County of Fairfax, Virginia

MEMORANDUM

DATE: March 31, 2014
TO: Board of Supervisors
FROM: Susan W. Datta, Chief Financial Officer
SUBJECT: Responses to FY 2015 BOS Budget Questions – Package 2

Attached for your review is Package 2 of responses to Board questions on the FY 2015 budget. Additional questions and responses will be included in subsequent packages. If you have any questions or need additional information, please contact me.

The following responses are included in this package:

Question Number	Question	Supervisor	Pages
	Questions 1-11 answered in Package 1 dated March 11, 2014		*1-24*
12	Please provide a summary of the $35 million short-term borrowing capital renewal program. Please include the amount budgeted, sold and spent.	Foust	25-26
13	Please explain the new SACC staffing model and how you are able to achieve the $0.27 million savings.	Bulova	27
14	Regarding slide 29 of the County Executive's presentation, the market scale study for uniform fire and rescue staff, what is the average increase that will result?	Bulova	28
15	Please provide the benefits employees receive and the rate or amount each employee contributes towards that benefit, including retirement. Also provide the types of positions eligible for overtime and compensatory time.	Bulova	29-30
16	FCPS represented 52.7 percent of the FY 2014 budget. If FCPS received the same 52.7 percent of the 2015 Advertised Budget, what would the amount be?	Bulova	31
17	What percentage of the County's budget is salaries and benefits?	Bulova	32
18	Please explain the County's computer replacement program and funding associated with this program.	Bulova	33
19	Please provide information on the total amount of real estate taxes being paid by the RHA to Fairfax County on the properties owned by RHA. Please also include the total assessed value of all properties owned by the RHA.	Herrity	34
20	Please provide information on the feasibility of instituting a Residential Permit Parking Decal (RPPD) fee to offset the cost of administering the RPPD program.	Herrity	35
21	Please provide information on administrative, design, and project management costs for storm water management projects in FY 2014 and projected in FY 2015.	Herrity	36-37
22	Please identify the source of funding and the proposed payment schedule for the funding gap for the adaptive reuse project at the Laurel Hill site currently estimated to cost $12 million.	Herrity	38

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23	Please identify the source of funding and the proposed payment schedule for the events center for the Lorton Workhouse estimated to cost $5 million.	Herrity	39
24	Please provide amount spent on discretionary advertising, printing production, publications and public outreach by department. This should include advertisements in movie theaters, radio and print media.	Herrity	40-41
25	What were the implications to the Middle School After- School program of the $200,000 reduction in County funding in FY 2014? How much is being charged to participants?	McKay	42
26	If the County had approved the school request for transfer every year since 2008, what would the tax rate be today?	McKay	43
27	Please list the cost of police and fire overtime for each of the last five years, and the amount budgeted for FY 2015.	Cook	44
28	Please outline the fiscal and operational impact if firefighters were moved to a 40 hour work week (to reduce overtime) with appropriate hiring to keep current staffing levels.	Cook	45
29	Please outline the revenue that could be generated if an annual $250 per student charge for the Middle School After-School (MSAS) Program was instituted, exempting children eligible for free and reduced lunch.	Cook	46
30	What is the allocation for the former Penny for Affordable Housing in the FY 2015 budget and how it is proposed to be spent?	Cook	47
31	Referencing the WABE chart on slide 6 of the FCPS presentation on March 18, 2014, please provide information on how much of the 2014 cost per pupil is paid by the local government and how much is provided by the State.	McKay	48
32	Please provide comparative salary data on FCPS administrative staff.	Herrity	49-51
33	According to the latest CIP, FCPS has 900 trailers deployed. Can you confirm how many of those are owned by FCPS, how many are rented/leased, and what the leasing costs are annually for each unit.	McKay	52
34	How much of the School Board's flexibility reserve do you anticipate will remain unspent by fiscal year end?	McKay	53
35	Please provide information on FCPS funds for staffing reserve and historical usage of such funds.	Herrity	54

Attachment

cc: Edward L. Long Jr., County Executive
Patricia Harrison, Deputy County Executive
David J. Molchany, Deputy County Executive
David M. Rohrer, Deputy County Executive
Robert A. Stalzer, Deputy County Executive

Response to Questions on the FY 2015 Budget

Request By: Supervisor Foust

Question: Please provide a summary of the $35 million short-term borrowing capital renewal program. Please include the amount budgeted, sold and spent.

Response: As part of the FY 2011 Adopted Budget Plan, the Board of Supervisors approved a 3-year plan of short-term borrowing totaling $35 million for capital renewal projects. The 3-year plan was designed to eliminate the backlog and enable staff to determine a realistic level of annual funding for the future. The proposed short-term borrowing program for capital renewal was included in the debt capacity estimates in the Capital Improvement Program (CIP) and accommodated within established debt limits for General Fund supported debt. The following table includes the projects and details related to the $35 million.

The budget for the $35 million backlog was provided as follows: $5.0 million in FY 2011, $15 million in FY 2012, and $15 million in FY 2013. This funding provided support for the following types of projects: HVAC and electrical repairs and replacements, roof repairs and replacements, emergency generator replacement, fire alarm replacements, elevator and escalator upgrades, parking lot and garage repairs, window replacement, and other emergency building repairs, such as plumbing repairs, minor renovations to electrical and mechanical systems, structural repairs, vandalism abatement and other non-recurring construction repairs projects. All of the projects in these categories were categorized as “F” urgent safety related, or endangering life and/or property or “D” critical systems beyond their useful life or in danger of failure.

On December 3, 2013, the Board of Supervisors approved a contract award for a Direct Loan of $25 million to fund completed and projected expenses for capital renewal projects. The County received five proposals and the Selection Advisory Committee (SAC), appointed by the County Purchasing Agent, evaluated the proposals in accordance with the criteria established in the Request for Proposal (RFP). Upon completion of the final evaluation of the proposals, the SAC negotiated with the top ranked offeror and unanimously recommended the contract award to TD Bank, NA for the capital renewal direct loan.

The $25 million in bonds was sold based on the following actual and projected expenditures through FY 2014.

