



Response to Questions on the 2016 LOBs

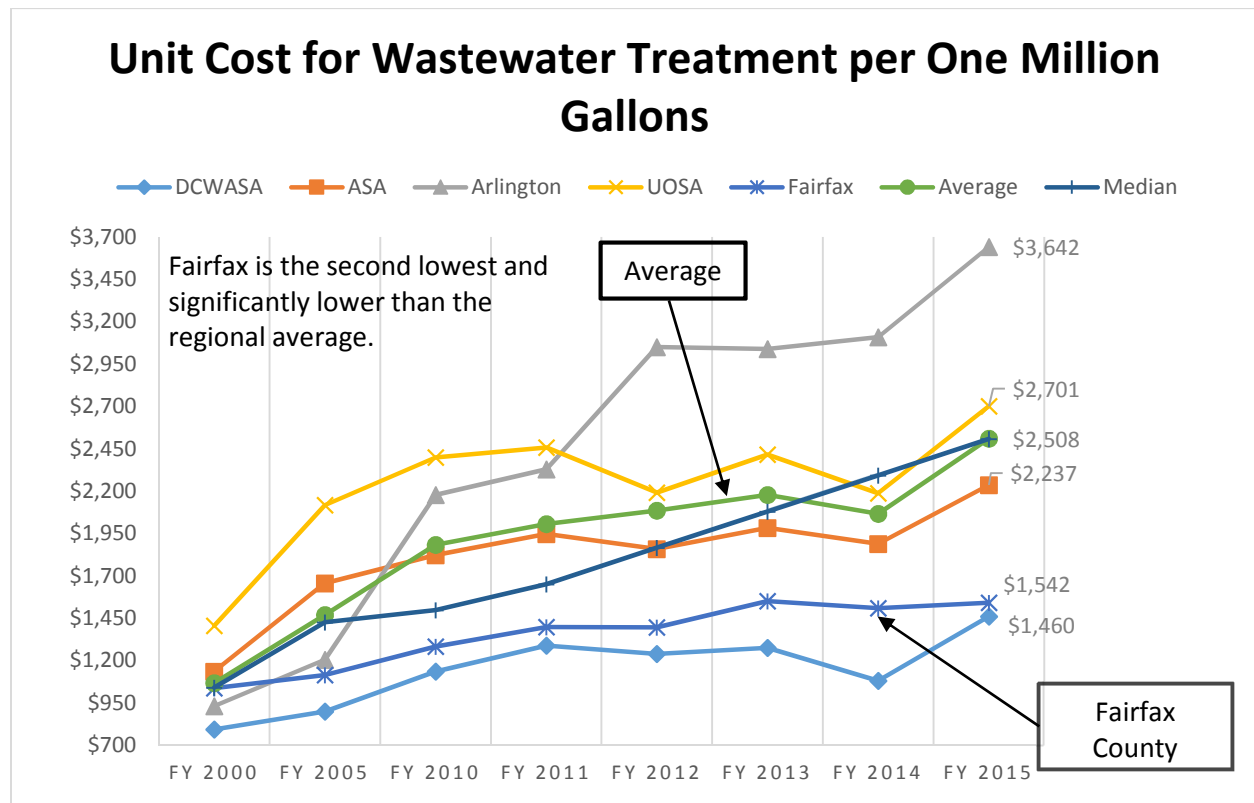
Request By: Supervisor Herrity

Relevant LOB(s): N/A

Question: How do Wastewater's treatment costs compare to other jurisdictions locally and nationally?

Response:

The following graph includes regional treatment costs on an annual basis. The Wastewater Management Program's staff attempted to gather comparative data at the national level, but found that wastewater treatment costs are accounted for differently. For example, some jurisdictions include large transmission lines and pump stations as part of the treatment costs and others do not. Staff also contacted the Wastewater Management Program's financial advisors to assist with comparisons at the national level and they confirmed that there is a great variation in how utilities are structured and costs tracked. In order to achieve an accurate comparison it would be necessary to work with each selected utility to develop similar accounting criteria. Staff will continue to pursue finding some national benchmarks; however, the below graph provides the regional information that is routinely collected and provided.



