County of Fairfax, Virginia

MEMORANDUM

DATE: April 7, 2015
TO: Board of Supervisors
FROM: Susan W. Datta, Chief Financial Officer
SUBJECT: Responses to FY 2016 BOS Budget Questions – Package 3

Attached for your review is Package 3 of responses to Board questions on the FY 2016 budget. Additional 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 1-15 answered in Package 1 dated March 11, 2015		*1-36*
	Questions 16-24 answered in Package 2 dated March 26, 2015		*37-67*
25	Please discuss the proposed reduction in DPZ positions as it relates to the planning and development process.	McKay	68
26	Please provide comparative data for the Fairfax County Public Library compared to other similar jurisdictions.	Foust	69-70
27	Please provide options to the current provision of services under the grass code, to include alternative funding options.	Gross	71
28	How does the Healthy Families Fairfax budget reduction align with the Board of Supervisors and FCPS priority to prepare children for a great start in education and life? Please outline any subsequent program that will serve this population and its funding expectations.	Hudgins	72-74
29	Please report back to the Board with information on issues related to Fire and Rescue vehicle apparatus replacement.	Hyland	75-76
30	Please report back to the Board with information on the impact of eliminating the Flu Shot Program for Public Safety personnel.	Hyland	77
31	Please report back to the Board with information on the status of staffing issues in the Fire and Rescue Department.	Hyland	78-79
32	What would be the effect on the General Employee's pension if, for new employees, the County set a minimum retirement age of 60 and raised the rule of 85 to a rule of 90?	Cook	80
33	What other options exist for bringing the respective pension funds up to the level of funding required by the bonding agencies, other than direct County contributions that exceed employee matches?	Cook	81

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34	What is the remaining cost to bring County and Park properties into compliance with the Americans with Disabilities Act?	Cook	82
35	What is the value of land owned by the County and currently unused, which is believed to be marketable?	Cook	83
36	Please explain why the positions proposed for elimination appear to have lower average salaries than the average salaries of the positions being added. It looks like the estimates for adding positions includes benefits, but the elimination of positions may not include the corresponding reduction in the cost of benefits.	Bulova	84
37	How many full-time merit positions have been eliminated since FY 2010 and how many non-merit positions were added and/or filled during that time?	Bulova	85

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 2016 Budget

Request By: Supervisor McKay

Question: Please discuss the proposed reduction in DPZ positions as it relates to the planning and development process.

Response: The proposed reduction of $300,000 will result in the elimination of four planner positions in DPZ. The agency has tried to minimize the impact of this reduction on any one program area by eliminating one planner position in the Zoning Evaluation Division, one in Zoning Administration and two positions in the Planning Division. These staff reductions will affect a range of current activities and negatively impact the ability of the department to execute the adopted planning work program, known as Fairfax Forward. It will also impact the agency's ability to take on any new initiatives such as those outlined in the Draft Strategic Plan to Facilitate the Economic Success of Fairfax County as well as any new planning studies associated with incorporating the recommendations of the Route 1 Multimodal Study into the Comprehensive Plan. While DPZ has been allocated three new planner positions as part of the Land Development Services and Fire Prevention Division (Fire Marshall) fees to more efficiently process development applications, these positions will be targeted to activities that will have the greatest impact on the processing of site plans and responding to questions related to zoning compliance and proffer interpretations. As a result, these new positions will not offset the impact of the proposed elimination of four planner positions.

An alternative to elimination of the positions is to eliminate the funding but leave the positions in place. Staff can then be directed to manage filling the positions only when funding is available for specific studies. For example, available Transportation resources can be accessed for portions of the Route 1 Multimodal Study. In addition, retirements in the next several years are anticipated to result in flexibility for salaries that is not currently available. In this way the capacity of the agency to deal with these study requirements is maintained.

Response to Questions on the FY 2016 Budget

Request By: Supervisor Foust

Question: Please provide comparative data for the Fairfax County Public Library (FCPL) compared to other similar jurisdictions.

Response: The following response was prepared by the Fairfax County Public Library (FCPL):

At the January 20, 2015 joint meeting of the Board of Supervisors and the Library Board of Trustees, discussion ensued regarding FCPL's funding per capita as reported in the Public Library Metrics FY 2012 Statistical Table and whether or not the recently circulated calculation included all County funding on behalf of the library. While FCPL does include these costs in the methodology to receive State Aid funding, it is unclear whether the comparison is relevant with other responding jurisdictions. Table 1 illustrates budget comparisons across jurisdictions as extrapolated from their published budget documents. Jurisdictional comparisons are difficult to make since each jurisdiction budgets according to their own internal practices and procedures. For example, the Prince George's County Library budget includes salaries, benefits, custodial costs, utilities, and the cost of insurance, while Montgomery County's library budget includes only salaries and benefits but not custodial costs, utility costs, or insurance costs. Fairfax County's library budget includes salaries, but not benefits, custodial costs, utility costs, or insurance costs.