FY 2013 Actual Expenditures associated with Short Term Borrowing Program	$8.7 million
FY 2014 Expenditures Through 3/20/2014	$8.9 million
FY 2014 Encumbrances Through 3/20/2014	$5.7 million
Subtotal	***$23.3 million***
Anticipated to be expended/encumbered by June 30, 2014	$1.0 million
Total	**$24.3 million**

The remaining $10 million in short term borrowing support is currently appropriated and programmed for a variety of capital renewal projects. The largest portion of this funding, approximately $5.0 million, is set aside for escalator and elevator replacement/upgrades at the Jennings Judicial Center and the Adult Detention Center. Design work is either complete or nearing completion on these two large projects. Construction expenditures are anticipated to occur during FY 2015. Approximately $1.0 million is associated with several large projects including three HVAC replacement projects which will be completed as part of the renovation work being conducted at Pohick Library, Reston Library and Fair Oaks Fire Station. Expenditures associated with these projects are dependent on the construction schedules for the renovation work. In addition, the remaining $4.0 million is associated with renewal work required at the Old Courthouse. The timeline for this project is dependent on the completion of the master planning study currently underway at the Public Safety Complex which will include recommendations related to prioritizing the renewal work at the Old Courthouse. It is anticipated that the remaining short term bonds will be sold as encumbrances are put in place and/or cash is required, currently anticipated during FY 2015.

Response to Questions on the FY 2015 Budget

Request By: Chairman Bulova

Question: Please explain the new SACC staffing model and how you are able to achieve the $0.27 million savings.

Response: The School-Age Child Care (SACC) program supports working families by providing child care services (both during the school year including spring, summer, and winter vacations and during the summer) to children in kindergarten through sixth grade, as well as older children with disabilities. During the school year, approximately 10,000 children are served in 138 SACC centers located in 137 Fairfax County Public Schools and one recreation center. The school year SACC program operates a before-school program, operating from 7:15 A.M. until school begins, as well as an after-school program running from the end of the school day until 6:15 P.M. SACC winter, spring, and summer programs are provided in consolidated school sites throughout the County. Separate fees are paid for each of the SACC programs.

The SACC school year program is offered on a schedule that corresponds to the Fairfax County Public Schools (FCPS) schedule. Traditionally, a new SACC room was opened utilizing merit employees. Beginning in FY 2010, new SACC rooms were opened using a modified staffing model which utilized a combination of merit and benefits-eligible employees. Based on the success of the new model, along with the implementation of full day kindergarten at all remaining elementary schools, staff is now implementing the new model in all SACC rooms. The new staffing model is being implemented as merit positions become vacant. Based on the current rate of attrition, it is anticipated that 30 merit positions will be converted in FY 2014 and the remaining positions in FY 2015. The new staffing model does not impact capacity as the number of staff and hours worked is not changing, just the combination of merit and benefits-eligible employees.

Savings are achieved as positions are filled with benefits-eligible employees who have lower fringe benefit levels than merit employees.

Response to Questions on the FY 2015 Budget

Request By: Chairman Bulova

Question: Regarding slide 29 of the County Executive's presentation, the market scale study for uniform fire and rescue staff, what is the average increase that will result?

Response: Funding of $5.19 million is included for the full-year impact of a 3.0 percent increase effective July 2014 for all uniformed Fire and Rescue employees based on the County's current methodology which is to make adjustments to Public Safety pay scales when the midpoints of two out of three designated classes in each of the Public Safety groups fall more than 5 percent behind the market average midpoints. For Fire, those classes are Firefighter, Fire Technician, and Battalion Chief. Current compensation policy is to target the 50th percentile of midpoint pay rates of Metropolitan Washington area comparators: City of Alexandria, Arlington County, District of Columbia, Loudoun County, Montgomery County, Prince George's County, and Prince William County. Midpoint rates provide a consistent point of comparison in analyzing rates of employers with various pay range (minimum to maximum) spreads. As agreed upon by the Board of Supervisors and the Fire and Rescue Department, the average of the hourly midpoint rates is used rather than the annual midpoint rates.

For FY 2015, analysis of the market using the above methodology and policy results in the requirement for a pay adjustment for Fire and Rescue classes. A 3.0 percent adjustment results in 2 of the 3 classes being in market.

Response to Questions on the FY 2015 Budget

Request By: Chairman Bulova

Question: Please provide the benefits employees receive and the rate or amount each employee contributes towards that benefit, including retirement. Also provide the types of positions eligible for overtime and compensatory time.

Response: **Employee Benefits**

The table below shows the benefits that are available to County employees and the employee and County contribution rates for each. It should be noted that contribution rates shown are based on full-time employment in a merit position. County contributions for some benefit categories are reduced for part-time employees. Some benefit categories are not available to all employees (e.g. non-merit positions are not eligible for retirement benefits).

Benefit	Employee Contribution	County Contribution
Retirement		
Employees' Retirement System	Plans A & C: 4.00 percent of salary up to the Social Security Wage Base and 5.33 percent of salary over the Social Security Wage Base Plans B & D: 5.33 percent of salary	Actuarially determined rate is proposed to be 20.18 percent of salary in FY 2015
Uniformed Retirement System	Plans D & E (members hired after April 1, 1997): 7.08 percent of salary	Actuarially determined rate is proposed to be 37.90 percent of salary in FY 2015
Police Officers Retirement System	Proposed to be reduced from 10.00 percent of salary in FY 2014 to 9.32 percent of salary in FY 2015	Actuarially determined rate is proposed to be 36.23 percent of salary in FY 2015
Medical Insurance (premiums differ by plan for the 5 health insurance options offered by the County)		
Individual Coverage	15 percent of premium	85 percent of premium
2 Party or Family Coverage	25 percent of premium	75 percent of premium
Dental Insurance	50 percent of premium	50 percent of premium
Vision Insurance *(premiums are included in Medical Insurance premiums)*		
Individual Coverage	15 percent of premium	85 percent of premium
2 Party or Family Coverage	25 percent of premium	75 percent of premium
Flexible Spending Accounts	100 percent of elected amount	-
Deferred Compensation	100 percent of elected amount	-

Benefit	Employee Contribution	County Contribution
Life Insurance	100 percent of premium for additional coverage elected in excess of County-funded basic coverage. Employees may elect additional coverage in the amount of up to four times the employee's annual salary.	100 percent of premium for basic coverage at one times the employee's annual salary
Long Term Disability Insurance	100 percent of premium	-
FICA *(includes Social Security and Medicare)*	7.65 percent of salary	7.65 percent of salary

Overtime and Compensatory Time Eligibility

All employees, except those defined as senior managers, are eligible for compensation for overtime hours worked. FLSA Eligible Employees are compensated at 1.5 times their regular rate of pay or receive 1.5 hours of compensatory time for overtime hours worked. Straight Pay Eligible Employees earn straight compensatory time or are paid at their hourly rate of pay for overtime hours worked, at the discretion of their supervisor. Compensatory Time Eligible Employees earn straight compensatory time for overtime hours worked.