ASA Alexandria Sanitation Authority
 DCWASA DC Water and Sewer Authority
 UOSA Upper Occoquan Service Authority



Response to Questions on the 2016 LOBs

Request By: Supervisor Foust

Relevant LOB(s): N/A

Question: What are the wastewater reserves and how do they compare to industry standards? What are the plans for the reserves?

Response:

The Wastewater Management Program has four major reserves in Fund 69000, Sewer Revenue. All of the reserves are funded by sewer system revenues.

1. **Operation and Maintenance Reserve** – This reserve provides for unforeseen expenses associated with sewer system emergencies. The Operation and Maintenance Reserve is targeted to be maintained at a level between \$25 million and \$45 million. This level of reserve is based on industry practice to maintain existing customer reserves at a level, which can support between 30 and 180 days of working capital and approximately 50 percent of one year's requirements for rehabilitation and replacement of the current system's assets. The plan for this reserve is to maintain at least 150 days of Operation and Maintenance expenses in this reserve. At the end of FY 2015, this reserve totaled \$45 million, which corresponds to almost 180 days of Operation and Maintenance expenses.
2. **New Customer Reserve** – This reserve provides for debt service and administrative expenses associated with new customer debt, until such time as adjustments to availability charges can be accommodated. It is based on payment expenses associated with one year of debt service and administrative expenses associated with new customer debt. This reserve ensures the Board of Supervisors' "Growth pays for Growth" policy. There are no established industry standards for New Customer Reserves. At the end of FY 2015, this reserve totaled \$33.1 million, which is sufficient to provide for one year of debt service and administrative expenses.
3. **Virginia Resource Authority Reserve** – This reserve is required by the loan agreement with the Virginia Resource Authority (VRA) and represents one year of debt service for the two VRA loans. The two low-interest VRA loans from the State Revolving Fund Program were used to fund the County's share of construction costs for the Alexandria Renew Enterprises Treatment Plant upgrade for ammonia removal as required by the State Water Control Board in 2000 and 2001. At the end of FY 2015, this reserve totaled \$6.6 million. It is anticipated that at the final loan payments in 2020 and 2021 will be supported by this reserve and the reserve will be eliminated.
4. **Capital Reinvestment Reserve** – This reserve is intended to address both anticipated and unanticipated increases within the Capital Improvement Program without having a major impact on rate adjustments. It will provide for significant rehabilitation and replacement of emergency infrastructure repairs. A reserve goal of 3.0 percent of the five year capital plan



is consistent with other utilities and is recommended by the rating agencies. Based on the total five year capital plan, an amount of \$30 million would be required to reach 3.0 percent. At the end of FY 2015, this reserve totaled \$28.4 million.

In addition, the Wastewater Management Program has established Fund 69030, Sewer Bond Debt Reserve, which fulfills the County's requirement to maintain a Reserve Fund for existing and planned sewer bonds. As outlined in the 1986 Bond Resolution, this reserve is required to be the lesser of the maximum principal and interest requirements for any bond year or 125 percent of the average annual principal and interest requirements for the bonds. At the end of FY 2015, this reserve totaled \$21.7 million. This reserve provides a sufficient level to satisfy the legal reserve requirements associated with the 2009, 2012 and 2014 Sewer Revenue Bonds.

The rating agencies have noted that the cash funded debt service reserve is a strength for the Wastewater Management Program. Also, the Program was rated as Aa1 (Positive Outlook) by Moody's, AAA (Stable Outlook) by Standard & Poor, and AAA (Stable Outlook) by Fitch during the last bond sale in March 2014. These extremely strong ratings were based on a number of financial indicators including days cash on hand, free cash as a percentage of depreciation, debt to plant percentage, senior lien debt service coverage, total debt service coverage, debt per customer, etc.



Response to Questions on the 2016 LOBs

Request By: Supervisor Herrity

Relevant LOB(s): N/A

Question: Provide information regarding the source and calculation of the 30,000 unit gap in affordable housing.

Response: The reference to the 30,000 unit affordable rental housing gap comes from the work of the Virginia Tech Center for Housing Research on Fairfax County's Five Year Consolidated Plan for FY 2016 – FY 2020. The information about the gap and how it was calculated can be found beginning on Page 249 of the plan, which is online at: <http://www.fairfaxcounty.gov/rha/consplan/fy2016-20consolidatedplan.pdf>.