As shown on Table 2, FCPL has factored the costs incurred by other county agencies, i.e. Facilities Management, Risk Management, and Agency 89, Employee Benefits to determine a per capita expenditure level for FY 2013. The state of Maryland issues a publication called "Maryland Library Statistics" which has provided metrics from FY 2013 to conduct some cross-jurisdictional comparisons. As illustrated on Table 3, when a direct comparison is made based on published figures in "Maryland Library Statistics," FCPL's funding per capita of $33.06 is higher than both Montgomery County and Prince George's County which receive a substantial amount of funding from the State of Maryland, as shown in Table 1. Unfortunately, while the Virginia Library compiles some cross-jurisdictional statistics, it does not provide similar information for Virginia jurisdictions. However, Fairfax County, Montgomery County, and Prince George's County are the three largest jurisdictions by population in the area. FY 2013 is the most recent fiscal year for which comparative information is available.

Also of interest is that several of the industry standard measures are higher for FCPL than for Montgomery County or Prince George's County (Table 4). These measures include total materials expenditures, circulation, program attendance, and visits. While the amount of funding is somewhat similar in all three localities, Fairfax is performing at a high level. Also, while the number of registered card holders is lower, the Board may recall that FCPL's policy is to purge inactive accounts after three years.

Attachment 1. Library Comparisons
FY 2013

Table 1: Budget Comparisons Across Jurisdictions

	Total Funding from Local Sources	Funding from Other Sources (State Aid)	FY 2013 Adopted Budget	% of budget from non-local sources
District of Columbia	$42,026,849	$1,505,783	**$43,532,632**	3.5%
Arlington	$12,265,604	$163,830	**$12,429,434**	1.3%
Alexandria	$7,178,732	$159,838	**$7,338,570**	2.2%
Loudoun	$13,496,527	$188,297	**$13,684,824**	1.4%
Montgomery County	$26,023,229	$5,339,572	**$31,362,801**	17.0%
Prince William County	$13,148,615	$502,541	**$13,651,156**	3.7%
Prince George's County	$16,216,196	$9,235,204	**$25,451,400**	36.3%
Fairfax County	$26,943,893	$517,949	**$27,461,842**	1.9%

Source: Jurisdictional budget documents

Table 2: County Expenditures in Support of the Library

	FY 2013 Expenditures (Agency 52)	FY 2013 Custodial Costs Estimated (Agency 08 - FMD)	FY 2013 Utilities Costs Estimated (Agency 08 - FMD)	FY 2013 FCPL Employee Benefits (Agency 89)	FY 2013 Insurance Costs (Agency 06 DOF)	Total Expenditures in Support of the Library	FY 2013 Capital Construction (Fund 30030)
Fairfax County	$26,791,911	$564,001	$1,280,435	$8,513,188	$112,256	**$37,261,791**	$38,276,638

Source: Fairfax County Financial System, other agencies, and the Fairfax County budget

Table 3: Total Expenditures

	Total Expenditures FY 2013	Total Expenditures per Capita (FY 2013)	Population
Fairfax County	$37,261,791	$34	1,106,999
Montgomery County	$30,180,461	$31	971,777
Prince George's County	$25,874,121	$30	863,420

NOTE: Includes benefit and other costs incurred on behalf of FCPL by other agencies as indicated above.

Source: FCPL, Maryland State Department of Education Division of Library Development & Services

Table 4: Information from Comparably Sized Regional Jurisdictions

	Materials Expenditures	Materials Expenditures per Capita	Total Holdings (Collection Size)	Circulation	Card Holders	Program Attendance	Visits	Staff
Fairfax County	$3,595,153	$3	2,425,728	13,091,690	471,028	205,554	5,221,226	382.5
Montgomery County	$3,902,198	$4	2,174,174	9,252,563	761,322	111,667	4,718,332	313.0
Prince George's County	$2,550,092	$3	1,675,111	4,622,011	422,597	105,067	3,131,736	338.0

Source: FCPL, Maryland State Department of Education Division of Library Development & Services

Response to Questions on the FY 2016 Budget

Request By: Supervisor Gross

Question: Please provide options to the current provision of services under the grass code, to include alternative funding options.