The definitions of these eligibility groups are contained in the Personnel Regulations and are as follows:

FLSA Eligible (FLSA Non-exempt)
An employee who holds a position covered by the minimum wage, mandatory overtime, or recordkeeping provisions of the FLSA. FLSA Eligible employees must be compensated with overtime pay or compensatory time for all hours worked over the FLSA threshold for overtime, as outlined in the definition of overtime. FLSA Eligible employees are in pay grades S-21, P-23, O/C-21, F-22 and below. Exceptions are noted in a procedural memorandum issued by the Human Resources Director.

Straight Pay Eligible
Employees in pay grades S-22 to S-25, P-24 to P-26, O-22 to O-26, C-22 to C-26, F-25 to F-29 and L-01. Exceptions are noted in a procedural memorandum issued by the Human Resources Director.

Compensatory Time Eligible
Employees in pay grades S-26, P/O/C-27, F-31 or above and L-02 or above, excluding any classes designated as exceptions in a procedural memorandum issued by the Human Resources Director.

Response to Questions on the FY 2015 Budget

Request By: Chairman Bulova

Question: FCPS represented 52.7 percent of the FY 2014 budget. If FCPS received the same 52.7 percent of the FY 2015 Advertised Budget, what would the amount be?

Response: An increase in the Schools transfers as a percentage of overall County disbursements could be achieved by reducing County disbursements only or by increasing revenue and cutting County disbursements.

To maintain disbursements at the current FY 2015 Advertised level and provide 52.7 percent of the funding to FCPS would require cutting County disbursements by $23.75 million, generating an increase in the same amount for FCPS.

Schools at 52.7% by Reducing County Spending			
	FY 2015 Advertised	Adjusted Funding Levels	Change
Total General Fund Disbursements	$3,704,394,576	$3,704,394,576	0
County Disbursements	$1,775,924,894	$1,752,178,634	($23,746,260)
School Disbursements	$1,928,469,682	$1,952,215,942	$23,746,260
School Operating Transfer	*$1,751,328,506*	*$1,775,074,766*	*$23,746,260*
School Debt	*$177,141,176*	*$177,141,176*	*$0*
Schools %	52.1%	52.7%	

To increase the Schools contributions to 52.7 percent without adjusting County disbursements would require an increase in revenues of over $50 million. Given that the advertised 2 cent Real Estate Tax rate increase would generate only an additional $43.73 million, County disbursements would need to be reduced in order to increase the Schools percentage to 52.7 percent. In this scenario, County disbursements would be reduced by $3.06 million and the School Operating transfer would be increased by $46.79 million.

Schools at 52.7% by Increasing Revenues and Reducing County Spending			
	FY 2015 Advertised	Adjusted Funding Levels	Change
Total General Fund Disbursements	$3,704,394,576	$3,748,124,252	$43,729,676
County Disbursements	$1,775,924,894	$1,772,862,771	($3,062,123)
School Disbursements	$1,928,469,682	$1,975,261,481	$46,791,799
School Operating Transfer	*$1,751,328,506*	*$1,798,120,305*	*$46,791,799*
School Debt	*$177,141,176*	*$177,141,176*	*$0*
Schools %	52.1%	52.7%	

It should be noted that the calculations above do not include the impact of County revenue adjustments which will be made as part of the FY 2015 Add-On process or the impact of increases in the Managed Reserve or Revenue Stabilization Fund based on increased disbursement levels. Calculations also do not assume any use of the balance currently available in the FY 2015 Advertised Budget Plan.

Response to Questions on the FY 2015 Budget

Request By: Chairman Bulova

Question: What percentage of the County's budget is salaries and benefits?

Response: In the FY 2015 Advertised Budget Plan, salaries and benefits are 77.7 percent of total General Fund Direct Expenditures, which represents the best comparator for the Schools Operating Fund.

Salaries and Fringe as a % of Total General Fund Direct Expenditures	
Personnel Services	$745,806,755
Fringe Benefits	$312,330,626
Total	$1,058,137,381
Total Direct Expenditures	$1,361,286,419
%	77.7%

Response to Questions on the FY 2015 Budget

Request By: Chairman Bulova

Question: Please explain the County's computer replacement program and funding associated with this program.

Response: The PC Replacement Program, which is managed within Fund 60030, Technology Infrastructure Services, oversees the scheduled replacement of desktop and laptop devices within the County. The regularly scheduled replacement of this equipment helps County agencies remain current with technology advancements that could affect their services. In recent years, several changes were made to the program to maximize efficiencies while ensuring the County remains current with technology related advancements.

In FY 2010, $4.3 million in savings was achieved by deferring PC Replacements. The PC refresh cycle - how often PCs are replaced - remained at 4 years but all PCs programmed to be replaced in FY 2010 were moved into future years. In FY 2014, the PC Replacement Program was permanently moved from a 4 year to a 5 year PC refresh cycle as part of a long term PC replacement strategy. A one-time transfer to the General Fund of $1.5 million was accommodated within this proposal based on a lower number of hardware replacements.

As part of FY 2015 budget development, a detailed inventory of PCs was conducted and recommendations for future program requirements were included in the FY 2015 Advertised Budget Plan. These recommendations included increasing General Fund support of the PC Replacement Program by $708,500 to cover additional costs primarily associated with increased license and software requirements.

Response to Questions on the FY 2015 Budget

Request By: Supervisor Herrity

Question: Please provide information on the total amount of real estate taxes being paid by the RHA to Fairfax County on the properties owned by RHA. Please also include the total assessed value of all properties owned by the RHA.

Response: According to a February 23, 2012 opinion from the Office of the County Attorney: "Article X, § 6(a)(1) of the Virginia Constitution exempts the Commonwealth and 'any political subdivision thereof' from state and local property taxes. Pursuant to § 36-4 of the Virginia Code, the FCRHA, as a housing authority, is a 'political subdivision of the Commonwealth.' Thus, the FCRHA does not owe real property taxes to the County."

However, certain RHA affordable housing properties are owned by for-profit partnerships formed for the specific purpose of utilizing Low-Income Housing Tax Credit (LIHTC) financing for acquisition and/or rehabilitation. The properties in these partnerships are shown in the chart below. The total real estate taxes paid for these properties in FY 2013 was $691,960.

