcomes and performance measures identified.

### **Stormwater Management**

The Board continues to recognize the long term challenges associated with stormwater management in the County. The increase of the Stormwater Services rate from \$0.015 to \$0.020 in FY 2013 is a critical step as the County works to protect public safety, preserve property values and support environmental mandates, such as those aimed at protecting the Chesapeake Bay and the water quality of other local jurisdictional waterways. Future requirements will necessitate that the County adequately fund repairs to stormwater infrastructure, measures to improve water quality, such as stream stabilization, rehabilitation, safety upgrades of state regulated dams, repair and replacement of underground pipe systems, surface channels, structural flood proofing and best management practices (BMP) site retrofits and improvements. **Staff is directed to evaluate future requirements and recommend multi-year rate planning similar to the methodology employed in the wastewater program.**

### **Lorton Arts Foundation (LAF)**

The Lorton Arts Foundation operates the Center for the Arts at the former Lorton Prison site. This site, transferred to the County from the federal government is a large, historically important facility in the County and the partnership with LAF will provide

opportunities both for the stabilization and preservation of the site as well as enhanced art programming. The LAF funding relationship with the County has been in place since the *FY 2005 Carryover Review* when the Board of Supervisors approved funding to support the Lorton Arts Foundation (LAF) financing and capital renewal plan for operation of a center for the arts. The Board had previously approved the negotiation of a lease of the former prison site with the Foundation, which proposed to use funds generated by leasing the various facilities to individual artists and performing arts groups.

The Board is committed to identifying solutions for the current fiscal stress being experienced by LAF. During the economic recession fundraising has been a challenge for LAF as well as to other similar organizations nationally. The facility has not generated the level of patronage which was originally projected and the large campus has been a drain on the resources of the foundation. During the past twelve months serious deterioration has been identified to such an extent that LAF is on the verge of failure unless additional funds can be found to push through the recession and provide a chance for recovery. It should be noted that the County is not obligated to fund LAF's outstanding debt service. However, the substantial improvements to the site undertaken by LAF have directly benefited County-owned property.

The recommendation of the County Executive to provide assistance and oversight to LAF in FY 2012 and FY 2013 is necessary and, while the Board is supportive of LAF being successful, it is not possible for the County to support the facility indefinitely.

Therefore, staff is directed to continue to work with LAF on a list of recommendations intended to assist LAF with financial recovery, achieve its mission, and, most importantly, to protect

the investment to date in the adaptive reuse of this historic County property. **The County role at LAF must be expanded, through a County oversight committee, as it relates to the budget, capital construction and facility management and will include ex-officio representation on the LAF Board.**

County Facilities Management staff will assume maintenance responsibilities, paid for by LAF operations to generate efficiencies. LAF must also do its part, particularly by substantially increasing fundraising efforts, cutting expenses, and ensuring full cost recovery of all programs and services.

In addition, all potential uses of space on the LAF campus must be evaluated to identify the most appropriate use, including, but not limited to, recreational uses, County agencies, local non-profits and partnerships with FCPS. **Staff is also directed to report back to the Board on a quarterly basis regarding the status of LAF's financial condition and progress that has been made resolving the long-term stability of the organization.** Funding provided to LAF by the County is to be paid quarterly.

### **Inova Translational Medicine Institute**

The Board of Supervisors is very supportive of Inova Health System's pioneering efforts to establish the Inova Translational Medicine Institute intended to translate advances in genomics and the molecular sciences into major improvements in future patient care, both in the prevention and treatment of serious illnesses. Inova's entry in translational medicine will not only dramatically improve personalized health care of Fairfax County citizens, but will help solidify the County as a visionary jurisdiction on the cutting edge of the future of medicine, bringing notable increased economic development to the area.

The Board intends to partner with Inova by investing in the Translational Medicine Institute. The Board directs the County Executive to come back to the Board this fall with a proposal for how to fund the County's contribution toward Inova's Translational Medicine Institute.