Response: The lack of property maintenance of residential properties and vacant properties are often evidenced early-on by the lack of yard care and grass cutting. Tall grass and unkempt yards may also be an indication to individuals traveling through the neighborhood that no one occupies the dwelling, thus creating an intrusion and vandalism temptation. Unfortunately, when the Commonwealth of Virginia adopted the current Virginia Maintenance Code from the enabling International Property Maintenance Code, the Commonwealth chose to not include certain exterior vegetation and lawn care provisions. Thus, the current County Grass Ordinance (Chapter 119 of the County Code) is staff's only mechanism to effectively enforce maintenance of lawn areas on residential properties less than one-half acre in size within the County.

The current grass program is supported primarily by the Department of Code Compliance (DCC) General Fund budget, which covers administration, including case management, inspections, appeal review, oversight and grass cutting contractor coordination in the amount of $120,000. There are currently no recovery methods for the cost of administration of the program.

When the County directs its grass contractor to cut the lawn or grass area of a property under violation, the County has authority under Section 119-3-4 ("Procedure when notice of cut grass or lawn area is not complied with") to recover expenses paid to the contractor for cutting from the owner. Collections over the past few years have yielded a high level of return because such direct costs can, pursuant to the enabling legislation in Va. Code Ann. §§ 15.2-901 and 15.2-1215(A) (Supp. 2014), be collected in the same manner as a tax lien. Funds available in a DCC-managed project in Fund 30010, General Construction and Contributions, are used to initially fund the grass cutting in non-compliant properties, and those funds are then recovered and posted back to the same DCC-managed project. This funding fluctuates from year to year and does not impact the General Fund budget. It should be noted that if the $120,000 reduction is taken this lawn cutting action will also cease.

The Virginia Code also permits the imposition of civil penalties ranging from $50 to $200 as part of a grass program. *See* Va. Code Ann. §§ 15.2-901 and 15.2-1215(A). However, the imposition of such civil penalties would require an amendment to Chapter 119 of the County Code to implement fees of up to $200 for repeat violations. As this amendment is being advanced, staff could evaluate whether and to what extent a civil penalty collection program could be implemented in a cost effective manner.

Response to Questions on the FY 2016 Budget

Request By: Supervisor Hudgins

Question: How does the Healthy Families Fairfax budget reduction align with the Board of Supervisors and FCPS priority to prepare children for a great start in education and life? Please outline any subsequent program that will serve this population and its funding expectations.

Response: The Healthy Families Fairfax (HFF) program is a collaborative partnership between the Department of Family Services, the Health Department and three nonprofit organizations. HFF is an accredited, home-visiting program offering families at-risk of maltreating their child an opportunity to learn parenting skills and receive emotional support and case management services. Services are voluntary and begin during pregnancy or right after the birth of a baby and last until the child reaches age three and is enrolled in an early group education experience.

Healthy Families Fairfax helps prepare children for a great start in education and life by addressing child and family well-being indicators that have been shown to affect health and development in childhood and into adulthood. These indicators are listed below (please see Attachment 1 for detailed information about the HFF indicators and outcomes):

- Prenatal care
- Birth weight
- Connection to and continuation with care providers
- Immunization completion
- Subsequent births
- Developmental screenings, referrals, and follow-ups
- Parent-child interaction
- Home environment
- Child abuse/neglect

HFF completes frequent screenings for developmental and social/emotional delays, as research shows that the relationship between cognitive and emotional development is critical to school readiness. If children do not receive this prevention/early intervention support, particularly children of at-risk families, they may perform poorly in school resulting in greater risk for behavioral problems, mental health concerns, suicide, substance abuse, pregnancy at an early age, truancy or dropping out of school, involvement with the juvenile justice system, or entry into foster care.

Additionally, studies indicate a strong relationship between adverse emotional experiences in childhood and the physical and mental health of adults. By preventing trauma in these early years and helping families establish a solid foundation with their children through parenting education and supportive resources, there is a better chance of fostering a child's success in school and in life.

For information about other available County and community early childhood home visiting programs, please refer to the Healthy Families Fairfax Q&A response included in the Responses to BOS Questions – Package 2.

Attachment 1

Comparison of the FY14 Healthy Families Virginia Standards and the FY14 Healthy Families Fairfax Outcomes