PROPERTY	AMOUNT
Castellani Meadows	$1,828
Cedar Ridge	$210,914
Gum Springs	$46,323
Herndon Harbor I	$45,280
Herndon Harbor II	$36,847
Morris Glen	$27,856
Murraygate	$67,449
Olley Glen	$67,058
Stonegate	$89,057
Tavenner – Public Housing	$9,901
Tavenner – Fairfax County Rental Program	$9,901
Westglade – Public Housing	$39,773
Westglade – Fairfax County Rental Program	$39,773
TOTAL	**$691,960**

Per the June 2011 report of the Office of Financial and Program Audit (OFPA), the total assessed value of the rental properties owned and/or operated by the Fairfax County Redevelopment and Housing Authority was $295,495,535. The OFPA report covered 75 properties, and also included properties owned by for-profit partnerships formed for the purpose of utilizing Low-Income Housing Tax Credit (LIHTC) financing for acquisition and/or rehabilitation. The OFPA report excluded group homes and homeless shelters owned by the RHA, as well as the Woodley Hills Estates mobile home park, which is an affordable homeownership property where income-qualified mobile home owners pay a pad rental.

It should be noted that the only rental property acquired by the RHA since the June 2011 OFPA report was Mount Vernon Gardens, purchased via a foreclosure sale in FY 2014. According to Department of Tax Administration (DTA) records, the current assessed value of Mount Vernon Gardens is $2,705,250.

Response to Questions on the FY 2015 Budget

Request By: Supervisor Herrity

Question: Please provide information on the feasibility of instituting a Residential Permit Parking Decal (RPPD) fee to offset the cost of administering the RPPD program.

Response: At the Board's direction, an RPPD decal fee could be established to offset the cost of administering this program; however, it should be noted that this fee was eliminated by specific Board action in June 2003. At that time, the fee was $40/decal; however, the fee was often waived by the Board, thus it generated very little actual revenue.

Implementation of a $25 RPPD fee would generate an estimated $200,325 in additional revenue in FY 2015 assuming that the fee was not waived. This amount is based on the 8,013 vehicle permits issued through the County's Residential Parking Program District (RPPD) during the FY 2011-12 renewal cycles. RPPD permits have traditionally been valid for two years at a time. The various RPPD districts were separated into two renewal cycles, where one set of renewals expire in odd-numbered years and another to expire in even-numbered years.

Response to Questions on the FY 2015 Budget

Request By: Supervisor Herrity

Question: Please provide information on administrative, design, and project management costs for storm water management projects in FY 2014 and projected in FY 2015.

Response: Stormwater Services are essential 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. Capital projects funded in the Stormwater Service Fund include 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. This funding also supports the implementation of watershed master plans, public outreach efforts, and stormwater monitoring activities as well as operational maintenance programs related to the existing storm drainage infrastructure as it pertains to stormwater conveyance and stormwater quality improvements.

In FY 2014, the Stormwater levy of $0.020 per $100 of assessed real estate value is anticipated to generate $41.2 million, supporting $17.6 million for staff and operational costs, and $23.6 million for capital project implementation primarily for stream and water quality improvements, conveyance system rehabilitation, regulatory requirements and dam safety requirements.

In FY 2015, the Stormwater levy is proposed to increase to $0.0225 per $100 of assessed real estate value and is projected to generate $49.185 million, supporting $19.078 million for staff and operational costs and $30.107 million for capital project implementation primarily for stream and water quality improvements, conveyance system rehabilitation, regulatory requirements and dam safety requirements.

Staff has developed a 5-year spending and rate plan beginning in FY 2015 to support approximately $282 million in required projects and operational support. The plan includes an annual increase in the rate of ¼ penny each year to address a number of goals. First, it will provide for constructing and operating stormwater management facilities, including stream restorations, new and retrofitted ponds, and installation of Low Impact Development (LID) techniques, required to comply with the federally mandated Chesapeake Bay Program which requires the County to reduce Phosphorus, Nitrogen, and sediment loads to the Potomac River and Chesapeake Bay. Second, it will aid the planning, construction, and operation of stormwater management facilities required to comply with State established local stream standards by reducing bacteria, sediments, and Polychlorinated Biphenyl (PCB) entering local streams. Third, the increase will support inspecting, mapping, monitoring, maintaining, and retrofitting of existing stormwater facilities; collecting data and reporting; providing community outreach and education, new training programs to employees, and new County facilities; and developing new TMDL (Total Maximum Daily Loads) Action Plans for impaired streams related to the MS4 Permit requirements. Finally, it will facilitate the maintaining, rehabilitating, and reinvesting in the County's conveyance system.

The Stormwater program supports Maintenance (Repairs & Rehabilitation), Development Review, MS4 Permit Compliance, and Capital Projects. The Administrative Costs associated with support for Capital Projects are estimated at 1% of the total Stormwater budget. In addition, Design Costs and Project Management costs for Capital Projects are estimated at 24% and 6% of the total Stormwater budget respectively. Costs in dollars are listed below for both FY 2014 and proposed for FY 2015.

	FY 2014	**FY 2015**
Administrative Expenses	$469,680	$560,709
Design Expenses	$9,817,960	$11,720,786
Project Management	$2,682,120	$3,201,944

Response to Questions on the FY 2015 Budget

Request By: Supervisor Herrity

Question: Please identify the source of funding and the proposed payment schedule for the funding gap for the adaptive reuse project at the Laurel Hill site currently estimated to cost $12 million.

Response: The source of funding for the County's contribution to the Laurel Hill Adaptive Reuse project is appropriate for one time funding. Staff is reviewing the gap to utilize various funding sources as appropriate, not just the General Fund. It is anticipated that a recommendation for the first portion of the funding will be included in the *FY 2014 Carryover Review.*

Response to Questions on the FY 2015 Budget

Request By: Supervisor Herrity

Question: Please identify the source of funding and the proposed payment schedule for the events center for the Lorton Workhouse estimated to cost $5 million.

Response: There is no source of funding identified for the Events Center at the Lorton Workhouse at this time. Staff is also reviewing available tax credits to reduce the cost of the project. If the Board wishes to proceed with completion of the Events Center staff will identify appropriate options for funding.

Response to Questions on the FY 2015 Budget

Request By: Supervisor Herrity

Question: Please provide amount spent on discretionary advertising, printing production, publications and public outreach by department. This should include advertisements in movie theaters, radio and print media.