A Copy Teste:

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Catherine A. Chianese,  
Clerk to the Board of Supervisors

## **BOARD MOTIONS**

### **Approval of the FY 2013-2017 Capital Improvement Program (with future fiscal years to 2022)**

- I move Board approval of the FY 2013-FY 2017 Capital Improvement Program (with future fiscal years to 2022) with the following amendments:
  - Recommend the proposed \$50 million bond referendum for Parks Authority increase to \$75 million. As a result the referendum for County Parks will total \$63 million and for the Northern Virginia Regional Park Authority will total \$12 million. The sale of bonds for Parks will be programmed within the County's Principles of Sound Financial Management and debt capacity ratios.
  - Make all necessary adjustments to reflect actions taken during the Board's decision on the FY 2013 Adopted Budget Plan that impact the CIP.

## Adjustments to the FY 2013 Budget Proposal

<u>Resources</u>	<u>Total</u>
Balance identified in FY 2012 Third Quarter	\$2,462,157
Conversion of \$0.005 from the Stormwater Fee to the Real Estate Tax Rate for a FY 2013 rate of \$1.075 per \$100/value and a Stormwater Fee of \$0.02	\$9,975,000
Application of the FY 2013 Revenue Reserve for State Reductions	\$4,178,357
Application of reduction in debt service requirements as a result of anticipated FY 2013 reimbursements	\$3,182,291
Reallocation of Solid Waste balance which was transferred from the General Fund in FY 2008 and not used	\$2,500,000
Use of Child Care Assistance and Referral reserve currently identified for FY 2014 with future funding to be addressed in FY 2014 budget development	\$1,500,000
Reduction of funding anticipated for Health Insurance premium increases (from 10% to 8%) effective January 2013 and other Fringe Benefit Savings	<u>\$1,014,508</u>
<b>Subtotal of Available Resources</b>	<b>\$24,812,313</b>

### Requirements

In addition to an MRA of 2.18% in July, fund merit increments and longevity for public-safety employees on their anniversary dates (effective pay period 14) and 2.5% performance based scale increase in January for non-public safety merit employees	(\$16,540,000)
Identify a reserve to offset critical state and federal reductions to include requirements for the Community Services Board and other Human Service programs. The CSB is directed to return to the Board at the May 8, 2012 Human Services Committee with specific FY 2013 actions to address budget challenges.	(\$4,178,357)

Based on feedback in response to Human Services Council Recommendations, a total of \$1,360,269 for Human Service priorities to maintain Access Fairfax (\$75,000 and 2 positions), Computer Learning Centers (\$90,000), Rent Relief (\$275,000), Adult Dental Program (\$100,000), Home Based Care (\$300,000), and School Health substitutes (\$71,735) and to provide additional support for the Funding Pool (\$448,534) to offset reductions in CDBG funding.	(\$1,360,269)
Increase funding for the County portion of the Community Challenge for the Housing Blueprint by \$1.3 million. Of the total, \$543,750 is funded with new General Fund dollars and \$756,250 is identified within existing Department of Housing and Community Development resources. In addition, \$2 million in funding for the 200 units of affordable housing identified in the FY 2013 Housing Blueprint is available in Fund 319, generated from program income, loan repayment and reallocations and the necessary funding adjustments will be made as part of the <i>FY 2012 Carryover Review</i> .	(\$543,750)
Restore 9 hours weekly at Regional Libraries resulting in hours as follows: Monday-Thursday 10–9, Friday 10–6, Saturday 10–5, Sunday 1–5. In addition restore 3 hours weekly at Community Libraries resulting in hours as follows: Monday 10–9, Tuesday and Thursday 1-9, Wednesday and Friday 10–6 and Saturday 10–5. An additional 14 part time positions are required to meet the staffing at Community libraries.	(\$674,359)
Increase funding for the Arts including for the Arts Council (\$50,000), the Fairfax Symphony (\$25,000), and Wolftrap (\$25,000)	(\$100,000)
Add funding for the regional 4H program	(\$10,000)
Increase funding and 2 positions for Fire Prevention	(\$131,283)
Maintain the Marine Patrol (2 positions)	(\$249,604)
Maintain the HAZMAT Support Unit (6 positions)	(\$460,668)
Redesign the Engineer and Surveyors Institute program	(\$150,000)
Maintain Police Cadets (convert positions to B-status)	(\$83,010)
Managed Reserve Adjustments	<u>(\$331,013)</u>
<b>Subtotal of Recommendations</b>	<b>(\$24,812,313)</b>
<b>Balance</b>	<b>\$0</b>