	FY14 Healthy Families Virginia Standards ***(Note: the Healthy Families Virginia Standards either meet or exceed the Healthy Families America Standards)***	**FY14 Healthy Families Fairfax (HFF) Outcomes**
1.	**Prenatal Care Compliance:** 75% of HFF prenatal enrollees will receive 80% of their prenatal care visits as recommended by the American College of Obstetrics and Gynecology.	(88%) Eighty-eight percent of HFF prenatal enrollees made 80% or more of the recommended prenatal care visits.
2.	**Birth Weight:** 85% of prenatal enrollees deliver babies weighing at least 2500 grams or 5 pounds and 5 ounces.	(97%) Ninety-seven percent of HFF enrollees delivered babies weighing at least 2500 grams.
3.	**Connection to Care Provider:** 85% of children have a primary health care provider within 2 months after enrollment or birth of target child.	(90%) Ninety percent of participants in the program have a medical provider within two months of the birth of the target child and continue with a primary care provider.
4.	**Continuation with Care Provider:** 85% of HFF children will continue with a primary care provider.	(100%) One hundred percent of target children in the program will continue with a primary care provider.
5.	**Immunization Completion:** 80% of children will be up-to-date with immunizations as recommended by ACIP, AAP, State Health Dept., or provider.	(82%) Eighty-two percent of target children in the program with immunizations due are 100% up-to-date.
6.	**Subsequent Births:** 85% of mothers have an interval of at least 24 months between target child's birth and subsequent births.	(99) Ninety-nine percent of mothers had an interval of 24 months between target child's birth and subsequent births.

	FY14 Healthy Families Virginia Standards *(Note: the Healthy Families Virginia Standards met or exceed the Healthy Families America Standards)*	FY14 Healthy Families Fairfax (HFF) Outcomes
7.	**Developmental Screening:** 90% of children will be screened for developmental delays.	(99%) Ninety-nine percent of children eligible for a screening were screened.
8.	**Developmental Screening – Referral:** 90% of children with suspected developmental delay will be referred (with parental consent) to appropriate early intervention services for assessment to determine need and therapeutic services.	(100%) One hundred percent of children with suspected delays will be referred.
9.	**Developmental Screening – Follow-up:** 90% of the children with suspected delays who are referred and received appropriate developmental services will be monitored for receipt of services.	(100%) One hundred percent of children who were referred for assessment and services are monitored for follow through by case workers and nurses.
10.	**Parent-Child Interaction:** 85% of participant dyads will demonstrate an acceptable level of positive parent- child interaction or show improvement after 1 year of participation.	(94%) Ninety-four percent of participants screened showed an acceptable level of positive parenting.
11.	**Home Environment:** 85% of families have optimal home environments to support child development or show improvements in home environments after 1 year of participation.	(91%) Ninety-one percent of eligible families tested within normal limits on the home environment assessment.
12.	**Child Protective Services Founded Cases:** 95% of families who receive at least 12 months of services will not have founded reports of child abuse or neglect on the children enrolled.	(100%) One hundred percent of our families did not abuse nor neglect their children.

Response to Questions on the FY 2016 Budget

Request By: Supervisor Hyland

Question: Please report back to the Board with information on issues related to Fire and Rescue vehicle apparatus replacement.

Response: The price of apparatus has risen dramatically over the past several years for all fire and rescue departments. This increase is primarily the result of three factors–emissions standards, safety regulations and industry costs.

Emissions Standards: more stringent EPA regulations governing diesel engine emissions took effect requiring diesel engine manufacturers to change technologies and also required apparatus manufacturers to engineer major vehicle cab redesigns to accommodate new diesel engine emissions standards. Redesigns, combined with higher costs of EPA-compliant diesel engines, increased the cost of an engine by over $50,000.

Safety Regulations: changes in the National Fire Protection Association Standard for Automotive Fire Apparatus (NFPA #1901). The standard added requirements for vehicle data recorders, rollover stability, portable equipment and cab-integrity testing. These enhancements, adding an additional $10,000 to vehicle costs, have made emergency vehicles safer for responding and operating at incidents.

Industry Costs: price escalations between three and five percent annually due to the rising cost of raw materials.

<u>Fire and Rescue Apparatus</u>
The Fire and Rescue Department (FRD) operates and maintains an emergency response fleet of over 120 vehicles including ambulances and large apparatus such as heavy rescues, engines, ladder trucks, and other specialized fire and rescue vehicles.

In order to provide adequate and stable funding the ambulance and large apparatus replacement reserves were established in the Department of Vehicle Services (DVS). Funds are contributed annually from FRD's general fund budget to the reserves for the purchase of specialized FRD vehicles. Apparatus replacement is based on established vehicle replacement criteria and vehicle surveys managed in partnership with DVS.

In an effort to minimize the impact of rising costs, FRD has identified multiple strategies including eliminating several nonessential items from fire apparatus, increasing the annual contribution amount by $250,000 from FRD funds, using Four-for-Life grant funds to purchase ambulances, as well as extending the lifecycle of some vehicles.