Response: The following table provides total FY 2013 expenditures by General Fund agency for printing and publication services only. It should be noted that the County's financial system does not include a distinction between discretionary and nondiscretionary spending in these categories, and therefore the totals shown below include items such as printing election ballots, publishing annual budget volumes and quarterly review packages, and preparing tax documents for mailing.

#	Agency Title	FY 2013 Actual
01	Board of Supervisors	$30,921
02	Office of the County Executive	21,640
04	Department of Cable and Consumer Services	4,361
06	Department of Finance	15,376
08	Facilities Management Department	9,008
11	Department of Human Resources	43,531
12	Department of Purchasing and Supply Management	6,997
13	Office of Public Affairs	30,135
15	Office of Elections	290,466
16	Economic Development Authority	50,036
17	Office of the County Attorney	1,926
20	Department of Management and Budget	33,938
26	Office of Capital Facilities	34,340
31	Land Development Services	8,211
35	Department of Planning and Zoning	16,098
36	Planning Commission	804
39	Office of Human Rights and Equity Programs	1,878
40	Department of Transportation	9,209
41	Civil Service Commission	143
51	Fairfax County Park Authority	82,325
52	Fairfax County Public Library	60,388
57	Department of Tax Administration	197,402
67	Department of Family Services	211,112
68	Department of Administration for Human Services	7,451
70	Department of Information Technology	26,330
71	Health Department	60,581
73	Office to Prevent and End Homelessness	5,132

#	Agency Title	FY 2013 Actual
79	Department of Neighborhood and Community Services	72,798
80	Circuit Court and Records	44,051
81	Juvenile and Domestic Relations District Court	11,782
82	Office of the Commonwealth's Attorney	182
85	General District Court	36,701
89	Employee Benefits	27,594
90	Police Department	84,875
91	Office of the Sheriff	57,152
92	Fire and Rescue Department	38,253
93	Office of Emergency Management	5,997
97	Department of Code Compliance	1,971
	Total	**$1,641,095**

Response to Questions on the FY 2015 Budget

Request By: Supervisor McKay

Question: What were the implications to the Middle School After-School (MSAS) program of the $200,000 reduction in county funding in FY 2014? How much is being charged to participants?

Response: The $200,000 reduction in funding to MSAS reduced General Fund support for the program from $3,263,173 to $3,063,173 requiring the program to reduce the number of available activity offerings, ultimately leading to a lowering of overall participation rates. The reduction manifested itself in a $7,700 cut in program operations in each of the 26 middle schools. Program operations include hourly staff, supplies and equipment, and snacks. To meet this reduction, 20 middle schools reduced the number of club activities and/or the frequency of club meetings; six middle schools eliminated the college visit which was part of the College Partnership Program; and across all 26 middle schools, 17 STEM (Science, Technology, Engineering, and Mathematics) activities were eliminated. In addition, equipment was not upgraded or replaced and fewer snacks were offered to the students.

Both the scope and quality of the after-school initiative were impacted as student-centered project-based learning opportunities – which enhanced student engagement - were replaced by large student-staff ratio activities. Some teaching staff chose not to work in the after-school program because of the reduction in hours and or reduced pay scale. Personalized student attention with the counselors and teachers has been diminished resulting in fewer students not being directed to specific activities that would address their academic, social, and/or behavioral needs. Fewer clubs and activities are offered on non-late bus days which means that students who need to stay after do not. This also leads to less supervision and less opportunity to build a relationship with each student.

The after-school program specialists report a drop in after-school attendance this school year. The average student attendance for the 2012-13 school year was 21,126 students per week (duplicated number). Early estimates for the 2013-14 school year indicate a decrease of as much as 5 percent, or 1,056 students per week. It should be noted that attendance had been growing by about 4.5 percent per year over the previous five years.

No fees are charged to students.

Response to Questions on the FY 2015 Budget

Request By: Supervisor McKay

Question: If the County had approved the school request for transfer every year since FY 2008, what would the tax rate be today?

Response: The table below summarizes the Advertised school transfer requests since FY 2008, the actual transfers adopted by the Board of Supervisors, and what the impact on the Real Estate tax rate would have been if the Board had fully funded the school transfer request.

Fiscal Year	Advertised Schools Transfer Request	Actual Transfer	Difference	Real Estate Tax Rate	Value of a Real Estate Penny	Additional Pennies Needed to Fully Fund School Request*	Tax Rate at Requested Schools Transfer
FY 2008	$1,603,645,743	$1,586,600,722	($17,045,021)	$0.890	$22,798,042	$0.01	$0.900
FY 2009	1,650,347,739	1,626,600,722	(23,747,017)	0.920	22,866,761	$0.01	$0.930
FY 2010	1,683,372,525	1,626,600,722	(56,771,803)	1.040	20,614,700	$0.03	$1.070
FY 2011	1,708,500,908	1,611,590,477	(96,910,431)	1.090	18,682,960	$0.05	$1.140
FY 2012	1,659,137,134	1,610,834,722	(48,302,412)	1.070	19,283,037	$0.03	$1.100
FY 2013	1,746,669,819	1,683,322,285	(63,347,534)	1.075	19,951,957	$0.03	$1.105
FY 2014	1,778,711,087	1,716,988,731	(61,722,356)	1.085	20,654,537	$0.03	$1.115
FY 2015	1,815,133,009	1,751,328,506	(63,804,503)	1.085	21,873,155	$0.03	$1.115

** Rounded to the nearest penny*

Since each request was based on the amount <u>funded</u> in the previous year, it is impossible to estimate what the requests would have been if each transfer request had been funded so the tax rate changes provided above are not cumulative.

Response to Questions on the FY 2015 Budget

Request By: Supervisor Cook

Question: Please list the cost of police and fire overtime for each of the last five years, and the amount budgeted for FY 2015.

Response: The following charts reflect actual spending on Police Department and Fire and Rescue Department overtime from FY 2009 through FY 2013; year-end projections for FY 2014; and the amount budgeted for FY 2015.

While there is a base amount of overtime that is expended annually there are also a number of variables each year that impact the actual expenditures. For example, the number of snow days, the number of vacancies and how long positions are vacant are variables each year, with snow days being a significant FY 2014 factor. In addition, the decision to staff the new Wolftrap Fire Station early in FY 2014 (using overtime) is an example of a variable that may be specific to a given year. The amount budgeted for overtime is not adjusted each year to reflect these variables. Instead, agencies manage their staffing requirements with the total budgeted for all salary costs (including regular salaries, overtime, limited term, shift differential and offset by required position turnover savings). The charts below include these multiple categories to provide a fuller context.