Specifically, the gap is defined as the difference between the number of households in need of affordable housing in each income range and the number of vacant units available and affordable to each household within that income range. Note particularly Table 4 on page 253, which shows a total affordable rental housing gap of 31,630 for households earning up to 80 percent of the Area Median Income (AMI), also known as HUD Area Median Family Income (HAMFI), and being cost burdened by spending between 30 percent and 50 percent of household income on housing. Table 4 is appended below, with the relevant gap numbers included (and circled) in the column titled "Affordable Housing Gap: Cost Burdened Renters minus available affordable units."

Income Range	Total Renting Households	Cost Burdened Renters	% of Households that are Cost Burdened	Affordable Housing Gap: Cost Burdened Renters minus available affordable units
<= 30% HAMFI	17970	14070	78%	13840
30%-50% HAMFI	14665	11980	82%	11650
50%-80% HAMFI	12255	8045	66%	6140
80%-100% HAMFI	12945	6345	49%	3020

Data Source: 2007-2011 CHAS

In addition, Table 5 on page 254 shows that between 2007 and 2011, the rental housing gap for households earning 30 percent of AMI and below increased 11 percent, and the gap for households earning between 30 and 50 percent of AMI increased 23 percent.



Response to Questions on the 2016 LOBs

Request By: Supervisor Foust

Relevant LOB(s): LOB #202

Question: Describe the work of the Homicide Squad, including data tracked.

Response:

The Major Crimes Division is composed of ten specialized units. This Division serves as the lead investigative entity within the Criminal Investigations Bureau (CIB) for the investigation of all major crimes. It is one of four investigative entities within the CIB. The Major Crimes Division was created as a centrally located investigative entity and is staffed with highly trained detectives responsible for investigating all major cases that occur across the County, regardless of the geographic area of the County in which they occur. Each unit within the division contains a squad of detectives and a first line supervisor. Squad members receive training that is specific and specialized to their particular unit. These squads include Homicide, Cold Case, Sex Crimes, Robbery, Child Abuse, Computer Forensics, Child Exploitation, Financial Crimes, Auto Theft, and the Fugitive Squad.

The Homicide Squad is one of ten specialized units in the Police Department's Major Crimes Division. The squad is composed of nine detectives and one supervisor (Second Lieutenant), and deals with several challenging types of cases which are highlighted below. The 2015 average caseload per detective was 45 cases. Of the 406 total cases investigated in 2015, 158 resulted in a "call-out." A call-out requires that one or more Homicide Squad detectives are called back into work, regardless of time or day, to assume lead investigative responsibility for one of these types of cases.

It is important to note that the Homicide Squad works a variety of types of cases and their work is not limited to homicide cases. Their responsibilities include, but are not limited to:

- Medical examiner cases;
- Homicides;
- Suicides/Attempted Suicides;
- Death occurring under suspicious circumstances;
- Natural deaths with no attending doctor;
- Found body bones/parts;
- Fire deaths;
- Construction fatalities or serious injuries;
- Accidental deaths;
- Conspiracy to commit murder cases;
- Life threatening malicious wounding cases (All death cases or life threatening malicious woundings are investigated as homicides until evidence and circumstances justify other findings); and,
- Bombing where injury or death occurs.



Overall, detectives responded to 371 death scenes in 2015, most of which were Dead on Arrival (DOA)/Suspicious Deaths (see following table) in which the death occurred with nobody present or under suspicious circumstances. Cases may change or move from one category to another (such as from DOA/Suspicious Deaths to Suicide) based on additional information becoming available. For example, the return of Toxicology Reports typically takes 4 to 6 months, and once results are known, the category under which a case is listed can change.

The following chart provides summary-level detail on the types of cases investigated by the Homicide Squad.

Cases Investigated by the Homicide Squad

	2013	2014	2015
Death Cases	357	368	371
Dead on Arrival (DOA) / Suspicious Deaths	253	251	283
Suicide	96	107	75
Murder	8	10	13
Malicious Wounding	18	15	20
Other	25	15	15
Total Cases	400	398	406