FRD, with the assistance of the Department of Management and Budget (DMB), has developed multi-year replacement strategies with the goal of stabilizing the replacement reserves and ensuring sufficient funding is available in future years. *Included in the FY 2017 multi-year budget is funding of $1,000,000 to support a multi-year process to gradually increase the annual contributions to the Large Apparatus Replacement Fund and Ambulance Replacement Fund.*

Without this additional funding, replacement reserves will be underfunded in FY 2017 which may result in vehicles scheduled to be replaced in FY 2017 being deferred.

Volunteer Apparatus

Currently, out of the 12 volunteer fire departments in Fairfax County, six have notified FRD of their inability to replace volunteer-owned large apparatus. Of the 106 front-line vehicles career FRD staff operates daily for emergency response, 35 are owned by volunteer companies. These vehicles are not additional or extras, they are operated 24-hours a day/7 days a week with career personnel as part of the minimum staffing calculation. Without these vehicles, FRD does not have the apparatus available to provide the current level of emergency response coverage throughout the County. Because these are front line units, FRD must purchase replacements or daily emergency response coverage will fall below currently established numbers. These thresholds have been established in order to provide the greatest coverage by each vehicle type in order to reduce response times to medical and fire emergency calls. Elimination of vehicles and associated staffing would result in response time delays. Even with current staffing, FRD does not meet several of the National Fire Protection Association's (NFPA) standards for fire protection and emergency medical response.

FRD, with the assistance of DMB, has developed a long-term strategy in which FRD has used Fire Programs Grant funding (up to $1 million per year, maximum), one-time year-end balances and volunteer contributions (when available) to assist with the initial purchase of volunteer units requiring replacement. *In addition, funding of $775,000 has been included in the FY 2017 multi-year budget to cover the out year replacement costs*. Without this additional funding, replacement reserves will be underfunded in FY 2017 which may result in vehicles scheduled to be replaced in FY 2017 being deferred.

Future Liability

The General Services Administration recently issued a change notice to the current KKK-1822-F specifications pertaining to ambulances. This change notice affects EMS agencies in Virginia because EMS Regulation (12VAC5-31-810) requires an ambulance to be commercially constructed and certified to comply with current federal specifications. Changes relate to: EMS provider and patient compartment seating, patient seating, litter fasteners and anchorages, storage compartments and cabinets design, location of medical equipment and supplies, and mounting and retention of medical devices and equipment.

Changes to the KKK-1822-F ambulance specifications are based upon research conducted by the National Institute of Standards and Technology (NIST) and the National Institute for Occupational Safety and Health (NIOSH). From an EMS provider and patient safety perspective these changes are long overdue; however, from a financial perspective, some of the changes will result in a significant cost increase. Specifically, the cost to incorporate crash test rated stretcher retention systems that meet SAE J3027 standards in ambulances constructed after July 1, 2015 may result in additional costs between $20,000 and $50,000 depending upon the brand and type of stretcher and retention system utilized. This change notice is not retroactive, but may cause backwards compatibility issues with some older stretchers not fitting the new stretcher retention systems.

FRD has asked their current vendor to provide them with a more accurate estimate so they may begin planning for these changes. Once this information is received FRD will work with partner agencies in order to determine what actions and funding requirements will need to occur.

Response to Questions on the FY 2016 Budget

Request By: Supervisor Hyland

Question: Please report back to the Board with information on the impact of eliminating the Flu Shot Program for Public Safety personnel.

Response: Through the Public Safety Occupational Health Center (PSOHC), the Fire and Rescue Department purchases and administers the seasonal flu shot directly to work locations for all uniformed Public Safety personnel (including police, sheriff, fire) and also offers flu shots on a walk in basis at the PSOHC.

If eliminated, Public Safety personnel would have the option to receive flu vaccinations through the County's Live Well Program or through their personal insurance providers. Based on preliminary conversations with the Live Well Program, there are some concerns about the programs ability to accommodate the large volume of flu shots required by public safety staff as approximately 1,900 vaccines would be needed based on historical data.

Not having vaccines administered at the various work locations will increase the likelihood of personnel not receiving the flu vaccine which may decrease staff availability due to illness. For the Fire and Rescue Department, the cost of one vacancy due to sick leave is approximately $600 in overtime.

The cost to restore the Flu Shot Program for uniformed Public Safety personnel is $30,000.