Fire and Rescue Dept. Personnel Services Expenditures ($ in Millions)				
Fiscal Year	**Salaries**	**Overtime**	**ELT/Shift/ Other**	**Total**
FY 2009 Actuals	$122.6	$12.4	$3.6	$138.6
FY 2010 Actuals	$120.7	$16.5	$3.3	$140.5
FY 2011 Actuals	$117.3	$15.5	$3.4	$136.2
FY 2012 Actuals	$118.6	$17.0	$2.2	$137.8
FY 2013 Actuals	$120.0	$18.7	$3.3	$142.0
FY 2014 *Year-End Projection*	$124.9	$20.4	$3.1	$148.4
FY 2015 *Budgeted (1)*	$141.8	$10.5	$2.8	$155.1

Police Department Personnel Services Expenditures ($ in Millions)				
Fiscal Year	**Salaries**	**Overtime**	**Shift/Other**	**Total**
FY 2009 Actuals	$127.4	$18.2	$1.4	$147.0
FY 2010 Actuals	$124.9	$17.4	$1.4	$143.7
FY 2011 Actuals	$123.6	$16.3	$1.4	$141.3
FY 2012 Actuals	$123.1	$16.9	$2.7	$142.7
FY 2013 Actuals	$125.2	$19.4	$3.3	$147.9
FY 2014 *Year-End Projection*	$127.0	$19.3	$3.4	$149.7
FY 2015 *Budgeted (1)*	$133.5	$18.2	$1.5	$153.2

(1) As noted above, the amount budgeted for individual categories such as overtime is not adjusted each year to reflect year-to-year variables, but agencies manage to the bottom line Personnel Services budget.

Response to Questions on the FY 2015 Budget

Request By: Supervisor Cook

Question: Please outline the fiscal and operational impact if firefighters were moved to a 40 hour work week (to reduce overtime) with appropriate hiring to keep current staffing levels.

Response: The Fairfax County Fire and Rescue Department (FRD) operates on a 24 hour shift schedule comprised of three separate shifts – A, B and C shift. The work period for fire protection personnel is a 28 consecutive calendar day period covering four weeks or two pay periods. The number of hours worked during the 28 day work period may vary depending on shift schedules with 240 hours as the maximum and 216 hours as the minimum. Previous analysis has shown this to be more cost effective than adding additional positions.

According to the Fair Labor Standards Act (FLSA), overtime for fire protection personnel shall include all hours worked or on paid leave in excess of 212 hours in a 28 day work period. Therefore the question posed above is: what would the cost savings and operational impact be to reduce the number of hours worked in order to eliminate the overtime hours currently built into the staffing schedule – 28 hours as a maximum and 4 hours at minimum. There would be a significant savings in overtime; however, a transition to a 40 hour work week would require adding another shift of 350 personnel to the uniformed ranks of FRD. Peer departments currently operating on a 42 hour work week require a fourth shift to meet minimum staffing and coverage requirements. With full staffing of Fire Station 42, Wolftrap and the safe staffing positions associated with the Staffing for Adequate Fire and Emergency Response (SAFER) grant, the daily minimum staffing for FRD is 350 personnel for each current shift.

Before specific fiscal impacts could be estimated and to fully understand the ramifications and options available regarding daily work/shift hours for a 40 hour work week, a comprehensive study and analysis of employee leave trends and the impact on mandatory training and certification requirements is required.

Response to Questions on the FY 2015 Budget

Request By: Supervisor Cook

Question: Please outline the revenue that could be generated if an annual $250 per student charge for the Middle School After-School (MSAS) Program was instituted, exempting children eligible for free and reduced lunch.

Response: The 2012-13 school year MSAS registration totaled approximately 25,000 students. Of that number the average student attendance for the 2012-13 school year was 21,126 students per week (duplicated number), with 13,863 students considered regular attendees. The extent to which a new fee will reduce participation is hard to predict, but it is assumed the regular attendees would be the most likely students to stay in the program as registered participants in the event a fee is implemented. Assuming the current broader school population free and reduced lunch rate of 27 percent, 10,120 students would pay the fee, for a total revenue generation of $2.53 million.

It should be noted that the MSAS program was initiated as a core component of the Board of Supervisors efforts to reduce gang presence in our communities. The MSAS program is a key element in the school division's and county's initiatives to not only combat gangs but to improve student behavior, improve academic performance, and develop healthy and successful youth. As such, significant effort was put into encouraging participation among as many middle school youth as possible. The decision not to implement a fee from the beginning of the program was a part of those efforts.

While the MSAS program receives the majority of its funding from the County's general fund, the program is officially a Fairfax County Public Schools program and as such any adoption of a program fee requires the approval of the Fairfax County School Board.

Response to Questions on the FY 2015 Budget

Request By: Supervisor Cook

Question: What is the allocation for the former Penny for Affordable Housing in the FY 2015 budget and how it is proposed to be spent?

Response: In FY 2015, funding of $16,478,400 is comprised of appropriations of $10,930,000 in Real Estate Tax Revenue and $5,548,400 in revenues, including rents from the Wedgewood and Crescent Apartments.

The FY 2015 funding is allocated as follows:

- $5,751,750 for Wedgewood for the annual debt service;
- $5,000,000 for the Housing Blueprint project;
- $3,507,732 for Crescent Apartments for the annual debt service;
- $1,953,918 to fund the Bridging Affordability Program portion of the Housing Blueprint; and
- $265,000 for Affordable/Workforce Housing.