Response to Questions on the FY 2016 Budget

Request By: Supervisor Hyland

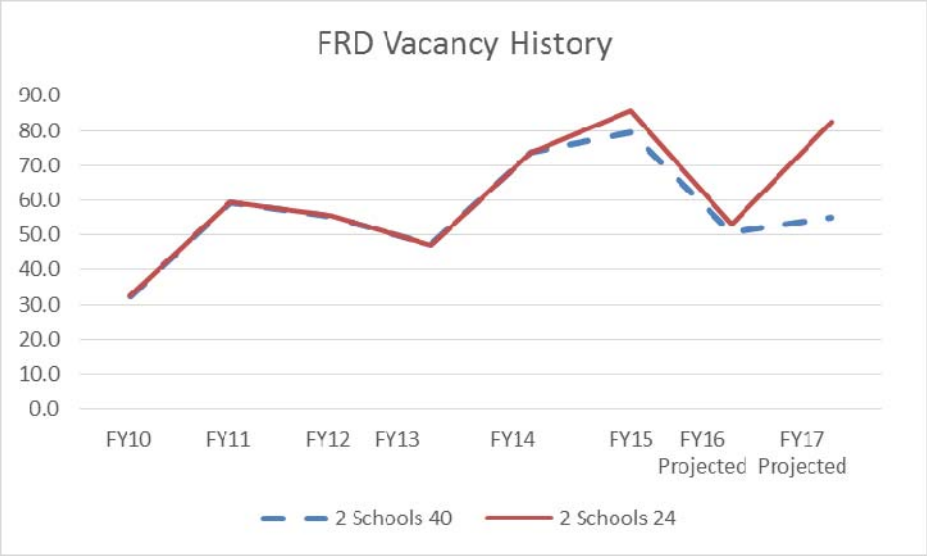
Question: Please report back to the Board with information on the status of staffing issues in the Fire and Rescue Department.

Response: The Fire and Rescue Department (FRD) is a minimum staffed organization; this means in order to operate the required number of apparatus and maintain appropriate service levels, the department must have at least 350 personnel working each day based on current minimum staffing levels. Shortages to the 350 daily requirement occur for a variety of reasons including position vacancies, annual leave, sick leave and injury leave. When vacancies occur personnel are brought in on overtime authorized to fill minimum staffed positions.

In FY 2015, 60 additional uniformed personnel were required as a result of opening the Wolftrap Fire Station and the addition of four person staffing on ladder trucks due to the Staffing for Adequate Fire and Emergency Response (SAFER) grant awards. This additional staffing requirement combined with average monthly attrition of four people has created larger than normal vacancy rates resulting in larger than normal callback overtime requirements. To date, for FY 2015, FRD has spent approximately $1 million more in callback overtime as a result of vacancies. It should be noted that FY 2014 callback overtime numbers were also inflated as a result of high vacancies, indicating this is an ongoing issue that will remain significant if not addressed.

The FRD budget is funded for two schools of 24 recruits annually. In FY 2015, FRD held larger than normal recruit schools in an effort to reduce vacancies as quickly as possible and as of June will have graduated 78 recruits. This effort will begin to reduce the number of vacancies; however, current projections suggest that two schools of 40 recruits will be required in FY 2016 to keep vacancy numbers within manageable levels. Historical data indicates that vacancies should fluctuate between 40 and 50 in order to maintain adequate staffing levels and to not over rely on callback overtime.

The chart below illustrates how average vacancies by fiscal year have increased. Additionally, it reflects two projections based on if the department remains with the two schools of 24 recruits (solid line) or if the numbers are increased to two schools of 40 recruits (dashed line).



In order to continue recovery efforts and bring vacancy levels back to more manageable levels, FRD will be required to hold two schools of 40 recruits in FY 2016. Funding requirements associated with training an additional 32 recruits per year will be significant as FRD must cover additional costs associated with recruit salaries, instructor pay and operating supplies such as uniforms and protective gear. These additional costs, combined with reductions of over $2.4 million, will provide a substantial challenge to manage the FRD budget in FY 2016 within the amount included in the FY 2016 Advertised Budget Plan. As a result, staff from FRD and the Department of Management and Budget (DMB) will closely monitor the department's budget in FY 2016.

It is important to note that based on initial projections it is likely that larger schools will also be required in FY 2017. FRD will continue to monitor this and will work with DMB during the FY 2017 budget development process.

Response to Questions on the FY 2016 Budget

Request By: Supervisor Cook

Question: What would be the effect on the General Employee's pension if, for new employees, the County set a minimum retirement age of 60 and raised the rule of 85 to a rule of 90?

Response: An actuarial study would be required to determine the savings from the changes proposed in this question. However, it is anticipated that the savings resulting from changing the minimum retirement age from 55 to 60 and raising the rule of 85 to the rule of 90 will be similar to the savings resulting from similar changes made to the Employees' Retirement System in FY 2013. As the Board will recall, these changes included, among others, increasing the minimum retirement age for normal service retirement from 50 to 55 and increasing the rule of 80 to the rule of 85 for new hires effective January 1, 2013.

Estimated savings from the FY 2013 changes to the minimum retirement age and rule of 80 are presented in the table below. The estimated savings listed are for the General Fund only; additional savings will be realized by other funds and the Schools. Savings from the FY 2013 changes are first realized in FY 2015, and are small initially as the changes applied only to new hires. Savings grow over time as post-2013 hires account for a larger percentage of the total workforce, reaching a savings to the General Fund of just under $5.9 million in FY 2027 when approximately 80 percent of the workforce is expected to fall under the revised pension rules.

Fiscal Year	Estimated General Fund Savings from Retirement Eligibility Changes for New Hires, Effective 1/1/2013
FY 2013	$0
FY 2014	0
FY 2015	314,000
FY 2016	647,000
FY 2017	988,000
FY 2018	1,337,000
FY 2019	1,707,000
FY 2020	2,105,000
FY 2021	2,531,000
FY 2022	2,990,000
FY 2023	3,484,000
FY 2024	4,017,000
FY 2025	4,591,000
FY 2026	5,212,000
FY 2027	5,879,000

It should be noted that the County has yet to realize the full savings from the changes made in FY 2013. These savings have been included in the long-term actuarial projections for the plans and contribute to the County's ability to reach a 90 percent funded status by FY 2025.

Response to Questions on the FY 2016 Budget

Request By: Supervisor Cook

Question: What other options exist for bringing the respective pension funds up to the level of funding required by the bonding agencies, other than direct County contributions that exceed employee matches?

Response: While increases in the employer contribution rates are the primary means by which the County can influence the funded ratios on an annual basis, additional options are available. The options listed below would increase the funded ratios of the retirement systems either by increasing assets or decreasing liabilities.

Investment Returns – Investment returns have accounted for 65 percent of the growth in retirement system assets since FY 1981. Investment returns were strong in FY 2014, with returns of 14.9 percent in the Employees' system, 16.1 percent in the Uniformed system, and 16.2 percent in the Police Officers system. The Retirement Administration Agency will continue to pursue strong investment returns, which offset the need for funding from other sources. It should be noted that the actuarial valuations of the retirement systems assume investment returns of 7.5 percent, and therefore returns greater than 7.5 percent are required in order to increase the funded ratios of the systems.

Employee Contribution Rate – Employee contributions have accounted for 11 percent of the growth in retirement system assets since FY 1981, compared to 24 percent of the growth in assets that is attributable to employer contributions. The employee contribution rates could be increased to provide additional funding to the systems. While the employee contribution rates in the Employees' and Uniformed systems have not been changed in recent years, the employee contribution rate in the Police Officers system has been gradually reduced over the past several years from 12 percent in FY 2007 to 8.65 percent in FY 2015.

One-Time Funds – While employer contributions to the retirement systems have typically been funded through changes to the employer contribution rates, additional funding could be provided to increase funded ratios by transferring one-time funds, such as year-end balances, to the retirement systems.

Plan Design Changes – Reductions in the level of benefits provided by the pension systems will reduce the County's total pension liability and increase the funded ratios of the systems. It should be noted that changes that apply only to new hires will have a minimal effect on current funded ratios, though the impact of such changes will grow over time as more employees are hired under the revised pension structure. In order to have a large impact on current funded ratios, any changes must reduce benefits for current employees and retirees.

Response to Questions on the FY 2016 Budget

Request By: Supervisor Cook

Question: What is the remaining cost to bring County and Park properties into compliance with the Americans with Disabilities Act?

Response: On January 28, 2011, Fairfax County entered into a settlement agreement with the United States Justice Department regarding remedial measures associated with the Americans with Disabilities Act (ADA). This settlement agreement legally requires Fairfax County to complete a series of remedial actions based on audit findings by July 2018. The audit conducted only covered a small percentage of county facilities and programs (86 of 193 county buildings). The County is also required to conduct self-assessments of all county facilities, services and programs and take remedial measures to correct all identified deficiencies. It should be noted that the settlement agreement does not provide for deadlines with respect to the remedial measures found as a result of county's self-assessments.

Under the agreement Fairfax County is taking important steps to ensure access for individuals with disabilities, such as: making physical modifications to facilities, parking, routes and entrances into the buildings, service areas and counters, restrooms, public telephones and drinking fountains. In addition, the County is responsible for ensuring that all County programs and services are accessible to people with disabilities, including: polling places, 911 emergency services, the County website and other web-based services, and implementing a comprehensive plan to improve the accessibility of the County's sidewalks and pedestrian crossings.

The following chart includes the current estimates required to complete the remedial measures by fiscal year. Funding through FY 2018 will complete the remedial measures required by the Department of Justice to be completed by July 2018. Additional measures identified by the required self-assessments do not have a specific deadline but are anticipated to be completed by FY 2021. It should be noted that funding for the Facilities Management Department (FMD) in the amount of $2,224,750 and the Fairfax County Park Authority in the amount of $1,840,000 is supported by the General Fund and has been included in the FY 2016 Advertised Budget Plan.