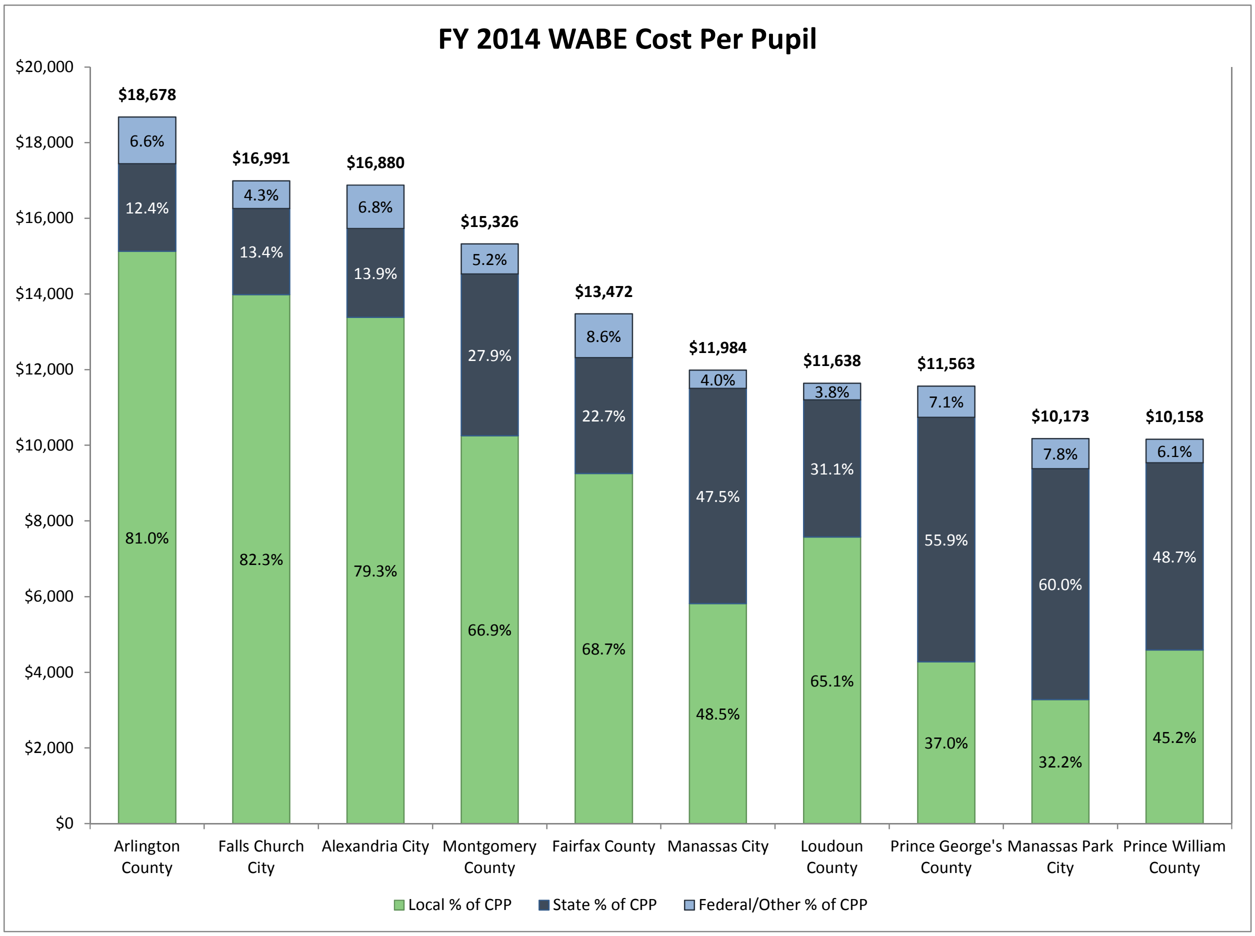
Response to Questions on the FY 2015 Budget

Request By: Supervisor McKay

Question: Referencing the WABE chart on slide 6 of the FCPS presentation on March 18, 2014, please provide information on how much of the 2014 cost per pupil is paid by the local government and how much is provided by the State.

Response: The following response was prepared by Fairfax County Public Schools (FCPS):

The chart below represents the percentage of Cost Per Pupil (CPP) covered by Local, State, and Federal/Other revenue sources as reported in the Washington Area Boards of Education (WABE) Guide.



Response to Questions on the FY 2015 Budget

Request By: Supervisor Herrity

Question: Please provide comparative salary data on FCPS administrative staff.

Response: The following response was prepared by Fairfax County Public Schools (FCPS):

The Department of Human Resources conducted a regional market comparison of 2014 salaries for principals and assistant principals among local school districts. FCPS is within market for elementary, middle, and high school principals and assistant principals.

2014 Regional Market Comparison Principal-High School Compensation Rates					
Local School Jurisdiction	Minimum Daily Rate	Midpoint Daily Rate	Maximum Daily Rate	Factor for Benefits	Estimated Midpoint Daily Rate (including benefits)
Alexandria City	$602.70	$658.69	$714.67	25.05%	$823.68
Arlington County	$402.48	$522.03	$641.57	22.58%	$639.88
Loudoun County	$413.37	$505.29	$597.20	25.61%	$634.68
Montgomery County	$434.40	$500.01	$565.61	33.59%	$667.94
Prince William County	$396.57	$516.47	$636.37	21.78%	$628.97
Local School Average	$449.90	$540.50	$631.08	25.72%	$679.03
FCPS	$465.32	$526.05	$586.78	27.69%	$671.72
FCPS to Market	**1.03**	**0.97**	**0.93**		**0.99**

2014 Regional Market Comparison
Principal-Middle School

Compensation Rates					
Local School Jurisdiction	Minimum Daily Rate	Midpoint Daily Rate	Maximum Daily Rate	Factor for Benefits	Estimated Midpoint Daily Rate (including benefits)
Alexandria City	$387.77	$499.95	$612.12	29.15%	$645.67
Arlington County	$383.32	$497.17	$611.03	23.01%	$611.55
Loudoun County	$386.51	$472.32	$558.12	26.42%	$597.11
Montgomery County	$409.81	$472.14	$534.46	34.44%	$634.75
Prince William County	$363.88	$473.91	$583.93	22.59%	$580.94
Local School Average	$386.26	$483.10	$579.93	27.12%	$614.01
FCPS	$447.39	$505.79	$564.18	28.07%	$647.78
FCPS to Market	**1.16**	**1.05**	**0.97**		**1.06**

2014 Regional Market Comparison
Principal-Elementary School

Compensation Rates					
Local School Jurisdiction	Minimum Daily Rate	Midpoint Daily Rate	Maximum Daily Rate	Factor for Benefits	Estimated Midpoint Daily Rate (including benefits)
Alexandria City	$369.31	$476.14	$582.97	30.00%	$618.97
Arlington County	$383.32	$497.17	$611.03	23.01%	$611.55
Loudoun County	$361.43	$449.24	$537.05	27.06%	$570.81
Montgomery County	$386.62	$448.30	$509.98	35.26%	$606.36
Prince William County	$348.36	$453.70	$559.04	23.02%	$558.14
Local School Average	$369.81	$464.91	$560.01	27.67%	$593.17
FCPS	$430.16	$486.30	$542.45	28.47%	$624.76
FCPS to Market	**1.16**	**1.05**	**0.97**		**1.05**