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Total
FMD	$2,224,750	$2,000,000	$2,000,000	$2,000,000	$1,900,000	$750,000	$10,874,750
FCPA	$1,840,000	$2,370,000	$800,000				$5,010,000
FCRHA	$454,038	$463,105	$507,942	$558,976	$558,976	$558,976	$3,102,013
FCDOT	$135,800	$217,490	$434,010	$230,960	$436,060		$1,454,320
TOTAL	$4,654,588	$5,050,595	$3,741,952	$2,789,936	$2,895,036	$1,308,976	$20,441,083

Response to Questions on the FY 2016 Budget

Request By: Supervisor Cook

Question: What is the value of land owned by the County and currently unused, which is believed to be marketable?

Response: A total of 246 parcels (1,770 acres) has been identified as "Vacant Land" in Fairfax County and has an aggregate tax-assessed value of approximately $89 million. This "Vacant Land" may not be marketable because of proffer conditions, encumbrances such as easements, and/or physical restrictions such as floodplains. Many of these parcels have no development potential because the density has been transferred to other properties in the subdivision or development. The Facilities Management Department (FMD) has identified a list of potentially marketable parcels as follows:

Tax Map No.	Name	Acres	Use	District	Tax-Assessed Value
21-4 ((1)) Parcel 14A	Dead Run School Site	10.23	Open Space	Dranesville	$4,563,000
46-3 ((1)) Parcel 9	West Ox Road Surplus	1.05	Open Space	Sully	$778,280
81-2 ((1)) Parcel 17C	Oakwood	3.49	VDOT Pond; Open Space	Lee	$1,491,000
81-4 ((1)) Parcel 32	Oakwood	0.91	Open Space	Lee	$428,000
81-4 ((1)) Parcel 33	Oakwood	0.90	Open Space	Lee	$428,000
81-4 ((1)) Parcel 34	Oakwood	0.91	Open Space	Lee	$428,000
101-4 ((1)) Parcel 57	ISA/Geo. Washington RECenter	8.885	Open Space (RECenter building)	Mount Vernon	$1,853,000
101-4 ((8)) (E) Parcel 1	ISA/Geo. Washington RECenter	2.595	Open Space	Mount Vernon	$841,000
TOTAL		**28.97**			**$10,810,280**

Response to Questions on the FY 2016 Budget

Request By: Chairman Bulova

Question: Please explain why the positions proposed for elimination appear to have lower average salaries than the average salaries of the positions being added. It looks like the estimates for adding positions includes benefits, but the elimination of positions may not include the corresponding reduction in the cost of benefits.

Response: Benefits for General Fund positions, which represent a majority of County merit positions, are centrally budgeted in Agency 89, Employee Benefits. Where most agency budgets are built using the prior year Adopted budget as a baseline, the annual budget for Employee Benefits is built using an aggregate estimate of actual spending during the current fiscal year. As a result, hiring patterns in the agencies – such as holding positions vacant in order to meet Personnel Services budgets – are reflected in the projected current year estimate for Employee Benefits. Therefore, benefits savings related to position vacancies are automatically included in the Employee Benefits budget.

The vast majority of the positions proposed to be eliminated as part of the FY 2016 Advertised Budget Plan are vacant. As a result, any benefits savings resulting from the abolishment of those positions has already been included in the base estimate for Employee Benefits. To include benefit savings in the reductions package as well would be double-counting those savings.

Response to Questions on the FY 2016 Budget

Request By: Chairman Bulova

Question: How many full-time merit positions have been eliminated since FY 2010 and how many non-merit positions were added and/or filled during that time?

Response: Since FY 2010, the County has eliminated 653 positions as part of reductions to balance the budget. These reductions do not include positions proposed for elimination as part of the FY 2016 Advertised Budget Plan.

Non-merit (limited-term) positions are managed, not by the number of positions, but by the funding related to those positions. Funding for limited-term support has fluctuated during this time period based on requirements or programmatic adjustments. For example, in FY 2012, the County converted 400 positions from non-merit to merit status after a review of all positions to ensure compliance with new and existing federal regulations. As a result, limited-term funding was reduced significantly (with commensurate increases in merit position funding) at that time. Conversely, staffing for the School-Age Child Care (SACC) program was adjusted to include a larger percentage of non-merit positions due to the implementation of a modified staffing model which utilized a combination of merit and benefits-eligible employees. This program adjustment resulted in an increase to limited-term funding as that transition was implemented.