2014 Regional Market Comparison
Assistant Principal-High School

Compensation Rates					
Local School Jurisdiction	Minimum Daily Rate	Midpoint Daily Rate	Maximum Daily Rate	Factor for Benefits	Estimated Midpoint Daily Rate (including benefits)
Alexandria City	$325.54	$426.13	$526.72	32.09%	$562.89
Arlington County	$347.67	$450.95	$554.22	23.93%	$558.88
Loudoun County	$337.98	$419.95	$501.92	27.97%	$537.43
Montgomery County	$364.73	$430.85	$496.97	35.91%	$585.58
Prince William County	$333.51	$434.35	$535.19	24.10%	$539.04
Local School Average	$341.89	$432.45	$523.00	28.80%	$556.76
FCPS	$324.15	$425.96	$527.76	32.15%	$562.90
FCPS to Market	**0.95**	**0.99**	**1.01**		**1.01**

2014 Regional Market Comparison Assistant Principal-Middle School Compensation Rates					
Local School Jurisdiction	**Minimum Daily Rate**	**Midpoint Daily Rate**	**Maximum Daily Rate**	**Factor for Benefits**	**Estimated Midpoint Daily Rate (including benefits)**
Alexandria City	$325.54	$426.13	$526.72	32.09%	$562.89
Arlington County	$347.67	$450.95	$554.22	23.93%	$558.88
Loudoun County	$316.06	$392.57	$469.08	28.95%	$506.23
Montgomery County	$364.73	$427.98	$491.22	36.03%	$582.16
Prince William County	$319.30	$415.84	$512.39	25.29%	$521.00
Local School Average	$334.66	$422.69	$510.73	29.26%	$546.23
FCPS	$324.15	$415.79	$507.42	32.49%	$550.88
FCPS to Market	**0.97**	**0.98**	**0.99**		**1.01**

2014 Regional Market Comparison Assistant Principal-Elementary School Compensation Rates					
Local School Jurisdiction	**Minimum Daily Rate**	**Midpoint Daily Rate**	**Maximum Daily Rate**	**Factor for Benefits**	**Estimated Midpoint Daily Rate (including benefits)**
Alexandria City	$310.03	$412.11	$514.18	35.17%	$557.05
Arlington County	$331.12	$429.47	$527.82	24.43%	$534.40
Loudoun County	$295.58	$366.99	$438.40	30.00%	$477.08
Montgomery County	$364.73	$427.98	$491.22	36.03%	$582.16
Prince William County	$289.34	$390.96	$492.58	26.08%	$492.92
Local School Average	$318.16	$405.50	$492.84	30.34%	$528.72
FCPS	$324.15	$415.78	$507.42	32.49%	$550.87
FCPS to Market	**1.02**	**1.03**	**1.03**		**1.04**

A full report of FCPS market comparison can be found in the Department of Human Resources Operational Expectations Monitoring Report available at the link below.

http://www.boarddocs.com/vsba/fairfax/Board.nsf/files/9DQ48M7865F9/$file/FY14%20Consolidated%20Surveys%20attachment%20%231.pdf

Response to Questions on the FY 2015 Budget

Request By: Supervisor McKay

Question: According to the latest CIP, FCPS has 900 trailers deployed. Can you confirm how many of those are owned by FCPS, how many are rented/leased, and what the leasing costs are annually for each unit.

Response: The following response was prepared by Fairfax County Public Schools (FCPS):

All of the deployed trailers are owned by FCPS, none of the units are leased or rented.

Response to Questions on the FY 2015 Budget

Request By: Supervisor McKay

Question: How much of the School Board's flexibility reserve do you anticipate will remain unspent by fiscal year end?

Response: The following response was prepared by Fairfax County Public Schools (FCPS):

The School Board flexibility reserve is normally maintained at $8.0 million to meet unforeseen needs. Each year, any unused portion of the reserve is carried forward to the next fiscal year with School Board approval. For this reason, the flexibility reserve is only reflected in the current year’s revised budget and is not budgeted in the approved budget.

In FY 2010, $3.8 million was needed at midyear to balance the budget primarily due to a reduction in sales tax revenue. The reserve was restored with savings identified throughout the remainder of FY 2010 and the full $8.0 million was carried forward to FY 2011. Because this $8.0 million continually carries forward, expending this reserve would provide only a one-time solution and would eliminate flexibility in future years.

It is important to maintain this flexibility reserve within the current fiscal year’s budget to ensure that the School Board can meet unforeseen, unbudgeted needs. For example, due to the significant snowfall this winter, after all of the snow removal invoices have been received, FCPS may need to access the flexibility reserve to address these unforeseen and atypical expenditures.

Response to Questions on the FY 2015 Budget

Request By: Supervisor Herrity

Question: Please provide information on FCPS funds for staffing reserve and historical usage of such funds.

Response: The following response was prepared by Fairfax County Public Schools (FCPS):

Each year the budget includes a staffing reserve. In the staffing reserve, teacher and instructional assistant positions and related funding are budgeted as a contingency for staffing requirements that exceed existing allocations and are identified after the budget is finalized. The staffing reserve has been used to increase classroom positions at schools when enrollment exceeds projections, address unique special education circumstances, help reduce/eliminate combination classes at the elementary school level, and to address large class sizes. Positions are allocated during normally scheduled staffing meetings with the majority of general education adjustments occurring in the months of August and September and special education adjustments continuing throughout the school year as students are required to receive special education services.

During the last three years, the FCPS staffing reserve has been exhausted (FY 2012), returned a significant number of positions at the third quarter budget review (FY 2013), and returned a small number of positions at the third quarter budget review (FY 2014). When there are positions available in the staffing reserve that are not needed to be allocated to schools, they are returned at a quarterly budget review. In these cases, at the quarterly budget review the vacancy savings available from the nonallocated positions are recognized as an expenditure budget decrease.

Following is a chart that details the staffing reserve budget, positions available, and the positions that were allocated during the school year. Note that there are 5.0 positions remaining in the reserve in FY 2014. The budget for these 5.0 positions will be included in the available ending balance at year-end if the positions are not utilized during the remainder of this fiscal year.

	FY 2012	FY 2013	FY 2014
Salary Budget	$ 10,657,731	$ 11,533,776	$ 10,263,971
Budgeted Positions	240.1	242.1	210.0
Allocated Positions	239.8	167.5	195.7
Positions Returned	0.0	74.6	9.3